

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

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

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

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
ALLAN, Nancy, Hon.	St. Vital	N.D.P.
ALTEMEYER, Rob	Wolseley	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
BJORNSON, Peter, Hon.	Gimli	N.D.P.
BLADY, Sharon	Kirkfield Park	N.D.P.
BLAIKIE, Bill, Hon.	Elmwood	N.D.P.
BOROTSIK, Rick	Brandon West	P.C.
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BRICK, Marilyn	St. Norbert	N.D.P.
BRIESE, Stuart	Ste. Rose	P.C.
CALDWELL, Drew	Brandon East	N.D.P.
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CULLEN, Cliff	Turtle Mountain	P.C.
DERKACH, Leonard	Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DRIEDGER, Myrna	Charleswood	P.C.
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EICHLER, Ralph	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
GERRARD, Jon, Hon.	River Heights	Lib.
GOERTZEN, Kelvin	Steinbach	P.C.
GRAYDON, Cliff	Emerson	P.C.
HAWRANIK, Gerald	Lac du Bonnet	P.C.
HICKES, George, Hon.	Point Douglas	N.D.P.
HOWARD, Jennifer, Hon.	Fort Rouge	N.D.P.
IRVIN-ROSS, Kerri, Hon.	Fort Garry	N.D.P.
JENNISSSEN, Gerard	Flin Flon	N.D.P.
JHA, Bidhu	Radisson	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LAMOUREUX, Kevin	Inkster	Lib.
LEMIEUX, Ron, Hon.	La Verendrye	N.D.P.
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MARCELINO, Flor, Hon.	Wellington	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
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MELNICK, Christine, Hon.	Riel	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
NEVAKSHONOFF, Tom	Interlake	N.D.P.
OSWALD, Theresa, Hon.	Seine River	N.D.P.
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REID, Daryl	Transcona	N.D.P.
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SWAN, Andrew, Hon.	Minto	N.D.P.
TAILLIEU, Mavis	Morris	P.C.
WHITEHEAD, Frank	The Pas	N.D.P.
WIEBE, Matt	Concordia	N.D.P.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

## LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, April 27, 2010

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

## ROUTINE PROCEEDINGS

## INTRODUCTION OF BILLS

**Bill 28—The Drivers and Vehicles Amendment Act**

**Hon. Andrew Swan (Minister charged with the administration of The Manitoba Public Insurance Corporation Act):** Mr. Speaker, I move, seconded by the honourable Minister for Family Services and Consumer Affairs (Mr. Mackintosh), that Bill 28, The Drivers and Vehicles Amendment Act; Loi modifiant la Loi sur les conducteurs et les véhicules, be now read a first time.

*Motion presented.*

**Mr. Swan:** This bill will allow for the full disclosure of names and administrative actions taken by the Registrar of Motor Vehicles. These amendments will enable Manitoba Public Insurance to disclose administrative sanctions against vehicle dealers and salespeople, driver training schools and instructors, vehicle and parts recyclers, inspection station operators and qualified mechanics as part of this government's continued efforts to improve consumer protection in Manitoba.

**Mr. Speaker:** Is it the pleasure of the House to adopt the motion? *[Agreed]*

**Bill 29—The Advanced Education Administration Act and Amendments to The Council on Post-Secondary Education Act and The Education Administration Act**

**Hon. Diane McGifford (Minister of Advanced Education and Literacy):** Mr. Speaker, I move, seconded by the Minister of Labour and Immigration (Ms. Howard), that Bill 29, The Advanced Education Administration Act and Amendments to The Council on Post-Secondary Education Act and The Education Administration Act; Loi sur l'administration de l'enseignement postsecondaire et modifications concernant la Loi sur le Conseil de l'enseignement postsecondaire et la Loi sur l'administration scolaire, be now read a first time.

*Motion presented.*

**Ms. McGifford:** This bill is important for post-secondary education and adult learning in

Manitoba. It establishes the system-wide mandate of the minister and ensures that the minister and the Council on Post-Secondary Education have the appropriate authorities to collect information, including student information, to carry out our responsibilities. In addition, the bill includes related amendments to the education administrative act. Thank you, Mr. Speaker.

**Mr. Speaker:** Is it the pleasure of the House to adopt the motion? *[Agreed]*

**Bill 221—The Domestic Violence Death Review Committee Act**

**Mrs. Myrna Driedger (Charleswood):** Mr. Speaker, I move, seconded by the member for River East (Mrs. Mitchelson), that Bill 221, The Domestic Violence Death Review Committee Act, be now read a first time.

*Motion presented.*

**Mrs. Driedger:** This bill establishes the domestic violence death review committee. This multidisciplinary committee will review the circumstances surrounding deaths that occur as a result of domestic violence and make recommendations to help prevent future deaths in similar circumstances. All reports made by the review committee are to be provided to the designated minister, tabled in the Legislature and made public by posting on the government's Web site. Thank you, Mr. Speaker.

**Mr. Speaker:** Is it the pleasure of the House to adopt the motion? *[Agreed]*

## PETITIONS

**Waste-Water Ejector Systems**

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

And these are the reasons for this petition:

Manitobans are deeply committed to protecting the environment, and they want to be assured that provincial environmental policies are based on sound science.

In early 2009 the provincial government announced that it was reviewing the Onsite

### Wastewater Management Systems Regulation under The Environment Act.

Affected Manitobans, including property owners and municipal governments, provided considerable feedback to the provincial government on the impact of the proposed changes, only to have their input ignored.

The updated regulation includes a prohibition on the installation of new waste-water ejectors and the elimination of existing waste-water ejectors at the time of any property transfer.

Questions have been raised about the lack of scientific basis for these changes, as a Manitoba Conservation official stated in the October 8th, 2009, edition of the *Manitoba Co-operator*, quote: "Have we done a specific study? No." End quote.

These regulatory changes will have a significant financial impact on all affected Manitobans.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Conservation to consider immediately placing the recent changes to the Onsite Wastewater Management Systems Regulation under The Environment Act on hold until such time that a review can take place to ensure that they are based on sound science.

To request the Minister of Conservation to consider implementing the prohibition on waste-water ejector systems on a case-by-case basis as determined by environmental need in ecologically sensitive areas.

To request the Minister of Conservation to consider offering financial incentives to help affected Manitoba property owners adapt to these regulatory changes.

And this petition is signed by R. Henuset, J. Williamson, D. Cook and many, many others.

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

### Ophthalmology Services—Swan River

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

These are the reasons for this petition:

The Swan Valley region has a high population of seniors and a very high incidence of diabetes. Every year, hundreds of patients from the Swan Valley region must travel to distant communities for cataract surgery and additional pre-operative and post-operative appointments.

These patients, many of whom are sent as far away as Saskatchewan, need to travel with an escort who must take time off work to drive the patient to his or her appointments without any compensation. Patients who cannot endure this expense and hardship are unable to have the necessary treatment.

The community has located an ophthalmologist who would like to practise in Swan River. The local Lions Club has provided funds for the necessary equipment, and the Swan River Valley hospital has space to accommodate this service.

The Minister of Health has told the Town of Swan River that it has insufficient infrastructure and patient volumes to support a cataract surgery program; however, residents of the region strongly disagree.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Minister of Health to consider rethinking her refusal to allow an ophthalmologist to practise in Swan River and to consider working with the community to provide this service without further delay.

And this is signed by V. Bonyai, J. Chernyk, L. Seib and many, many others, Mr. Speaker.

### Medical Clinic in Weston and Brooklands Area

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

The background to this petition is as follows:

Community-based medical clinics provide a valuable health-care service.

The closure of the Westbrook Medical Clinic has left both Weston and Brooklands without a community-based medical clinic.

We petition the Legislative Assembly as follows:

To urge the provincial government to consider how important it is to have a medical clinic located in the Weston and Brooklands area.

Mr. Speaker, this is signed by D. Blackburn, M. Bittern and A.W. Pruden and many, many other fine Manitobans. Thank you.

### **Waste-Water Ejector Systems**

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

These are the reasons for this petition:

Manitobans are deeply committed to protecting the environment, and they want to be assured the provincial environmental policies are based on sound science.

In early 2009, the provincial government announced that it was reviewing the Onsite Wastewater Management Systems Regulation under the environmental act.

Affected Manitobans, including property owners and municipal governments, provided considerable feedback to the provincial government on the impact of proposed changes, only to have their input ignored.

The updated regulation includes a prohibition on the installation of new waste-water ejectors and the elimination of existing waste-water ejectors at a time of any property transfer.

Questions have been raised about the lack of scientific basis for these changes, as a Manitoba Conservation official stated in the October 8th, 2009, edition of the *Manitoba Co-operator*, we have done a specific study? No.

These regulatory changes will have a significant impact—financial impact on all affected Manitobans.

We petition the Legislative Assembly of Manitoba as follows:

\* (13:40)

To request the Minister of Conservation to consider immediately placing the recent changes on the Onsite Wastewater Management Systems Regulation under the environmental act on hold until such time a review can take place to ensure that they have based on sound science.

To request the Minister of Conservation to consider implementing the prohibition of waste-water ejector systems on a case-by-case basis as determined by the environmental need in ecological sensitive areas.

To request the Minister of Conservation to consider offering financial incentives to help affected Manitoba property owners adapt to these regulatory changes.

Submitted on behalf of M. Janzen, G. Penner, M. Green and many other fine Manitobans.

### **Education Funding**

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

These are the reasons for this petition:

Historically, the Province of Manitoba has received funding for education by the assessment of property that generates taxes. This unfair tax is only applied to selected property owners in certain areas and confines, including but not limited to commercial property owners.

Property-based school tax is becoming an ever-increasing burden without acknowledging the commercial property owner's income or owner's ability to pay.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Education, Citizenship and Youth consider removing education funding by school tax or education levies from all property in Manitoba, including commercial property.

To request that the Minister of Education, Citizenship and Youth consider finding a more equitable method of funding education, such as general revenue, following the constitutional funding of education by the Province of Manitoba.

This petition, Mr. Speaker, is signed by V. Hunter, J. Garsom and W. Williamson and many other fine Manitobans.

### **Mount Agassiz Ski Area**

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

These are the reasons for this petition:

For several decades, the Mount Agassiz Ski area, home to the highest vertical between Thunder Bay and the Rocky Mountains, was a popular skiing and snowboarding destination for Manitobans and visitors alike.

The operations of Mount Agassiz Ski area were very important to the local economy, not only creating jobs, but also generating sales of goods and services at area businesses.

In addition, a thriving rural economy generates tax revenues that help to pay for core provincial government services and infrastructure which benefits all Manitobans.

Although the ski facility closed in 2000, there remains strong interest in seeing it reopened and Parks Canada has committed to conducting a feasibility study with respect to the Agassiz site and future opportunities in the area.

We petition the Legislative Assembly of Manitoba as follows:

To request the appropriate ministers of the provincial government to consider outlining to Parks Canada the importance that a viable recreation facility in the Mount Agassiz area would play in the local and provincial economies.

And to request that the appropriate members—ministers of the provincial government consider working with all stakeholders, including Parks Canada, to help develop a plan for a viable, multiseason recreation facility in the Mount Agassiz area of Manitoba.

And this petition is signed by K. Gilmore, N. Lesanich and E. Taylor and many, many other fine Manitobans.

### Bipole III

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

Background to this petition is as follows:

Manitoba Hydro has been forced by the NDP government to construct its next high-voltage direct transmission line, Bipole III, down the west side of Manitoba, a decision for which the NDP government has not been able to provide any logical justification.

Since this will cost Manitoba ratepayers at least 640 million more than the east-side route, and given

that the Province of Manitoba is facing its largest deficit on record, the burden of this extra cost could not come at a worse time.

Between 2002 and 2009 electricity rates increased by 16 percent, and Manitoba Hydro has filed a request for further rate increases totalling 6 percent over the next two years.

A western Bipole III route will invariably lead to more rate increases.

In addition to being cheaper, an east-side route would be hundreds of kilometres shorter and would be more reliable than a west-side route.

West-side residents have not been adequately consulted and have identified serious concerns with the proposed line.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to consider proceeding the cheaper, shorter and more logical east-side route, subject to necessary regulatory approvals, to save ratepayers hundreds of millions of dollars during these challenging economic times.

And this petition is signed by P. Saunders, E. Cummer, R. Cummer and many, many more fine Manitobans.

### TABLING OF REPORTS

**Hon. Jennifer Howard (Minister of Labour and Immigration):** Mr. Speaker, it's my pleasure to table the Supplementary Information for Manitoba Labour and Immigration.

**Hon. Jennifer Howard (Minister charged with the administration of The Workers Compensation Act):** I'd also like to table the 2009 Annual Report for the Workers Compensation Board of Manitoba.

**Hon. Dave Chomiak (Minister of Innovation, Energy and Mines):** Monsieur le président, je—c'est ma plaisir de donner les rapports de la Manitoba Innovation, Énergie et Mines de la 2002–2010 year fiscale. Merci.

### Translation

*Mr. Speaker, I am pleased to present the Supplementary Information for Legislative Review for the fiscal year 2010-2011. Thank you.*

### Introduction of Guests

**Mr. Speaker:** Prior to oral questions I'd like to draw the attention of honourable members to the public

gallery where we have with us from Milltown Academy, we have 10 grade 7 to 12 students under the direction of Mr. Ron Kleinsasser. This group is located in the constituency of the honourable member for Morris (Mrs. Taillieu).

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

## ORAL QUESTIONS

### Probation Breaches Government Policy Review

**Mr. Hugh McFadyen (Leader of the Official Opposition):** Mr. Speaker, we saw a report this morning after comments made by the government over the last week on the issues around probation services, a report this morning that throughout 2009, up to and including the early part of this year, there was a series of breakdowns within the system that ultimately resulted in a man being beaten in front of his girlfriend, her four-year-old son and a nine-month-old child.

Mr. Speaker, I want to ask the Premier if he can indicate today whether he's satisfied that the probation system is working as well as it should be in light of this terrible breakdown.

**Hon. Greg Selinger (Premier):** This incident is one that's unacceptable to the public, it's unacceptable to this government and I'm sure it's unacceptable to every member of this Legislature. Clearly, when these kinds of things happen, the system can improve its ability to protect public safety and security, and that's what we expect them to do.

And in a case where somebody has been required to wear an electronic monitoring device, we expect it to be put in place on that individual for the full period of the court order as required.

**Mr. McFadyen:** Mr. Speaker, there's a—there's no connection between what they say in the House and what is actually happening out around the province.

He said last week in the House four times that he was pleased with how things were going under his watch in probation services. He said that they were getting good results. He said they were getting positive results. He said twice that they were using best practices. He said twice that it was good policy.

I want to ask the Premier: Will he today acknowledge that all of the statements he was making last week were wrong? Will he say today that things are not working as they should be, he's

not pleased with what's happening in the system, and will he go a step further, the step that we've been calling on him to take and that is issue a directive to probation services that there's a zero tolerance policy for high-risk offenders known to be in breach of court orders?

**Mr. Selinger:** Mr. Speaker, this situation is clearly unacceptable. The results were tragic for the family involved, for the young children involved. We do not believe this should be tolerated in our community, which is exactly why I said in my first answer where electronic monitoring device is required by court order, it should be implemented fully, without any exceptions, for the full period of the court order in order to ensure that that individual is monitored on a 24-7 basis.

So the answer to the question is we believe court orders should be fully applied, as required, to ensure public safety and security, and we want that to happen in all cases, including very serious cases like the one at hand here.

\* (13:50)

**Mr. McFadyen:** Mr. Speaker, it is a step that he's completely repudiating today everything that he said last week, and that's one step in the right direction.

But will he go the next step and confirm that they've directed probation services to put in place a zero tolerance policy for high-risk offenders that are known to be in breach of court orders, and will they release the data today to indicate how many people the department is aware of today who are in breach of court orders and yet remain free on the streets of Winnipeg and Manitoba?

**Mr. Selinger:** Mr. Speaker, as I indicated that the last time we had this discussion, resources are being reallocated to provide more monitoring and enforcement of court orders for high-risk offenders. This is an improvement. This improvement, clearly, in this case, was insufficient. The electronic monitoring device was not in place as it should have been. It's our view that there should be no exceptions. When a court order requires it, it should be in place, and if additional resources are needed in addition to electronic monitoring, they should also be put in place as well.

This is precisely why we have asked the chief of police, the head of probations and the head of prosecutions to come together to look at how to enforce court orders in a fashion that will further strengthen public safety and security. That's what we

want for Manitobans. That's what we expect for Manitobans, and that's what we are going to work to towards every single day.

### **Probation Breaches Government Policy Review**

**Mr. Kelvin Goertzen (Steinbach):** Last week we learned that it's NDP justice policy to not report breaches of high-risk offenders unless there are several consecutive breaches. Now we know that it's also NDP policy to not always apply court orders that have been put on an offender for a very good reason by a judge. Mr. Speaker, court orders are there for a reason. They're not a joke. They're not an option. They're there to protect the public.

Can this Minister of Justice not get his head around the fact that these court orders need to be executed, honoured and enforced, Mr. Speaker?

**Hon. Andrew Swan (Minister of Justice and Attorney General):** Well, Mr. Speaker, the member opposite is wrong in the facts. Probation services does report breaches when there are serious violations. That is their policy, and that's what they'll continue to do. They will continue to monitor individuals, and high-risk offenders are given high priority and, as we've improved the system, are being given higher priority.

In terms of what the First Minister had to say, it is true that with respect to a recent report where there is an order by a court and probation services says that electronic monitoring is appropriate, it is true; time in custody should not change that order.

I've asked for a review to be conducted by department, and we will make sure that electronic monitoring is used the way that everyone in this House intends and hopes that it should be to improve public safety in this province, Mr. Speaker.

**Mr. Goertzen:** Mr. Speaker, the NDP Department of Justice is under constant review under this weak government. They are weak on crime and nothing changes that fact.

Yesterday, the Minister of Justice acknowledged that in his department he has specific funds set aside so that probation officers can purchase treats for high-risk offenders such as baseball tickets, Slurpees, doughnuts, well, and that's all that he admitted to, whether—I'm sure, plenty more.

In fact, he hasn't disclosed all of the items that probation officers are purchasing for these high-risk

offenders, and the law enforcement sources indicate that there's plenty more, Mr. Speaker.

Instead of this NDP Justice Minister trying to become a baseball buddy or a Slurpee friend of a high-risk offender, why doesn't he finally stand up for the hard working families who each and every day are obeying the law and who don't want to become a victim, Mr. Speaker?

**Mr. Swan:** Well, Mr. Speaker, let's talk about being tough on crime. Tough on crime is putting measures in place which have reduced auto theft by 75 percent in this province. It's at its lowest rate since 1992.

Being tough on crime—although I'm not pleased to say so, Manitoba has the second highest rate of youth incarceration in the country. Our Crown attorneys, our police officers, our probations officials are tough on crime and are tough in the management of crime as well.

You want to talk about being tough on crime? We are a leader at fighting organized crime and gangs in this province. We are tough in pushing the federal government for improvements in the Youth Criminal Justice Act. Manitoba has, for the last decade, led the league in calling on the federal government to keep improving this by being a strong voice, rallying other provinces around the national table to make sure that there are tough consequences for individuals who break the law. That's how you're tough on crime, Mr. Speaker.

**Mr. Goertzen:** Well, we all know that, unfortunately, we're the crime capital of Canada, and no wonder we're the Slurpee capital of Canada, because this minister is handing out Slurpees to high-risk offenders. He's handing out baseball tickets to high-risk offenders, he's handing out doughnuts, and law enforcement officials tell us that he's handing out far, far more than that to high-risk car thieves and to high-risk offenders.

No wonder—no wonder that high-risk offenders keep coming back into the NDP system of justice. It's like Disneyland. It's the happiest place on earth there, Mr. Speaker. Slurpees, doughnuts, baseball tickets—it's time he stops trying to be a pal to every offender. It's time he stops trying to be their baseball buddy.

Why won't he stand up for Manitobans who want a tough Minister of Justice, who want criminals behind bars, who want somebody who will say they'll stand up for the victims, not for the criminals, Mr. Speaker?



**Mr. Swan:** Mr. Speaker, I know there was a lot in the last answer that the member opposite didn't hear.

I will repeat for the record that although—Mr. Speaker, although I'm not proud of the fact, Manitoba actually has the second highest rate of youth incarceration in the entire country. That is because of the efforts of our police. That's the effort of our Crowns. That's the effort of investments that our government is making.

If you want to talk about being tough on crime, it's about supporting our police, and this government has made unprecedented investments in police in Winnipeg and across the province. If you want to talk about being tough on crime, we support our Crown attorneys. We virtually doubled the prosecutions budget in the last 10 years so our Crown attorneys have the staff and the support to make sure they're seeking the toughest possible appropriate sentences when necessary. And we're being tough by improving our court system to make sure that there are meaningful penalties.

That's how you're tough on crime, Mr. Speaker.

#### **Probation Breaches Government Policy Review**

**Mr. Hugh McFadyen (Leader of the Official Opposition):** I see that they've had some media coaching since yesterday, Mr. Speaker, but no amount of media coaching or rhetoric are going to change the facts around their soft approach to crime, the gap between what they say in the House, what's happening in the community.

I want to ask the Premier today: Why is it that his government gives out Slurpees and doughnuts to people in breach of probation orders when they should be enforcing those orders? Why are they so afraid of our approach, a zero tolerance approach, Mr. Speaker? Will the Premier direct his Justice Minister, who is responsible for these issues—will he direct him today, if he won't do it willingly on his own, to implement a zero tolerance approach to people who are high-risk offenders and known today to be in breach of court orders?

**Hon. Greg Selinger (Premier):** Mr. Speaker, the Leader of the Opposition says talk is cheap, and I agree with that.

We have over 200 additional police officers we have funded in our budgets since '99. We have over 48 new prosecutors we have funded since '99. We have over 24 more probation officers that we have

funded since '99. These are real commitments on the part of this government, and every one of those commitments has been voted against by the members opposite. That's where talk is cheap.

They do not support the initiatives that we have put forward to increase the resources for public safety and security. We have; they haven't. That's the difference.

**Mr. McFadyen:** Mr. Speaker, the former Crocus minister is wrong once again in terms of the information he's putting on the record.

What we voted against was the NDP Slurpee slush fund, Mr. Speaker. That's what we voted against. We voted against tax dollars going to doughnuts, because what we don't need are more sprinkles and icing out there. What we need is a government that is prepared to take a hard line when it comes to high-risk offenders known to be in breach of court orders.

Why don't they put their money, Mr. Speaker, put their money where their mouth is—not Slurpees and doughnuts—put the money where their mouth is and bring in a zero tolerance policy today and back it up by releasing the data so Manitobans can know whether it's working?

**Mr. Selinger:** Mr. Speaker, that's exactly what we have done, put our money where our mouth is: 219 additional police officers, 48 additional prosecutors, 24 additional probation officers, additional measures in the law, additional resources in the community. Auto theft suppression resources have been added to to have a 75 percent reduction. We've taken concrete action, both on resources and on results.

We brought—we were the second province to bring in electronic monitoring. We were the first province to bring in monitoring using GPS technology.

This is a specific tragedy that we do not believe should happen in the community. We also believe that when you use electronic monitoring as a condition of a court order, it should be fully applied.

\* (14:00)

The members opposite only have rhetoric. They voted against every additional measure we have put in place, every single budget, every single year. And now, they pretend they support these things. They have not supported it. The record is clear. We have acted; they have just talked.

**Mr. McFadyen:** There's no dispute over their ability to waste money and to make announcements, Mr. Speaker. We're not disputing their ability to overspend. What we dispute is their ability to get results for the safety of Manitobans. That's where they've gone wrong. And we'll continue to vote against budgets that contain Slurpee slush funds, doughnuts, sprinkles and baseball tickets.

And I want to ask the Premier today: Will he acknowledge that his budget of doughnut holes, of Timbits, of Slurpees and baseball tickets, is the wrong way to spend taxpayers' money?

The right way to do it is by enforcing the law, bring in a zero tolerance policy, and release the data so we can have a proper debate about what's really going on versus the theoretical NDP justice system that his Justice Minister seems to like so much.

Will he admit that they're wrong and it's time to start taking action after 11 years?

**Mr. Selinger:** There's nothing theoretical about 219 additional police officers. Those are boots on the ground with well-trained people that are out there enforcing the laws and protecting the public. There's nothing theoretical about 48 additional prosecutors. Those people are highly trained lawyers that are following and prosecuting the full extent of the law. There's nothing theoretical about 24 additional probation officers. Those are people that are out there monitoring, and now they are monitoring high-risk offenders with additional resources. There's nothing theoretical about electronic monitoring devices, nor is there about GPS technology.

Now, as before, we insist that those devices, those resources, be used to the full extent of the law, and we insist that those things be followed through on as required by court conditions that are put on these offenders. And, Mr. Speaker, those members voted against every single one of those additional resources for over 11 years.

#### **Manitoba Public Insurance Corporation Public Utilities Board Information Request**

**Mrs. Mavis Taillieu (Morris):** Mr. Speaker, the Public Utilities Board has been concerned for five years now about the secrecy and lack of transparency at Manitoba Public Insurance. The PUB argues that in order to assure themselves that Autopac rates are set fairly, they need to know the financial situation at MPI. MPI argues that it is none of their business and has gone as far as to say, and I quote: The PUB

wants to delve into areas of our business that, in our opinion, are beyond rule setting, unquote.

I want to ask the minister responsible: Does he support MPI's claim that they do not have to answer to the public even though they are a public corporation now that the PUB has taken this to court to ask for a legal opinion?

**Hon. Andrew Swan (Minister charged with the administration of The Manitoba Public Insurance Corporation Act):** The position of MPI is actually quite simple. MPI is a public corporation. It carries on different kinds of activities. It carries on basic auto insurance, which is not competitive; they have a monopoly in Manitoba. MPI agrees entirely that it should be subject to whatever information the Public Utilities Board may require.

MPI also carries on competitive lines of insurance, extension insurance, as it's called, and they are competing against other companies, who, I'm sure, would love to see the kind of information that those companies don't actually have to put on the record. It is a competitive line of insurance.

MPI has opposed providing all of the information the Public Utilities Board has sought. That matter, I suppose, will be determined by the court, but MPI's position is quite clear, Mr. Speaker.

**Mrs. Taillieu:** MPI is a public company and the financials of all the areas in MPI are commingled, Mr. Speaker.

Last Tuesday, in this House, four days after the PUB filed an appeal with the court for a legal opinion on their ability to get information they deem necessary and relevant to setting Autopac rates, the minister continued to defend MPI's position, and he said, and I quote: This is not information that need be disclosed to the PUB.

Mr. Speaker, treating seniors like cash cows, 53 percent increase in a ballooning bureaucracy, wasting millions on their pet project of enhanced driver's licence that no one wants, it's no wonder—it's no wonder that the minister wants to shield MPI from public scrutiny.

But, Mr. Speaker, what is going on at MPI that this government does not want the Public Utilities Board to know about? Why has he forced them to go for a legal opinion?

**Mr. Swan:** Well, Mr. Speaker, if we want to talk about the efficiency of MPI, I am happy to do so anytime, anywhere.

The average across Canada—on average, auto insurance companies return 65 to 70 percent of all the premiums they take in as benefits for insured. I'm very pleased to see in Manitoba that number is 89 percent. MPI is providing great service for Manitobans.

If individuals don't want to buy extended insurance, they have the right to buy from another company. There is competition, something I thought the members opposite always tell us that they are experts on talking about. Individuals have the right to buy that extended insurance. It is a different marketplace, and MPI has maintained they do not need to provide all of the information sought by the PUB.

**Mrs. Taillieu:** If the minister thinks all of that is so true, why won't he open the books at MPI?

Mr. Speaker, the PUB has been trying to get MPI to open their books for many years and without success, because this government fosters a culture of secrecy. The PUB cannot order the issue of insurance rebates to Manitoba drivers because it cannot assure itself of the financial status of MPI. The PUB now has to seek help in the courts in order to do its job in overseeing basic premiums.

Mr. Speaker, why won't this minister simply exercise some leadership and ask MPI to comply with the PUB's request for transparency instead of—and forcing them to go to court? What is he hiding at MPI?

**Mr. Swan:** Well, Mr. Speaker, it's a very short answer. MPI is not the only public auto insurance utility in Canada and, indeed, in the other provinces where there's a similar situation, those jurisdictions do not provide similar kinds of information to the Public Utilities Board. I wonder why the member opposite thinks things should somehow be different in the province of Manitoba.

Definitely, MPI is providing great service on its basic insurance. It is also providing great service on extended service. But people have the right—if they don't want to buy extended insurance from MPI, they don't have to. But the fact is the company is so efficient, they are doing very well.

Again, MPI is returning far more money—far more money—to insured here in Manitoba than any private insurance company, or for that matter, other public insurance companies. We have probably the best insurance jurisdiction here in Manitoba, and I'm quite proud of that fact, Mr. Speaker.

### **Dr. Larry Reynolds** **WRHA Contract Termination**

**Mrs. Myrna Driedger (Charleswood):** Mr. Speaker, this NDP government has botched the handling of Dr. Larry Reynolds's case from the get-go.

First, they turfed him from his appointment as head of Family Medicine for speaking out about issues that concerned him and bothered him. This came years after intimidating him and trying to silence him. Then they violated his right to privacy by disclosing private details about his contract to the media. Now the Winnipeg Regional Health Authority and the University of Manitoba are being censured by the Canadian Association of University Teachers, something that hasn't been done to any Canadian university in more than 30 years.

Doctors and professors may now be actively discouraged from coming to Manitoba to work under this NDP government. This will have a devastating effect on patients in this province.

So I would like to ask the Minister of Health: How could she have stood by and allowed this to happen?

**Hon. Theresa Oswald (Minister of Health):** I'd like to take this opportunity just to put some corrections on the record from that question. I can certainly—

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

**Mr. Speaker:** Order.

**Ms. Oswald:** Thank you very much, Mr. Speaker.

Certainly, we know that the doctor in question had an employment arrangement with the WRHA and the University of Manitoba. There was a contract with a five-year period. The term ended and both of those positions were terminated by the WRHA and by the University of Manitoba.

We don't interfere with the hiring and firing decisions of the University of Manitoba. *[interjection]* I presume that that's what the members opposite did, based on their reaction to that, but we don't interfere with their hiring and firing decisions. I am informed, Mr. Speaker, that there were some serious concerns about his leadership issues, and so that contract was ended.

\* (14:10)

**Mrs. Driedger:** Mr. Speaker, this Minister of Health and the NDP government have no problem interfering with RHAs, Crown corporations or anyone else out there if it suits them, but when it comes to exercising some leadership in a bad situation, this Minister of Health prefers to bury her head in the sand or go missing in action, like she did when Brian Sinclair died.

Mr. Speaker, I'd like to quote—I would like to quote from the review of Dr. Reynolds' case that was done by the Canadian association for university teachers, and I quote: It seems clear that the search process for a university head and WRHA medical director of family medicine was severely flawed and ended in failure. Dr. Larry Reynolds seems to have been subject to coercion. He was ultimately removed from this position without due process. End quote.

Coercion, no due process and now the distinction of being the only Canadian university in more than 30 years to be censured, can the Minister of Health tell us: Why is she being ignorant of what's going on, or is she incompetent, or is she both?

**Ms. Oswald:** Well, that was cheerful.

Certainly, I can say, Mr. Speaker, that the WRHA and the U of M entered into an arrangement with an individual. At the end of that five-year term, upon review, there were serious concerns about the leadership capabilities, and so that term was ended.

I can also say, to correct the record, that the Canadian Association of University Teachers is saying that they will consider censure in November, leaving opportunity for further discussions to go on among the parties to come to a resolution that's appropriate. So let's just be clear on that fact as well.

And I would also say to the member that, yes, we're very interested in being involved with the university on matters like increasing the medical school spaces that they slashed during the 1990s. We went from 70; we're now at 110.

We do work with the University of Manitoba very enthusiastically, but on personnel matters, they can take care of that on their own, Mr. Speaker.

**Mrs. Driedger:** Mr. Speaker, this report wouldn't have needed to be done if this whole issue hadn't been so mismanaged in this province.

Mr. Speaker, the minister should know full well that Dr. Larry Reynolds is not the only doctor that has been forced out of Manitoba because of harassment and intimidation. Dr. David Grynspan, a

pediatric pathologist was bullied. He was harassed and he was threatened when he came forward as a whistle-blower. He left Manitoba.

Now the WRHA is being censured by the Canadian Association of University Teachers, and if they don't correct this mess doctors will be encouraged to not come to this province.

So I'd like to ask the Minister of Health to tell us why, in this province, doctors are bullied, threatened and harassed when they speak up about problems in this health-care system. Why are their voices shut down by this government?

**Ms. Oswald:** Well, Mr. Speaker, while I would concede the point that the member opposite is an expert on bullying and threats, I would say to the member that, in the initial case she mentioned, an independent review was done of the pathologist by an independent team.

She, of course, went out and assumed to know better than Dr. Sharon Macdonald, a highly respected doctor in the community. In this case there was a review of this doctor's leadership performance, and the contract was not renewed.

Again, I would reiterate that the Canadian Association of University Teachers has suggested they will consider censure in November, leaving ample opportunity for this to be worked out. It's a personnel matter between the University of Manitoba, the Winnipeg Regional Health Authority. And I would suggest to the member, if this is such a terrible place to work, why have we had a net increase of physicians every year that we've been in office as opposed to the net decrease of doctors every year that they had their hands on the wheel?

#### **Tabor Home Project Status**

**Mr. Peter Dyck (Pembina):** Mr. Speaker, December the 7th, 2009, April the 8th, 2010, Estimates April 19, 2010, I asked the Minister of Health to give an update on the study she had initiated for Tabor Home back in August of '09. The best answer I've gotten from the minister so far is, and I quote: "The work of the people at Tabor Home has been extraordinary." I agree with that. I think that's great.

Another quote: The community has requested more time to find a suitable location. They have done that as well. The site was found awhile ago,

however, they do need an answer to secure the site on a long-term basis.

Now, could the minister tell the board of Tabor Home and the RHA when she will give them an answer so that they can secure this site?

**Hon. Theresa Oswald (Minister of Health):** I met with the CEO of the Central Regional Health Authority yesterday and we're getting much closer to being able to announce projects in the region.

**Mr. Dyck:** Actually, they've heard that many times. The seniors have lived in the community all their lives and helped to build the province that we enjoy. Under the direction of this minister they are being forced to spend the balance of their lives away from family and friends. Why?

The RHA is using terms like elder abuse, moral distress, among other not-so-flattering phrases. The minister has been aware of this problem for many years. Who is she doing—what's she doing, rather, to resolve this problem?

**Ms. Oswald:** We're working with regional health authorities across Manitoba on capital projects. The members opposite don't like us to talk about the fact that we have renovated or rebuilt over 100 facilities in Manitoba since 1999. They're a little sensitive on that point. They're also a bit sensitive on the point that during the economic downturn that they faced they froze health capital spending and issued a press release, Mr. Speaker. Can you believe this? They issued a press release that said, well, we don't really have any other choice.

We disagree. We believe we do have choices. Admittedly, we have to plan very carefully and we have to move forward very deliberately. But we're moving forward. We're not going to freeze health capital like they did. These are crocodile tears.

**Mr. Dyck:** This government seems to have lots of money for priorities that they think they have, such as the stadium.

Now, the minister and two previous health ministers indicated years ago that this 60-plus-year-old facility, which was never designed to be a personal care home, needed to be replaced.

When is the minister prepared to make the announcement and do something about it?

**Ms. Oswald:** Well, Mr. Speaker, I know I only have 45 seconds. But our priorities for building in rural Manitoba include 888,000 for a two-bay emergency

medical services facility in Neepawa, we just opened that; \$5 million for the Portage hospital ER; 720,000 for community cancer services in Eriksdale; new or renovated hospitals in Brandon, Swan River, Thompson, The Pas, Beausejour, Pinawa, Gimli, Morden-Winkler, Ste. Anne, Steinbach, Shoal Lake and one on the way in Selkirk. There's not enough time. CT scanners added in Brandon, Steinbach, Thompson, The Pas, Selkirk, *[inaudible]* Portage la Prairie; the first MRI in Boundary Trails, which we also built; a new mobile ultrasound program in *[inaudible]* including Eriksdale; 170 new ambulances and eliminated ambulance fees for interfacility transfer.

Please, Mr. Speaker, give me another 45 seconds.

### Probation Breaches Government Policy Review

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, Manitoba Liberals have been calling for effective use of ankle bracelets for a long time, a lot longer even than the Conservatives. So I think it's appropriate that I weigh in on this issue, the debacle that's occurring in our probation system.

Mr. Speaker, I want to ask the Justice Minister why we continue to learn day by day of people who are out on patrol when they should have ankle bracelets and don't. I also want to ask the Justice Minister, if in light of the recent problems within his department, will he commit to an immediate review of all active probation cases files involving sentences with ankle bracelets, and will the Justice Minister commit to the rights of Manitobans to be safe in their homes and their communities and start this review process today.

\* (14:20)

**Hon. Andrew Swan (Minister of Justice and Attorney General):** Indeed, we had a discussion on this in Estimates. It's a shame that no Liberal member chose to come to any part of the Justice Estimates over the past five days.

But, indeed, there is electronic monitoring. It is a pilot project. We're working closely with the Province of Nova Scotia. I can let the member for River Heights know that we're expecting an assessment to be completed very shortly that will give some ideas on the successes and the failures of the electronic monitoring program over the last couple of years.

It's important to remember that electronic monitoring is really an additional tool that's used to help probation officers control people in the community. It's not a substitute for custody. It is a good tool that we think has possibilities. We are continuing to examine whether it should be continued, expanded or what other steps we should take, Mr. Speaker.

**Mr. Speaker:** Order. I don't think it's appropriate for members to be pointing out members' presence or absence, either in the House or in Estimates.

**Mr. Gerrard:** Mr. Speaker, Manitoba Liberals have argued for some time for a more effective and more comprehensive approach to young offenders, which includes not only ankle bracelets, but considers other variables like education and whether a—somebody has FASD or not. Under this NDP government we're only going to hear about more of these youth who fall through the probation system and go back into crime, and one of the reasons is that this minister and his NDP government will not commit to mandatory testing for FASD. Instead, they want to use a less effective approach of an ad hoc referral system.

Mr. Speaker, if the kid who was being reported today in the media has FASD, none of the NDP's current deterrents are going to work.

Can the Justice Minister tell me if this repeat offender was tested for FASD, and does he have FASD or not?

**Mr. Swan:** I'm amazed to have a Liberal stand in this House and talk about the Youth Criminal Justice Act. The Liberal government in Ottawa brought in the Youth Criminal Justice Act which replaced an act which had its own problems.

But I can tell you, whatever the stripe of provincial premiers and provincial justice ministers, the Liberal Youth Criminal Justice Act has created more frustration for front-line police officers, for Crown attorneys, and more frustration for people across this country that are frustrated that serious, repeat young offenders do not have appropriate consequences available when they attend before a judge. So I am quite amazed and shocked that a Liberal would stand in this House and want to talk about the Youth Criminal Justice Act.

We have been a leader—and I thank my predecessors—we've been a leader in calling on the feds for improvement. We are going to continue that,

and I am pleased the feds are looking at improving that act, Mr. Speaker.

### **Winnipeg Police Service Community Police Offices Closure**

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, I'll tell you what is obvious, is that whether it's the Minister of Justice or the Premier (Mr. Selinger) of this province, they know to tough talk—to talk tough about fighting crime.

But when, in reality, Mr. Speaker, I'll suggest that all they need to do is look into Winnipeg's North End where they have closed—and they have done nothing to prevent community police offices from closing down. Whether it's on McPhillips Street or whether it's on Main Street or other areas of Winnipeg, no government has seen more community police offices close than this NDP government, and community police offices provide on-the-ground police services, and this government has done nothing to prevent those community police services from being able to protect the citizens of Winnipeg.

My question to the Minister of Justice or the Premier is to explain what sort of justification they have in allowing community police offices disappearing in the city of Winnipeg.

**Hon. Andrew Swan (Minister of Justice and Attorney General):** Mr. Speaker, I'm wondering if the member wants to run for member of Parliament or if the member wants to run for city council, because it's really not clear. And it is fascinating, here's the individual, the member for Inkster, who stood in this House and who's gone on radio saying that Winnipeg doesn't need any more police officers. That's what the member for Inkster was quite pleased to put on the record.

I'm rather proud that across this province, since 1999, we have added 219 police officers—219 more officials out there protecting our citizens across this entire province, and, frankly, we continue to make investments.

The Liberals have opposed the things we've done to strengthen prosecutions, to strengthen probation services, to strengthen our support for police, and if the member has difficulty with a decision made by the Winnipeg Police Service, he should speak to his city councillor who, I'm sure, would be delighted to hear from him.

### **HOUSINGFirst Homelessness Initiatives**

**Mr. Rob Altemeyer (Wolseley):** I thank the honourable members opposite for my usual warm reception.

I'm sure I'm not the only one after yesterday's question period who had this question, so I'm glad to have a chance to ask it.

On a very simple matter of housing policy, we had both opposition parties contradicting themselves. First, the provincial Tories are at odds with their federal counterparts on their partnership with us to implement a HOUSINGFirst program, which they're doing across Canada. And not to be outdone, the Liberal leader managed to contradict himself in the same question, and he's a caucus of one, but the Liberal priority of saying yes to all angles on all issues still prevails.

I'm turning now to our hardworking Housing Minister in the hopes that she can tell us what the actual announcement was that took place yesterday.

**Hon. Kerri Irvin-Ross (Minister of Housing and Community Development):** I was very pleased to be joined at Main Street Project with Minister Toews and Councillor Pagtakhan, where we announced \$10 million for Winnipeg agencies to address the issue of homeless—or at-risk homelessness in our province.

It's through the Homeless Partnering Strategy that we've come together with 34 community organizations, where we're going to provide services such as housing, social services and health services to individuals that are living on the streets and support them in their road to recovery.

I'd like to take this opportunity to thank the grassroot organizations that continue to work tirelessly to ensure that we can provide those support services to individuals. They include: Andrews Street Family Centre, Behavioural Health Foundation, Elizabeth Fry, Macdonald Youth Services, Sarah Riel, Red Road Lodge, Native Women's Transition Centre, Main Street Project, North End Community—

**Mr. Speaker:** Order.

### **Bill 221 Government Support**

**Mrs. Myrna Driedger (Charleswood):** Mr. Speaker, in 2008, when the NDP government refused to pass my private member's bill to set up a domestic

violence death review committee, they said that they would go forward on their own and examine the feasibility of what I was recommending.

I should just point out that Dr. Jane Ursel, an expert on domestic violence, was also wanting to see a death review committee struck. However, according to Dr. Ursel, some meetings were held by the NDP in 2008 but, since then, absolutely nothing has happened.

I would ask the NDP today: Will they do the right thing and support Bill 221? Will they step up to the plate and help prevent domestic violence?

**Hon. Andrew Swan (Minister of Justice and Attorney General):** It's a pleasure to put some facts on the record, that, indeed, in 2008, Dr. Jane Ursel, for whom we have a great deal of respect, recommended the development of a domestic violence death review committee. And, in that year, there were a series of meetings involving all of the stakeholders, because, if there is to be a committee, it has to be meaningful; it has to be able to gather all of the information that it needs to move ahead. *[interjection]* I'm not sure why the members opposite think this is such a funny matter because I don't think domestic violence is a laughing matter at all, Mr. Speaker.

We intend to do it right. There have been some privacy issues which have been addressed and we want to make sure that that committee has the information it needs to do its job. We made this a priority and we're expecting to hear back from the committee very soon. We do plan to have the domestic violence death review committee, a very important step forward, up and running very shortly, Mr. Speaker.

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

### **MEMBERS' STATEMENTS**

#### **Neepawa Homecoming 2010**

**Mr. Stuart Briese (Ste. Rose):** Mr. Speaker, I'm excited about the opportunity to invite all members of this House and all Manitobans to participate in the Manitoba Homecoming celebrations taking place in Neepawa on May 12th to 15th. On May 12th, all Manitobans will be honouring the 140th birthday of our province. In Neepawa, this will begin the four-day celebration of activities.

Communities across our province will be holding Manitoba Homecoming events, but Neepawa was chosen as the official host community and has

planned four days of events to attract every person who is a Manitoban at heart.

There are many events scheduled for those four days that showcase lots of Canadian talent. The Snowbirds will be performing their only full aerial show in Manitoba at the Neepawa celebration. Snowbird fans across the country are planning to travel to Neepawa to take in the program. May 12th will also mark the beginning of the Select midway shows, which will feature a variety of rides for all ages.

\* (14:30)

The events in Neepawa will also be featuring lots of Manitoba talent. There will be an art show at the VCC to recognize the arts of Manitoba's Francophone artists and other community groups, such as the Manitoba Canadian Pilot Owners Association are hosting events.

A committee of 11 organizers have been hard at work for months, co-ordinating four days of events. They have worked tirelessly to secure funding and plan events that will excite Manitobans of all ages and cultures. In order to keep all entertainment free of cost, they have also organized a number of fundraisers, including a New Year's Eve social and a Valentine day event.

While the event is being held in Neepawa, there's hope that people across the country who consider themselves Manitobans at heart will make the trip out for the unique event in Manitoba's history.

The organizing committee hopes to see 30,000 people attend the four days of events, making this the biggest celebration Neepawa has ever seen.

I encourage all Manitobans to take part in celebrating the birth of Manitoba by attending these homecoming festivities. Thank you.

#### **Cross Lake Royal Canadian Army Cadets**

**Mr. Frank Whitehead (The Pas):** Mr. Speaker, I am proud to speak today about the 38 Ernest McLeod Cadet Corps program in Cross Lake who recently were chosen to receive 2009 prestigious Gerard Buckley Cadet Fund award. This is an important achievement for the group and the money will go a long way in helping them reach their goals.

The Royal Canadian Army Cadet program welcomes youth ages 12 to 18 and, through a variety of activities and learning experiences, fosters

attributes of teamwork, leadership, good citizenship, physical fitness while promoting an interest in the Canadian Forces. The successful program currently has over 18,000 dedicated young army cadets in 443 cadet corps across Canada.

The cadet corps in Cross Lake is the only one in Manitoba located in an Aboriginal community. In an area that experiences many social problems, the corps helps or offers young people a constructive alternative to gangs and other negative pastimes.

As part of their regular activities, the corps parades weekly with approximately 60 cadets and often participates in wilderness survival skill development. Cadets spend their summers attending one of the many cadet camps throughout the country and through—and during the year they contribute to their community and environment by planting trees, cleaning up garbage and improving beach areas.

The awards fund, created jointly by former Army Cadet Gerard Buckley, the Army Cadet League of Canada and Scotiabank, is used to support optional training for army—Canadian army cadets. The Cross Lake corps is in a unique position to receive this grant of \$3,000 because the cadets are encouraged to consider careers in the medical field and this funding can be used to purchase training equipment such as casualty simulation kits and CPR torsos.

Mr. Speaker, I want to commend the Cross Lake cadets for their hard work and commitment to the program and congratulate them on receiving this important grant.

#### **Doc Walker**

**Mr. David Faurichou (Portage la Prairie):** Mr. Speaker, Manitoba has always had a strong and vibrant music scene, producing some of the greatest bands the world has ever seen. From The Guess Who to Neil Young, Manitoba is a province with a strong tradition of internationally renowned musicians.

Portage la Prairie's own Doc Walker can be added to this list. Composed of Dave Wasyliv, Murray Pulver and Chris Thorsteinson, who always proudly point out that they originally—who always proudly points out that he is originally hailed from Westbourne.

Doc Walker was nominated for their second Juno Award for Country Recording of the Year for their release *Go*. The band won last year's Juno for Country Recording of the Year for their album



*Beautiful Life*. In addition, at the 2009 Canadian Country Music Awards, the trio won five awards, including being named group of the year and nominated for the favourite country artist/group of— at this year's Independent Music Awards.

It's no wonder Doc Walker is known as the hardest working country band in Canada. Their perseverance and commitment to making great country music has transformed them into one of the nation's most sought-after acts which has recently taken them on tour in Australia.

Even though Doc Walker has reached success on the international stage, Chris, Dave and Murray have not forgotten their roots, choosing to be back in Portage la Prairie on April the 3rd to perform at the inaugural concert in the new Portage la Prairie—Portage Credit Union Centre and kicking off Manitoba's 140th anniversary homecoming celebrations.

Mr. Speaker, I would like to extend on behalf of all honourable members of the Manitoba Legislative Assembly our heartfelt congratulations on your past accomplishments and our best wishes for continued success. We are all truly proud of how you have become true ambassadors of the Friendly Manitoba mantra. Thank you.

#### **Snow Lake Sustainable Community Plan**

**Mr. Gerard Jennissen (Flin Flon):** Mr. Speaker, the need for sustainability in development planning is ever-growing, and nowhere is this more important than in single-industry communities such as Snow Lake. I'm very proud to announce that Snow Lake has made great strides in sustainability through assembling an award-winning plan which is gaining recognition across the province.

The need for an effective sustainability plan becomes even more necessary because of the upcoming development of the Lalor ore body, and the planned revitalization of the Snow Lake mine. Mining follows natural boom and bust cycles. Snow Lake recognized that a proactive, viable plan would ensure prosperity for the town through the lows as well as the highs.

Beginning in 2008, the Town of Snow Lake, in consultation with community members, crafted a 20-year Sustainable Community Plan, which was launched in November 2009. The main tenets of the plan are to appropriate the most efficient, serviced areas to residential and commercial development in response to the expected influx of people, and to

ensure that green space is preserved. Snow Lake has been sharing information with other municipalities and, as a result, has become a model from which many other communities can learn.

Snow Lake was one of the first to develop a Sustainable Community Plan, and the town has received accolades for that—for their insight. In October 2009, Snow Lake and the planning consultant were given an honourable mention at the Manitoba Planning Excellence Awards and, on April 15th, the town was awarded the 6th Annual Municipal Excellence Award for their plan at the Municipal Officials Seminar at Brandon's Keystone Centre. Each submission was judged on the criteria of creativity, cost effectiveness, sustainability, and overall benefit to the municipality. Clearly, Snow Lake's plan shone in every respect.

Mr. Speaker, I want to thank Mayor Zamzow and his council and Community Economic Development Officer Bev Atkinson, as well as Dave Mayer, Mike Willett, Ron Scott, Iona Johnston, Chris Samborski and Dean Elliott. I proudly congratulate Snow Lake for their unique, forward-thinking approach to sustainable growth.

Thank you, Mr. Speaker.

#### **Winnipeg's North End**

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, it's—I wanted to briefly comment in terms of what is a very important issue for me, personally, and that is the whole need to be able to draw more attention to Winnipeg's North End. I believe, at the end of the day, that what we need to be able to see is a government that's going to be more sensitive to the needs of community services such as policing that I raised today in question period. In fact, one could ultimately argue that these are services that have an impact through the entire city of Winnipeg. The community police office on Broadway and others are offices that have provided so much in terms of opportunity for community involvement in community policing, and I do believe that that is something that's really important.

Another issue that I wanted to be able to make quick reference to is that of immigration, Mr. Speaker. The Manitoba Provincial Nominee Program is a program that has allowed for and facilitated thousands of families from being reunited and, ultimately, settling in the province of Manitoba. And by allowing for that program to prosper and to grow, at the end of the day, I believe Manitoba's economy

has done well, not to mention the impact it has had on the social fabric of our society.

So I know that these are the types of issues that have and will continue to be important to myself. And I recognize the value of these programs to, in fact, the entire province, Mr. Speaker. And, of course, it is always important to highlight the last thing, maybe, I should comment on and that, of course, being community health services. I really want to encourage the government to recognize the value of community health services such as the NorWest Health, which is going to be moving into an access centre—at least we're anticipating it to be moving into an access centre. I appreciate the dialogue with the Minister of Health (Ms. Oswald), and look forward to that ultimately opening.

Thank you, Mr. Speaker.

#### Point of Order

**Mr. Speaker:** The honourable member for Portage la Prairie, on a point of order.

**Mr. David Faurchou (Portage la Prairie):** Mr. Speaker, I would like to ask leave of the House for permission to make a correction to the on-line *Hansard* pertaining to a private member's statement I made on April the 19th. Due to a typographical error, I misspoke and made the statement it was the 170th anniversary of Manitoba. In fact, it's only 140th and I would like permission of the House for that correction to be made.

**Mr. Speaker:** Is there leave for on-line *Hansard* of April 19th—it was a member's statement—the member's statement by the honourable member for Portage la Prairie (Mr. Faurchou) to change 170 to 140. Is there agreement? *[Agreed]*

#### ORDERS OF THE DAY

(Continued)

#### GOVERNMENT BUSINESS

##### House Business

**Hon. Dave Chomiak (Deputy Government House Leader):** Mr. Speaker, pursuant to rule 31(8) I'm announcing the private member's resolution to be considered next Tuesday will be one put forward by the honourable member for Brandon East (Mr. Caldwell). The title of the resolution is International Nurse Recruitment.

**Mr. Speaker:** It's been announced that pursuant to rule 31(8), it's been announced that the private

member's resolution to be considered next Tuesday will be one put forward by the honourable member for Brandon East. The title of the resolution is International Nurse Recruitment.

\* \* \*

**Mr. Chomiak:** Mr. Speaker, I wonder if we could have—enter into Committee of Supply.

**Mr. Speaker:** Okay. We will now move—orders of the day—we will now move on to Committee of Supply and in the respective rooms. In the Chamber will be Education; and room 255 will be Finance, followed by Infrastructure and Transportation; room 254, Agriculture, Food and Rural Initiatives.

The House will now resolve into Committee of Supply.

Madam Deputy Speaker, please take the Chair.

#### COMMITTEE OF SUPPLY (Concurrent Sections)

#### AGRICULTURE, FOOD AND RURAL INITIATIVES

\* (14:40)

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

The floor is now open for questions.

**Mr. Cliff Graydon (Emerson):** Thank you, Mr. Chairperson, and good day to you and to the staff of MAFRI.

I'd just like to finish off the response that I was responding to yesterday, and it was the gardening in Thompson and the amount of resources that MAFRI have at their disposal. I'm just wondering if this is one of the best uses of that type of resources. It seems like three positions—it seems to be an overkill, but if there's more than gardening, I'd like to hear that. And I probably referred to one of the staff that's with us today, who is a home economist, who is able to teach sewing, cooking and gardening and probably at a far less rate of income than what any one of these particular people today will get in Dauphin—or in Thompson. So, I'm just responding to the last comment that the minister made.

Going forward, Mr. Chairperson, I'd like to clean up some of the old issues that are laying around from days gone by, and one of them would be the Ranchers Choice. It was started by a few ranchers up in the Interlake, was a great idea to have a slaughter plant. It was at the beginning of BSE, at a time when the border was slammed shut. The cattle industry in Canada was in a terrible turmoil, floundering. The idea of this slaughter plant at that time was a great idea. It was initiated to kill cows and find an export market for that. I thought that their plan was a good plan.

What I'd like to know from the minister today is: How much money did the provincial government expend in this particular endeavour that eventually failed? And we'll go into the failure part of that later.

**Hon. Stan Struthers (Minister of Agriculture, Food and Rural Initiatives):** Yeah, I'm—I'd like to clean up on some of the old issues that the member is talking about as well.

I guess I disagree with him in terms of a northern food program. Gardening certainly is part of a northern food program. And I think it's a very worthwhile cause to try to tackle some of the problems that northerners face in terms of eating.

I was in Shamattawa early last fall. I walked through the Northern Store and I saw a carton of 18 eggs, and we could probably go around the table and guess as to how much those 18 eggs cost, but I'll save us that and just tell you, it was \$28. Mr. Chairperson, \$28 for 18 eggs, and we wonder why it is that kids come to school with empty bellies. And how, then, do they learn? And how, then, do they become educated to break that cycle of poverty that I'm hoping the member for Emerson is serious about dealing with? It's not a problem that I wish to pass on to the next generation and I certainly hope that him and his party are supportive of programs and people in our department, who are trying to solve these kinds of issues.

I think gardening is a—I think not just a great way to grow food, but it's a great way to bring families together. I can remember as a kid, in a little town called Durban, Manitoba, in the Swan River Valley, where we had a—just a little town, and we had, in the middle of town, a community garden. We had our own garden over by our house but we had a community garden that got people together all the time. And we had, for our community, we had grandparents and parents and kids all out there

working and learning the values of self sufficiency, learning the values of seeding and growing and harvesting, talking about what's going on in the community. And I want to see that happening in places like Wabowden that I mentioned yesterday, where, years ago, they had, I think, some very good work done and are now trying to recreate that good work through the school division, in a place like Wabowden. And I think it can happen throughout northern communities, in more communities than just Wabowden.

\* (14:50)

My feeling is that that's a worthy program, it's a worthy cause. It's an objective, I think, that we should all have, as people who live in communities who, you know, we understand those values. I think we should take the attitude that, what we have for ourselves, we wish for others. I think that's a good program, and I think the people that we have in Thompson are going to be very busy working on that.

On—in terms of Ranchers Choice, there was \$4.5 million in equity. There was a \$240,000 loan; \$448,000 was provided for infrastructure in the city of—R.M. of Dauphin to help in terms of making this project go ahead. Producers had contributed \$1.8 million and those funds were rebated when the project hit that final red light, and—so that money was rebated.

I'd like to say that I would—I'd like to be able to say that I thank the opposition members for their support of this project and for the support of building a beef slaughter capacity in Manitoba, but I really can't on this one. Why they went around the province trying to run a sword through this project, I'll never know. Why it is they're not supportive of other causes that we're taking on now to increase beef slaughter—it doesn't make any sense to this rural Manitoban.

If we're going to be helpful on the livestock side, '09 was a tough year, whether you're in hogs or whether you're in cattle. There were some other challenges in the agricultural industry in different sectors, none so more than on the livestock side. This government has been absolutely and firmly in the place of working towards building slaughter capacity, whether that be in the Ranchers Choice, a project at Dauphin, or whether that be with Keystone Processors in Winnipeg, or whether that be in Carman, Manitoba, or McCreary, Manitoba, or Blumenort. We're looking at ways in which we can

increase the number of animals slaughtered in Manitoba.

I think it makes good sense. We're helping on the hog side. When you look at the developments and the support in Brandon and in Neepawa, why a political party would be out beating the bushes against increasing beef slaughter in this province, I'll never know, Mr. Chairperson.

**Mr. Graydon:** I'll just make a couple of comments on the project of the gardening. There's certainly from this side of the House, there is no one that's going to argue that people should have fresh—have access to fresh vegetables and whether they be from a garden or fresh eggs, whether they be from their own henhouse or where it happens to be from.

However, what the—what my concern was is the amount of resources that would be used. And I'm well aware that they have a university of the north, and they have an agricultural policy there, agricultural program there, and I'm just wondering if that wouldn't be a duplication, Mr. Minister. And so I pointed out that maybe those resources could be used somewhere else if they were being duplicated.

We certainly support anyone having access to fresh food whenever it's possible and to be able to teach them to do that on their own. I think a lot of people have in the past and do—still do that in and around the city. In fact, it's only been the last week or so I've read in the paper where people want to keep a few chickens now in the city for their own fresh eggs, whether they're \$18 or \$28 for 18 eggs or whether they're \$3 a dozen or whatever they are, they still want to have their fresh eggs in their backyard. And I'm—whether I'm opposed or in favour of it doesn't make a difference, but people do still want that type of thing.

At any rate, we'll go on to the answer on Ranchers Choice. There—if I understood right, it was \$4.5 million in provincial funding that did flow. Could the minister explain how that flowed, and then and when it flowed?

\* (15:00)

**Mr. Struthers:** Yes, I mean, it's very interesting to speak with my colleague from Emerson on food in the north and the relationship that the University College of the North could have with not just our

department, but any departments who are interested in this whole endeavour in northern Manitoba.

It's interesting that a person from a party that opposed the UCN in the first place, in the '07 election, would try to make that kind of a connection. But I guess in opposition you can have it both ways, all the fun and none of the responsibility. That's quite a good position to be in, I suppose, but in government we have to make decisions, and we have decided that this is very much a worthwhile goal.

It's something that we want to do, in conjunction with UCN if we need to, without the kind of overlap that the member is concerned about, because I don't want to have overlap, I want to have a program that works well. I think between us and Frontier School Division, in more areas than just Wabowden, we could be successful at it. And I think that UCN could probably play a role in it. I'm totally open for suggestions of that, without the kind of overlap that the member was concerned about, and I thank him for that concern because it's something I think we always need to be aware of and make sure that it's co-ordinated in a good, efficient fashion.

There was money that was for—on the Ranchers Choice questions, there was money that was raised through the industry of about a million dollars. It was held in trust by the lawyer on behalf of Ranchers Choice. In 2005, we began to flow the money that we referenced earlier, the \$4.5 million that I referenced earlier. We began flowing that, and it was based on the needs of Ranchers Choice. So we would flow that to the lawyer for Ranchers Choice to be held in trust for them to make use of that money.

We believed that that would be the most—not just the most efficient way of doing this, but the most accountable way of doing it as well. We want to increase slaughter capacity in Manitoba. We want to do it in an efficient way and we want to do it in a way that's accountable to the taxpayer, who works hard to pay their taxes to give to us to make good things happen. So, we know we have to be accountable with that as well.

So we believed at the time, in '05 through to '06, that that was the best way to do that. So that's how and when the money flowed.

**Mr. Graydon:** Yes, if it does—perhaps from that side of the House, it does seem to be simpler on this side, and it won't be long before we'll give the minister the opportunity to experience that.

However, in the meantime, if we could answer the next question without being political, I would appreciate it. What I would like to ask the minister is—and I want him to understand that Ranchers Choice was not a bad idea. The problem was the minister of Agriculture at the time didn't listen, and I'm hoping that the minister today will take advice from time to time, as it is meant as well-intended advice, not critical advice.

And, at the beginning of 2003 or the middle or the end of 2003, at a large meeting in St. Claude, a large meeting of 400 and some people—there were media reports of up to 700—but one of the deputies was at that meeting that night, and I recall our conversation that I had with him at that time. The conversation was clear. We came here looking for solutions to the crisis that the cattle industry was in. And I suggested to him at that time that the message that he would take to the minister was: Keep your subsidies, build the slaughter plant and give us the bill—we'll pay for it.

But, instead of taking that advice, the minister of the day chose to do a lot of different things, and I was one of the individuals that had 70–700—or \$7,500 tied up there. I had 75 hooks bought in that slaughter plant, because I believed that it was possible. But the way it was handled—the way it was administered—made it become a failure. And so, when I give the minister advice from time to time, please pay attention. It's well intended.

So what I would ask now is that the money, when it flowed from Manitoba Finance, when it flowed to Ranchers Choice, the beef co-operative, was there any outlining of how that money could be spent, outlining the terms and the conditions for repaying the money?

**Mr. Struthers:** Well, I—as the member knows, I don't mind being political. We're all politicians, and I'm going to make those points. And I'm going to point out the inconsistencies and the approach that him and his party take. And I hope he can live with that.

I do want to say that the answer to his question is, yes, there were things that Ranchers Choice needed to do, and there was a contribution agreement that was in place that governed the flow of our money. It had to do with security of investments. We were dealing with the taxpayers' dollars, so we wanted to make sure that there was an understanding of that security.

\* (15:10)

And, I think, we need to remember that these are—we were doing these as an investment. We were to become a common shareholder. That was the purpose of us being involved and, you know, all those other reasons for increasing slaughter capacity and the rest of it.

In terms of advice, I think I, quite clearly, yesterday, outlined that I very much appreciate the advice that I get and I even included, yesterday, in my opening statement, members of the opposition who do give me advice. I want the member to know that I listen very carefully to the advice that he gives me, and just because I don't follow it all the time doesn't mean I'm not listening to him. I get advice from a lot of people, and I got advice during '05 and '06 from a lot of people in the ranching industry who said to me that—who give me different advice, quite frankly, than the member for Emerson, and I wanted to be able to listen to what they were saying.

I know the former minister—I think a bit of an unfair criticism from the member from Emerson on the former Agriculture minister. She was listening; she was listening to the Manitoba Cattle Producers Association. I saw, at some of those meetings—I saw, at a very large meeting in Brandon, how members of the opposition did behave and did work to undermine the project. It was very clear to me.

So, I mean, I attend those meetings, too. I have talked to people in the industry; I take their advice. We tried—people that I know in my constituency tried very hard and worked very hard on this project and were quite disappointed with the final result. But I want to make it very clear: it did not reduce our resolve as a provincial government to increase slaughter capacity in Manitoba and it's my hope that, as we move forward, we can count on—yes, good advice from members opposite, and maybe even support from members opposite in order to accomplish that.

**Mr. Graydon:** Perhaps, looking forward, you did mention in your opening statement, and, again, today, that you were very supportive of the slaughter industry in Manitoba, and you highlighted the Keystone Processors.

You also highlighted Carman. I haven't heard of an announcement in Carman at this point, although I know that there has been a proposal put forward. I don't know what that status is of that particular proposal. And you also made a short comment about

Blumenort. I know that the federal government has made an announcement there. They have put forward quite a large sum of money to bring that plant up to federal standards which would be what we need in this province. We need to have more federally inspected plants that we're able to market outside of the local economy and, as we're a province that's the farthest from most ports, we are definitely a feeding province. In order to value-add the livestock that we do produce here, it does make sense then to value-add that livestock by processing it. And so I would ask the minister today: Has his government committed any money to the Blumenort plant, because they were noticeably absent at the announcement that I was at a week or so ago?

**Mr. Struthers:** The outfit at Blumenort, the Country Meat and Sausage, they did apply for some money through the federal Slaughter Improvement Program, and that was, I think, quite rightly considered by the feds and approved by the feds, and I certainly appreciate the kind of work that we've been able to do with the feds in this whole area. We're looking for partners in terms of increasing slaughter capacity, and I think Gerry Ritz gets it. I'm very pleased to work with the feds, whether it be on slaughter capacity or any other agricultural program.

The Country Meat and Sausage has an application before the Manitoba cattle enhancement commission—council—Manitoba Cattle Enhancement Council—there, got it. They've got an application before them, which I understand is being considered by that group. My understanding is—and I should maybe get back to the member with a number in terms of our participation in terms of a feasibility study that we had through the Rural Economic Development Initiative for Country Meat and Sausage and also some work—some help that we gave in terms of waste water. That's a very important component whenever we deal with all of these kind of slaughter facilities, and the Province certainly was there.

So I don't want it to be thought that the Province isn't supportive of that particular operation out at Blumenort. We are. They haven't—they didn't come to us looking for money. They went to the feds looking for money and the feds said yes, so I think that's good.

The other one that I do want to mention is the Plains Processors in Carman, Calvin Vaags and his group, and, you know, the way in which, I think, this model is a perfect one for communities in rural

Manitoba. It's a perfect way to take local beef, slaughter it locally, sell it, in this case through the Carver's Knife on the east end of Winnipeg. You've got local beef processed locally and consumed locally. I love the way that circle is maintained. We helped there with \$19,600 from REDI in terms of feasibility study when Mr. Vaags was becoming involved.

These kinds of ideas—and you can go to McCreary and find in McCreary what I think is, again, a very successful model to take local—locally grown beef and process it and, as much as we can, try to sell it locally.

\* (15:20)

I agree with what the member for Emerson said. I think we need to increase our ability through federally inspected plants to process beef. If we're going to deal with international trade problems, blockages to our product getting to the world market, one of the reactions, I think, that is natural and makes sense for us as a society here in Manitoba is to find more ways in which we can process that food locally, process that hog locally, process that—those cattle locally. I think that is a good response to some of the international things we've seen happening, understanding, of course, that we're not going to eat our way to prosperity with 1.2 million Manitobans. We do have to export. We do have to protect those markets, but I think what I see at places like Country Meat and Sausage, at Plains Processors, Keystone Processors, Oak Ridge Meats in McCreary, I think those—those really make sense to me. Those models make sense. It's an economic model I think that'll work for those of us who live in rural Manitoba and help us provide the best beef and best pork in the world for Manitobans and others who are interested in purchasing it.

**Mr. Graydon:** The minister indicated a while back in one of his answers to Ranchers Choice that \$448,000 was spent in Dauphin. Could he indicate what that was spent for? And was that a grant?

**Mr. Struthers:** It was a grant. It was to provide the infrastructure necessary for the plant should it had gone forward. It was connected to line extensions for the waste water—for waste-water treatment, pretty essential stuff for a project to move forward on.

**Mr. Graydon:** Were those projects that it was earmarked for, were they all completed?

**Mr. Struthers:** At the time that the project was ended, the money that had been spent on the line extensions, that work had been done. The second part of that, that we never got to because the project didn't go forward, was increases to the facility—the waste-water facilities that would've been hooked up by the lines. So, only the work that was done to the point of the project coming to a halt. So that work was completed.

**Mr. Graydon:** So, if I understand correctly, the lagoon expansion that would handle the waste water—the proposed waste water from the plant was not done. Would that work have been above the \$448,000 that was granted to the town of Dauphin?

**Mr. Struthers:** Yes, that \$448,000 was the line extensions that—there was no money spent on anything further to that because this project came to an end.

But I want to be very clear—and I apologize, I may have been a little misleading earlier—the \$448,000 went to the industrial park that is located just north of Dauphin. It's the R.M. and the City of Dauphin that have been working on this industrial park. Those lines—those extensions are there for future economic development up there in God's country for other projects that we could go out and seek.

So that money—I want to be clear that that money was earmarked for industrial parks no differently than other industrial parks that we've worked with to provide infrastructure for.

So the 448 thousand—448 hundred thousand is for the industrial park. The other funds I talked about were the funds that were held in trust for Ranchers Choice.

**Mr. Graydon:** Thank you for that; 448,000 for line extension did seem to be quite expensive, but, obviously, there must have been some checks and balances, and your department must have been satisfied with that.

**Mr. Struthers:** Absolutely.

**Mr. Graydon:** There was a number of departmental initiatives announced in 2009-2010, as indicated in numerous news releases. Perhaps the minister can give us an update on where these initiatives are and whether any of them did go ahead and if any of them have been completed or what the status of the initiatives are.

**Mr. Struthers:** Can I ask the member to focus a little bit on which of those he'd like some information on? We're a very busy bunch and we've got lots of good ideas and lots of good things, and I would just ask him to maybe focus our attention on some that he's interested in, and we'd be happy to provide him with all kinds of information.

**Mr. Graydon:** I'm quite interested in all of them, and if it's not convenient for the minister today, I would be happy to have his staff check all the announcements that he made over the past year and give us an update on each and every one of them. That's what I would appreciate.

**Mr. Struthers:** That's quite an interesting request from the member from Emerson and I don't mind doing it. I want him to understand the, kind of the breadth of what's he's asking for and the amount of time that's going to take. We did a lot of news releases over the '09-010, and I'm proud of every single one of them, and I will brag till the cows come home on every single one of them. Get it? The cows come home? Anyway—because there was a lot of projects that we brought forward. There was a lot of very good projects we brought forward.

We will endeavour to do our best to meet the request that the member from Emerson has given us, but I want him to understand that it's a huge—I think it's a huge undertaking and—but it does give us a very good opportunity to brag about all the good things that we've been doing, and I'd be pleased to share those with the member for Emerson.

\* (15:30)

**Mr. Graydon:** I thank the minister for that. I understand the breadth of it and, by all means, you deserve the bragging rights if you did complete them or if you did start them, but I would like to know all of them. Whether you didn't start them then, I would like to know about those as well. So that was the purpose of it, and if you've completed them, by all means brag. We're used to hearing it and we're pleased with it, so.

The next question I have, Mr. Chairperson, is the travel by the Premier or a delegation led by the Premier that was paid for by this—by that particular department, by the Department of Ag. Was there any travel that was paid for and, if so, could you give me the pertinent details of the travel, such as location, purpose, dates, costs and who all went?

**Mr. Struthers:** I'm going to double-check this for the member, but to the best of our knowledge here, there wasn't any that we picked up, whether it be the current Premier or the former premier, over the last budget year. If we did, I would expect there'd be a darn good reason—a darn good agricultural reason for the Premier to be there. He is our—he, whether it be the former or the current Premier, is the best spokesperson for our province, and if we're working on some international issues, some national issues, then I think that can be justified. But to the best of our knowledge, that did not occur in the last year.

**Mr. Graydon:** I have no doubt that if the Premier did attend any of these as a—that were paid for or any delegations that were paid for by the Department of Agriculture that it would be for a good reason. I certainly expect that from any premier and from the department as well. So if you'd be so kind as to check to see if there were, I would appreciate that.

The ministerial travel—knowing that the minister is a newly minted minister and that he has been meeting with many, many people to get himself up to speed in a very important portfolio, I might add, one that would be somewhat uncommon for him with the background that he has, I understand that he would make a lot of trips within the province to bring himself up to speed and also outside this province. And perhaps the minister can tell us how many trips he and the former minister have taken outside the province in the past year and relate the pertinent details to these trips. And, again, the details that I'd be looking for would be the purpose, the dates, who went, who paid and what were the costs.

**Mr. Struthers:** The first thing I want to point out is that all of the travel is posted on the Internet quarterly, so that is readily available to the member.

I've been the minister since November 3rd. Since November 3rd, I've made one out-of-province trip, and that was to the big city of Toronto. And, on February 5th, we had ministers' meetings where we received reports from all of our officials—from federal and provincial and territorial—having to do with the review that's going on right now of the Business Risk Management suite of programs, the AgriStabilities and AgriInvests and the AgriInsurance, and all of those programs that mean—that do mean so much to farmers. But we need to—I think we need to look at ways in which we can improve. I'll be—we'll be going again. I will be going to Saskatoon, I believe in July, to again deal with that same issue.

That is the—that's the extent of the out-of-province travel that I've done as minister. We will check for the first half of the budget year to see what the—what that number is and follow up on the request that the member for Emerson (Mr. Graydon) made. But I want him to know that all of that out-of-province travel is fine, and I agree that there needs to be a purpose. If you're going to Toronto or anywhere around the world, if there's a need for the Agriculture Minister to be somewhere out of the country to either defend markets that we have or open up new ones, I'm perfectly willing to do that. But I want him to know that I need to be convinced that there is a purpose to go on international travel. I think it's important. There has to be a goal in mind. I don't think I, as minister, should go alone on these. I think I should identify some Manitobans who, maybe, somebody who, if it's a trip somewhere and we have a farmer who's got some understanding on whether it's Canola or hogs or you name it, I don't mind being helped out by some people who have some expertise in these areas.

I want him to know, though, that my favourite part of travel is in my vehicle on the gravel road somewhere, probably in his constituency, looking at something and talking to a farmer, and talking to a business owner in Vita or Wampum or Sundown or any of those metropolises down in the southern part of the province, right through up to talking to farmers at the Carrot River Valley in The Pas, like I have done a couple of months ago. I get very excited about that Manitoba travel and checking out things that are happening. I'm really looking forward to this summer, because it's going to be my first summer as the Agriculture Minister, and I'm going to be out talking to farmers in their fields, talking about their situations, getting advice from them. And, if I'm in the member from Emerson's area, I'll be sure to stop in and he can put the coffee pot on for us.

**Mr. Graydon:** Thank you for that, and you're welcome to stop in any time. And I might add that, driving in the Emerson constituency, you will be driving on gravel roads because we don't have blacktop.

However, I do agree that there are times when ministers need to travel outside the province for different reasons. And those reasons are certainly to promote what we have in the province of Manitoba, what we have for export, what we have here in the way of manufacturing, and in a number of other cases. I—and internationally, as well, we need to



promote the products that we grow here, whether that be pork or beef or grain or any other product that we produce in the province.

\* (15:40)

Having said that, I know that the former minister, in the past, has travelled to Europe to the—I'm not sure what it's called. It's a—the world food show, or one is held in Anuga and one in another town. They alternate—is that not true—or another country?

Does the minister consider something like that worthwhile?

**Mr. Struthers:** Yeah, the member—the two cities that the member refers to is Paris and Frankfurt. Paris is a—the description I have is Sial, S-i-a-l, Paris, and Frankfurt is Anuga. I'm not sure of the spelling on that. My apologies to those in *Hansard*, but Anuga, A-n-a-g-u. A-n-u-g-a, sorry. A-n-u-g-a, okay, I think I got it now. It's in Frankfurt, anyway, and they are trade shows. The—if a minister of Agriculture is interested in going it's usually in conjunction with Manitoba Trade. And, I want to be really clear, a number of Manitoba companies who attend, as well, who have a real business reason for being there, who sometimes need a minister to open some doors for them when they're at these trade shows, a minister to help make those kind of connections that are necessary for Manitoba companies to be successful.

The—like I said earlier, I'm very keen on having a specific reason to do international trade, whether it's these food shows that the member is asking about or any other international travel, it needs to make sense. I need to be able to turn to Manitobans and say, this is why I went and this is what we hope to gain out of it, and here's what we got.

I think the member is right. I think I agree with him that we—as a minister, I need to be very clear on my purpose for going. It has to make sense in the Manitoba context and it always, I think, is better if you bring a Manitoba business along, a Manitoba company, Manitoba farmer, some kind of connection like that that really, I think, makes that international travel real and makes it make sense.

There was something else I was going to say and I forgot. Anyway, I'll think of it later.

**Mr. Graydon:** When, and I know that you haven't—you personally haven't attended any of these trade shows, food shows, other trade show, international

trade show in either one of those cities; however, the former minister has, in the past. I don't know that she did in 2009-2010 budget year.

However, the question would be: How many staff normally attend or accompany the minister on such a trade mission, understanding full well that you're—that there—any agribusinesses are going along and producers of—manufacturers of ag products or food go along as well. I mean that's the purpose of the whole thing is to promote Manitoba grown. But how many staff normally attend with the minister?

**Mr. Struthers:** The—I want to say at the outset that I know the former minister of Agriculture, Food and Rural Initiatives shares the same principles upon which the member for Emerson and I have been discussing here.

I know that the former minister had a purpose in mind whenever she did international travel and could easily defend that—defend the work that she did in other countries.

Typically, what happens on—and there—the two shows that the member asked about earlier, no one attended in—I guess it would have been in Frankfurt last year. The minister—nobody attended that in the '09-010.

What typically happens is the minister will—if the minister decides he or she is attending, they would have one staff from MAFRI; they'd have one staff from Trade. I think it's pretty—if it's the Agriculture Minister, it's pretty obvious that a MAFRI staff would be there.

\* (15:50)

What I think has been—what I think we've found is that if you hook up with somebody from Trade, that that person then can do all of the co-ordination, the meetings with the business community that we take with us, co-ordinating meetings with our business community and whatever country you're in, and hooking up people in the industry. I think that Trade has some of those good kind of connections that we can use to enhance that.

Also, I think there's a real advantage in this in that the people that—in the industry that we meet when we're abroad quite often will return that visit back to good old Manitoba and see how things really should be, should be done, right? And, that again, the Trade person can co-ordinate that sort of an exchange.

We need to have somebody there, I think, to do that kind of outreach. I'll give you a good example. Up in our Parkland area, with First Nations and bison ranching up in the Ebb and Flow area, I know the chief—well, Ebb and Flow and Skownan, that whole area, the chief from Skownan was hooked up with a group in Germany, and I think they're developing a real good relationship. The Germans are very interested in First Nations bison product, and they're moving along; they're moving forward. It's very important to have those markets in line to make sure that your business is successful.

I don't think we can underestimate the role that Manitoba plays in the area of food. There was a reason why, a number of years ago, the former premier added the F to MAFRI. It's a very important part of what we do. It's a very important part of our province. It's been a part of our province since before there was a Department of Agriculture, and, you know, we—it's very important not just by feeding people that live in the province and around the world, but I think we have to—it's an area where we can really add some value.

I think I'm going to begin describing Winnipeg as the food city. I mean, it's—when you think about all of the things that we do in the area of food and processing and distributing, it's a big part of what we do, and I think we have to promote that. I think the member is right; it does need to be promoted and bragged about.

I also think we can do it in a very efficient way, and it looks to me that when there's that—when a trade delegation goes over—goes to a conference or goes to a food show or a trade show, I think we can show that our staff isn't—we don't overdo it with staff, that we have the staff that we need and we keep that to a minimum so that we're efficient and it doesn't cost the Manitoba taxpayer an arm and a leg to get this done.

That's certainly the approach that my predecessor took and it will be the approach that I take as well.

**Mr. Graydon:** Thank you for that. I believe that the minister is genuine when he says he believes in adding value to our product. I would find it difficult, on either side of the House, to find people that would disagree with that.

He also mentioned that he was in favour of research and development of products in the

province of Manitoba. At least, I thought that was what he said and correct me if I'm wrong.

**Mr. Struthers:** No, you're exactly right. It's a—and I've been amazed at some of the good outcomes that have come along in terms—that have been produced by a commitment to research. And it's not just a commitment to research on the part of a provincial government. I mean, we're there. This department's there. I know other departments are there as well in terms of funding research, but there is a lot of time and energy and money put forward by—in the university community, throughout the industry.

I know when I meet with, you know, everyone from the Pork Council to MCPA to Keystone to the NFU, there are groups actively out there pursuing dollars to be used in research. I think companies—I've been impressed with the amount of research companies have done and the funding they've earmarked to improve their products everywhere, from proving your products to lessening your environmental footprint. I think, right across the board, there's been some very good work done by a whole host of people and organizations, entities who are interested in that.

And I just, very quickly, one thing—last night, we got the barbecue out and I threw some pork chops on there, nice, big, thick pork chops, and I can remember when I was a kid and my mother, when she made pork chops for us, she cooked those pork chops right through so there was no pink in it at all, and I didn't have to worry about that last night with the barbecue. Those were thick pork chops. I didn't leave them on nearly as long. They didn't taste like baseball gloves like my pork chops usually do. They were very good, and when you talk to people at the Pork Council and, you know, Karl Kynoch and his staff over there, they'll tell you that they spend a lot of time looking at those kind of very practical things that they need to do with their product to make it easier for a guy like me to slap it on the barbecue. I'm not exactly the province's best cook. I may be the minister in charge of food, but I'm not that good of a cook and I'll admit it. But, boy, those pork chops tasted well last night, and you can trace a lot of it back, right back to the kind of research and work they've done into developing a project that can be put on my barbecue and taste really well by the time I was finished with it.

So there are some very good work going out there in terms in research. I don't want all that research to stay in some ivory tower some place. I

want that research to be transferred to the consumer and to the producer. That's very important for me, and I think I see lots of good examples of that happening. And it's one of the perks of being the Agriculture, Food and Rural Initiatives minister, that I get to see all kinds of those examples. So it's—I think it's an exciting field and it's something that we need to be—remain committed to.

**Mr. Graydon:** In order to have profitability on the farm there needs to be research. There's no question whatsoever, and the minister, seems that he's—certainly supports that wholeheartedly. We've seen the research, a lot of the research that's being done in the province, that's being done by private enterprise. He did outline the research that's being done by Manitoba Pork. They have done a considerably good job. I would suggest that the dairy industry has done equally as good a job. We see the Canola industry doing a tremendous job, as well, of the research that they do, and we see the Wheat Board, for example, doing a lot of research as well. And that, Mr. Chairman, is an indication of what private enterprise has done and is doing in order to stay profitable.

However, with all the lip service that I've heard from the minister in the past five minutes, when I look at his budget and I see that the research for Agri-Food Research and Development Initiative has been cut in half. And, also, we've seen a lot of research being done at the universities—good research being done at the universities, and he cuts the transfer payments to the universities. I don't believe what the minister was saying that he believes in. I think he was speaking to the media. He wasn't speaking to his budget.

Perhaps he can tell me how he managed to allow his department to cut an area that's so essential to the profitability of the farm industry, how he could allow that to happen when he felt so terribly strong, so terribly strong about defending agriculture in the budget, about eking and scraping out money in the budget, and allowed this to be cut like that.

\* (16:00)

**Mr. Struthers:** I'm disappointed that the member is disappointed. I mean, he has to be very careful. It's—and I remember these days in opposition, and I remember getting tripped up doing this, too, by some Conservative minister who had good staff on his side of the table to point out what's accurate as opposed to simply taking one line and assuming that that's the whole story. I can excuse the member for Emerson for doing that, as long as it doesn't happen over and

over through Estimates. I mean, I'm going to help him out on this one.

First of all, it's not just private enterprise that has a role to play in providing research dollars for outcomes that benefit farmers and consumers and businesses in Manitoba. It's not just private enterprise. Universities have a role to play in that, and universities do a good job of combining private enterprise and public enterprise and putting forward a package of research that needs to be done. And I think the public sector—I think federal and provincial governments have a role to play in providing those funds as well.

The member says that it was—it's been cut by 50 percent. He's incorrect. If he can look past one or two lines that he has highlighted in his Estimates book over there, he will see that what has happened is that—even given his own numbers that he put forward, Mr. Chairperson, it's not a 50 percent cut. There was a reduction in some of those programs, a much smaller reduction than that, that was then shifted to our support through Agri-Innovation, which, if he looks in his package, he'll see a \$3-million increase from \$7 million to \$10 million.

Now, that's us teaming up with the federal government. And I think he'll agree with me that you don't want the Province way over here, setting priorities and funding and researching all kind of in isolation over there, with the federal government over here doing the same thing. It makes more sense to us to reallocate those dollars to programs where the feds and the Province can work together. We can make our dollars go much further on behalf of the farmers that the member from Emerson, I know, wants to see, you know, benefit from these programs.

So instead of just looking at that one line in his package, I would suggest that he should look broader, look at the whole area of research, and I think he'll see that our numbers actually increased year over year. There has been a reallocation of our funds into the Agri-Innovation suite as part of the business risk management suite of programs. There's a ton of people out there who have ideas and applications, and they speak with us all the time about their innovative ideas for research and using that research to benefit farmers. We thought that was a much better bang for our buck, so that's where our attention has been. The universities, I think, understand that they can—that universities, that, you know, that the member for Emerson put on the—or in his question, can access that money through the

Agri-Innovation program, where there's more money to be doled out.

But I think the real advantage of that is that that brings together us and the federal government. We can then work together on what's best for public policy, for public research, and not have our dollars compete against each other but have our dollars work together and produce, I think, better results, better research that farmers then can use.

The last thing I want to say on, you know—with this question is that one of my fears is that we have research being done way separate from the farmer and researchers never being able to get that information to the farm where it can be used or a farmer saying, you know, I'm just going to do it like Grandpa always did it, and then the best research in the world never gets used that way.

So I think we have to keep bringing the farmer and the researcher together. The more input the farmer can have with the researcher, the more relevant that research will be. The questions they—and the hypotheses that they test are then better connected to the farm gate, and that improves the chance of that research really paying off for the farmer. And I'll just throw the word "Canola" out there for the member to think about in terms of how that farmer-researcher connection really paid off for our producers here in Manitoba.

\* (16:10)

**Mr. Graydon:** Well, I'll go back to what I said, and I may not have been totally accurate when I said Agri-Food Research and Development Initiative, ARDI for short, was cut by 50 percent. It was not a full 50 percent; it's \$750,000 and it's cut to \$350,000. That's the numbers in the budget. Now, I believe that that is close to a 50 percent cut.

Could the minister tell me what ARDI really has done in the past and what their purpose is, if it's not for research and development?

**Mr. Struthers:** Mr. Chairperson, I want to stress again that ARDI is one element in the overall delivery of research funding between us and the federal government. It's just the one element.

We have some, you know, funding through the Growing Forward program, which I know the member is familiar with. The ARDI has—in a total, ARDI has \$1.85 million that they're dealing with, and they—that's a combination of federal and provincial dollars. And, again, that's one part of the

overall research package. I talked earlier about the Agri-Innovation fund, which saw a big increase, a \$3-million increase, from 7 to 10 million dollars. So I think that what the—what's important for the member to realize is that there's a large—there's a big picture here. There's a large amount of funding that goes towards research.

I was serious earlier when I went on about—I just didn't want to talk about my barbecue and the pork. I mean, there was a point to that story, and that was that research is important. I stand by that, and I stand by our decisions to focus that money through Agri-Innovation and through Growing Forward, and team that money up with federal dollars to make sure that we're providing that kind of research.

I want to say, too, that the member for Emerson has an important connection that he could use to make sure that the federal government knows, you know, what Manitoba farmers need, in the person of the former member for Emerson who the federal government has appointed to ARDI. Mr. Jack Penner sits on that. So, if there's any questions that the member has of the federal side, I think, right in his backyard, he's got a very capable guy he can go to to talk to.

I would certainly be very interested in continuing to speak to the member for Emerson on this issue as well.

**Mr. Graydon:** Mr. Chairman, I was well aware that the former MLA for Emerson was on the ARDI board and will do a tremendous job. He's a very well-rounded individual who has a pile of experience in agriculture and in management and so I have a great deal of respect for his abilities to add to the board.

I will point out that the minister did say that ARDI has a budget—total budget of \$1.85 million. Part of that is federal money. He didn't suggest that the federal part was cut. He just suggested that the provincial part was cut. So, when we're partnering, and we are—and I know a little bit about ARDI. I know that ARDI has the ability to deliver projects and do projects on farm projects to show what innovation and research that has been done in other areas, and show the results of that. That's very important, and it's not being left on the shelf, as the minister pointed out, that he didn't want to see this research being done over here, and not getting over here, and then not getting to the ground. ARDI is that vehicle to take it to the ground and I think it's a very important vehicle.

I think the minister made a mistake in cutting his funding to this particular research because, as he pointed out, he's certainly in favour of research and I believe that he was genuine in saying that. I would suggest that every member in the House is in favour of research that we can move forward and become more profitable in agriculture or in any other endeavour.

So I'm going to suggest that the cut, although might have been necessary to fit the directive from the Finance Minister, was certainly not made in the right place. I'm not suggesting that there is a right place in Agriculture to do cuts. I think agriculture contributes more to this economy than probably any other business, and so, when it forms close to 6 percent of the GDP, cutting anything in Agriculture is a sad day for agriculture.

However, moving on, rather than discussing what has already taken place, and I think we'll see the ramifications of those cuts, and we'll hear about them going forward, I'd like to ask the minister to provide details about their department's annual advertising budgets. What I would like from him is getting a detail to the campaigns that their departments ran in 2009 and '10, including the cost of where the ads were aired, or where they were run in papers or any other type of advertising that they have done in the agricultural department.

\* (16:20)

**Mr. Struthers:** I want to caution the member for Emerson. I know that he chastised me earlier about, you know, wanting to be political. Well, the same goes for the member for Emerson. It's not a cut. When you look at the overall package that we've put together for research, it reflects the 60-40 split that you see over and over again in Agriculture when it comes to federal and provincial responsibilities. It would not be honest for the member for Emerson to go anywhere outside of these walls and talk about a cut to research in Manitoba by the provincial government. I want to be very clear with that.

The other thing I want to be clear about is that without taking anything away from ARDI and its role to get that research out to the ground—and I think they do a good job of that—they're not the only ones in this province that do that. I'll—and as soon as I mention this, I know the member for Emerson is going to say, oh, yes, I forgot about that.

Right in my own constituency of Dauphin-Roblin, out at Roblin is the Crop

Diversification Centre, which does a very good job of taking all of the research that him and I have been talking about this afternoon and gets it into the hands of farmers in that area to be used throughout the province of Manitoba. There's a Crop Diversification Centre in Melita.

The member from Interlake would be able to tell the member for Emerson about the Prairies East group in the Interlake region. There's a group at Carberry. I know his own colleague would remind him that that is another body that gets the research from where it's done, from the projects that are undertaken, gets that information to the ground just like ARDI does, just like they do in Roblin and Melita and Prairies East and that gets into the hands of farmers. That is—that to me is an absolute essential connection in this. So we're doing our part along with the federal government and the universities and some companies, the industry.

To continue to fund research in this province we have taken—we have readjusted some of that money from one part of our budget to the other. But it would be incorrect and not very honest for the member to characterize that as a cut. It's actually an improvement in terms of the way in which we have approached funding research in Manitoba.

**Mr. Chairperson:** Order, please. I would like to take a moment to caution all honourable members on their language here in committee today, saying that a member is not honest. Thank you.

**Mr. Graydon:** Thank you, Mr. Chairperson, and thank you for the caution. I'm not sure you were referring to me. But thanks again, because I'd have probably rebutted in the same way.

However, when we talk about ARDI and we talk about the Crop Diversification Centre in Roblin, I am well aware of it. I'm aware of the other ones, Waldo. I'm also aware of PESAI as I am one of the founding members. And so ARDI is an integral part of PESAI and I understand what PESAI does and what ARDI does. I know that the newly minted Minister of Agriculture can't possibly get up to speed on everything at one time. I understand that.

But when I see a line and I see the line in the budget and it says 750,000 reduced to 350,000, that is a cut, and it's a cut especially to a particular program. That program is Agri-Food Research and Development Initiative. If it wasn't a cut to that, it wouldn't be in there, and so that's what I referred to, and I do think that Agri-Food Research and

Development Initiative does a tremendous job. They have in the past and they will continue in the future going forward.

The—when we look at the overall transfers, grants and transfers, and we look at the organizations such as the diversification centre in Roblin or Carberry or Arborg, it's very difficult for them to budget from one year to the next if they will be depending on grants and they're going to be depending on transfers, and so when you see this type of a cut in a particular department—now they may well be able to access money from another department, as the minister pointed out. It's been shifted from here to somewhere else, but for that to get back down through the system to where the people need to make those decisions, they need to have that information long before April. Their programs have to be written and accepted by March 31st. The budget doesn't come out until afterwards so it already—they're under the gun. They don't know whether they've got money coming. They don't know whether there's even going to be a program, and yet the staff works hard. The volunteers work hard. The board members work hard putting together projects in hope—in hope. That's not how you do research. That's not how research should be done is in hope for the producer. No. You have to have a goal and you have to have proper funding for that.

I'll go back to the question that I asked of the minister, and that is to provide details of the department's annual advertising budget with an aim at getting the detailed campaigns that the department has ran, including the costs and where the ads were run or aired or any other means of advertising.

**Mr. Struthers:** Mr. Chairperson, I want to be very clear. I don't think—I think it was my use of the term "honest" that prompted the caution.

I don't think the member from Emerson is dishonest; I think he's an honourable member. I think we've built a relationship up based on an honest approach to each other. I don't think that—I don't think he should be playing the kind of politics he is with the one line that he insists on going back to over and over again, when he knows, and I think I've made it very clear, that we have not cut research overall in Manitoba, that we're continuing to work with the feds and with universities, and with industry, with farm groups, farmers themselves, in order to enhance our approach to research and

making sure that that research is connected to what farmers need in Manitoba.

So I mean, I think it was an unfortunate word that I used, and I would withdraw that, but I do want to make the point that it would not be accurate for this member to continue to refer to a cut in research in Manitoba. It would—that would be counter-productive for the confidence that farmers have in the work that's being done, and I don't think we should take anything away from the kind of research that happens in Manitoba.

In terms of advertising, you can see that the staff is busy looking for that answer and I think the best thing to do is to get back to the member in terms of what kind of budget—what kind of figure I can give him in terms of advertising in our department.

**Mr. Graydon:** Thank you for responding to that question. I'd be happy to take a written reply from the staff whenever it's available and it would cover—and I assume it will cover all of the advertising in different departments and in—throughout the department but with different types of media, as well as sponsored events. I'm sure that Manitoba Agriculture does sponsor events and so I would appreciate that as well if that's available from the staff, if they can do that.

\* (16:30)

Going forward, the minister said that he had been to Toronto, and I see that he took no chances on there being a strike in Toronto by the garbage pick-up people, in the city. He went in February just in case the strike was still on that the chairman, today, and I, saw, in the summer, that we enjoyed the fruits of the stuff that was left in the streets.

And he was discussing business risk management, the strategic reviews recognizing the need to look into the future. And in his opening statement, he also said that the review was taking place right now with the federal minister and all of his provincial and territorial colleagues. A review of the business risk management suite of programs that we have in place.

Could he let us know what exactly they're reviewing and give us an overview of what we should be looking at and what we can expect and perhaps we in—on this side of the House can help him in his endeavours.

**Mr. Struthers:** Yeah, we've—there was—not only was there no garbage strike in Toronto when I was there

in February but the Leafs were out of town, too, so I didn't get to see my favourite hockey team. You know, around about that time of the year is usually when they're declared mathematically eliminated from the playoffs, so there wouldn't have been much to see anyway, I guess.

But, no, it was strictly business. It was—I think it was productive. That was my first federal-provincial-territorial meeting that—eyeball to eyeball with all my colleagues around the country. Jack Hayden, the Minister of Agriculture, was just brand new. And there was about two other new ministers at the time, so I went in thinking I was going to be the rookie but there were some who were even newer at it than I was, so—in terms of being appointed Agriculture Minister. So it was a very good first get-together for a number of us around that table. We ministers, even before my appointment to the job, had decided that it would be wise to, at some point, to review the way these programs are working with the view of making them better; with the view of making them work better for farmers, and I came along in November, kind of mid-stream on this, but I'm very much supportive of the review that's taking place. I very much appreciate the work that all of our officials are doing in every province and territory and at the federal level.

A lot of officials that are looking at some, I think some pretty complicated programs and making good sense of them and are—which is very helpful to us as ministers. They are—sorry, before I left for the meetings in February, I convened a group of farm organizations in Manitoba. I tried to make sure that everyone that I could think of was invited and had a chance to come and talk to me a few weeks previous to us going to Toronto. And their advice was certainly helpful for me in representing Manitoba farmers as best I could at that meeting. One of the things that came out of that meeting is a commitment for public consultations. The federal government is undertaking that and I see that they will be in Manitoba on June 14th.

If members opposite are interested, they will be here in Manitoba. I think we're looking at a whole number of things. The objectives of these programs—we want to make sure that we're solid on that, you know. The objective needs to be connected to the—I think it needs to be connected to the farmer's wallet, and our objective should mean to make sure that wallet has got some green stuff in it. Farmers work hard. They need to be—and they produce something

important, i.e., food. We need to have programs in place that works well for them.

We talked about a number of different principles that govern these kind of programs. One just pops into my mind. One is affordability, and there was ministers from each levels and from around the country who understand the kind of economic times that we're in. And I know in question period I used the Saskatchewan example. Bob Bjonnerud, the minister in Saskatchewan, and he's a really decent guy. He actually—you can almost throw a stone from my constituency into his farm in the eastern part of Saskatchewan. Not that I would throw stones. I wouldn't do that. But he must have had an awful time introducing a budget that cut agriculture in that province \$97 million. I think that's about 20 percent overall, laying off people, if I remember correctly, about 23 people in the department that they laid off.

Affordability is something that is very important, and I bet Bob would agree with the member for Emerson (Mr. Graydon) when the member from Emerson said that it's awful if you have to cut from an important department like Agriculture. Well, yeah, I think Minister Bjonnerud and myself can agree to that. But we have to be realistic in terms of what is going on across the country, and I think that, you know, when we talk about some rules and responsibilities, I think to be very clear about who is responsible for what, how we can work together better as different levels of government, I think that's an important discussion that we need to have, because that impacts the ability of these programs to work in favour of the farmer.

So we're going to look at all those sorts of things. We're going to get together in July again, and we just came out of a bit of a discussion about research and development. That's part of what we're talking about again, and making sure that we're solid in terms of those sorts of things from a federal and provincial level. The better we can work together, the better that pays off for farmers. And I want to say it didn't matter if you were a Tory or a Liberal or a New Democrat around that table, everybody's objective was to make these programs better for farmers, make sure that they're affordable so that we don't have, you know, we don't have our premiers and finance ministers worried.

I do want to correct just quickly the member for Emerson. I didn't, at any point, get a directive from the Finance Minister to cut any of these programs. We contributed to what I thought was a very good

budget, a very good budget that supports agriculture, supports research, and I'm very pleased that the discussions that we've had with my colleagues in terms of the review of the Business Risk Management suite of programs, that I think continue to evolve—[interjection] And it was such a good answer.

**Mr. Blaine Pedersen (Carman):** Just following up on the minister's response about AgriStability, AgriInvest, you're meeting in July, you've talked about there is some shortfalls in the program. Is there any specific—could the minister be more specific as to what he will be proposing in July to make it more affordable, in his words, and keeping in mind it has to be actuarially sound. Whatever you do, you can't—you can ask for anything, but it still has to be actuarially sound. So what specific proposals does Manitoba have to offer to this conference coming up in July?

\* (16:40)

**Mr. Struthers:** Well, first of all, I'm not going to put the cart before the horse. I want to hear, through the consultations, what Manitoba farmers have to say. I've been meeting with every farm group that I can possibly squeeze into my days. We—I want to meet with them. Officials in the department have been meeting with different farm groups. I'm going to be very interested to see what Manitoba farms—farmers and farm groups have to say at the public consultation that's going to be in June.

I don't want to be out there, you know, undermining the farmer as he goes to present to the federal government. I don't want to be undermining him. I don't want to be saying, here's what we're going to do despite the consultations that you're giving. I want to hear those consultations and keep meeting with the farm groups. If the member for Carman has some advice for me, I'd like to hear that, too. And then go into the meetings in July knowing that I've got the best advice from farmers that I can possibly get.

My assumption is that farmers know their operations better than any of us sitting around this table, including me. And I want to hear from them so that I can best represent them in Saskatoon in July.

The one thing I do want to say, as well, is that I don't think there's an appetite around the table for a little tinkering. I think we have to take a look at how all these programs fit together. I think we have—if there's some major changes that we need to make to

improve them, I think we should be brave enough to make them. But a lot of it will depend on the consultations that we do with the farm community.

**Mr. Pedersen:** Mr. Chairman, through you to the minister, did I hear him correctly to say that farmers would be presenting to the federal government at this conference?

**Mr. Struthers:** At our meetings in February in Toronto, ministers—all ministers were really clear that we wanted to hear both from farm leaders, farm organizations and farmers. So what has evolved is—in a process, too. I want to stress that this is a process. This consultation, followed by the get-together in July of the ministers, is part of an ongoing process to review.

So I'm very confident that in—when this consultation comes to Manitoba, they will hear from both farm leaders with organizations—the Province and the feds have worked together to come up with as many of those entities as we can—and there will be—the Province has done is worked to get individual, non-affiliated farmers, farmers who aren't there because they're part of an organization, but because they're farmers.

This is another opportunity for farmers to talk to people making decisions in this area. We've been working very hard outside of that to work—to meet with farm groups and with farmers to talk about all of these kind of programs. And just before I turn the floor back to the member for Carman, I want to introduce Lorne Martin. He's the assistant deputy minister for Policy and Knowledge Management division, a very hardworking civil servant, and he plays the guitar and drums and he has a band.

**Mr. Pedersen:** As all our civil servants are very hardworking. So just to be clear on this—in July—first of all, I want to just back up a little bit. When you're meeting—you, the Province, as the Ag Minister and your department—meeting with groups, individuals in Manitoba, in preparation for the July meeting, and I'm not expecting you to tell any tales out of school or anything, but do you have specific proposals that you're taking to them and saying, this is what we would like to propose; what do you think of this? Or is it only you're taking feedback from them and saying, okay, well, whatever you say. But, and I'm not asking you to, obviously, to divulge any of these proposals that you've got because you're in a consultation period, but does Manitoba have any specific improvements that they would like to see, specific proposals to improve the programs?



**Mr. Struthers:** I want to assure the member for Carman I'm not going to divulge anything I'm not supposed to no matter how many times he asks, and I know he doesn't want me to do that but—and that's not what he's asking. *[interjection]* If I have a secret agenda somewhere, okay.

We—the purpose of this review is, first and foremost, to collect the information. And that's why the consultation's in place: to collect information from farmers. I'll give the member two examples of programs that have come forward as a result. One, the MCPA, the Manitoba Cattle Producers Association, have spoken with us about a price insurance scheme that they'd like to see in place—and I know the member is well aware of that—at least partially based on what Alberta has moved forward with. That—so what happens there is I've had a number of meetings with the executive of the MCPA and we've talked about all the different angles.

\* (16:50)

I think we've covered that proposal from one end to the next. It's the kind of thing that gets talked about at the federal-provincial-territorial meeting. There was a discussion about that back in February. So that's an example of a program coming forward that we've provided, you know, some thought to and asked our officials to further provide some details that they'll get back to us on in July.

Another one that I think maybe the member from Carman may be aware of is an AgriStability Plus proposal that has come forward from some people involved in the hog industry. But more than—a program for more than just the hog industry. There's another example of a program that comes forward that I, as minister, can talk to my other colleagues about. And I know that I've assisted in them getting the ear of my colleague in Saskatchewan, for example, who, you know, has some—as we all do, we have questions about all these different programs.

So we're getting suggestions come forward from farmers. My approach isn't to come up with suggestions that I'm going to bounce off of them because—and that—but, you know, that will happen at the appropriate time. I think it's really very important for every minister, federal, provincial, to listen to these kinds of suggestions, these kinds of programs. You know that, in both of these cases, whether it be cattle price insurance, or whether it be AgriStability Plus, that they've been well thought out. The point that the member for Carman makes about programs being actuarially sound is right bang on. I mean, it

has to be. And that's one of the angles of the AgriStability Plus—that they're going through a process right now to try to determine.

The purpose of the review, in the first place, wasn't for ministers to be coming forward and saying, here's how we should be changing it. At least at the initial stages, it's to listen to what the farm community has to say and see if the—if those ideas can be incorporated into the suite of business risk management. And I do want to underscore: we're talking about risk management, insurance plans and those sorts of things as the backbone of these programs. Not so much a safety net that maybe distorts market signals. There's a difference between the two. And we've been—*[interjection]* Yeah, well, you know, the member brings forward an interesting concept. These business risk management programs are kind of the where we've evolved from programs like GRIP, that he mentions, and others that preceded where we're at today.

But a lot of thought, you know, dating back to the '80s and GRIP and all those programs right through to CAIS, and on to where we're at today. A lot of thought has been put into this. A lot of lessons have been learned. And those folks that are the ones at the receiving end of this have learned the lessons, and that's the farmer. And I don't want to be, you know, weighing in too loudly when my first job is to listen to the farmer and then move forward from there.

**Mr. Pedersen:** Mr. Chairman, so, fast-forward to July, now, which really isn't that far away in terms of developing policy and ideas. The minister indicated that farm organizations and individual farmers will be able to make presentations to the federal-provincial ministers there? There'll be some sort of forum there?

**Mr. Struthers:** No, the consultation is in June. On June 14th, there'll—the consultation group will be here in Manitoba. And on June 14th, they—there will be a group of Manitobans who will get to talk to the consultation group. That's being organized by officials out of Ottawa and officials out of the provincial departments. So, in June, the Manitoba farm ideas, the Manitoba farm presentations, will occur. That will be done through farm leaders, through some—and some farmers that we've, as the Province, has asked to attend. That's when the consultation happens.

On June 14th, that information from farmers will be gathered, and then that will be prepared for us, as

ministers, to meet again on the 15th of July in Saskatoon. So our officials will get all that information and they will report to us. But on July 15th, it's not like they're going to—you know, bells will ring across the country and there'll be a big, you know, final decision made. I mean, it's still part of the process. And we will be able to, on the 15th of July, take a look at the analysis that had been provided for us, take a look at that advice from farmers, and then we will continue on with the process from there.

**Mr. Pedersen:** Thank you for clearing that up. I didn't think there would be farmers going to Saskatoon in July and that because you'll have your hands full there. *[interjection]* Okay, June 14th, just going to this June 14th meeting, and cautiously asking you about spending money on advertising, like how do farms and farmers and farm organizations, how are they going to be made aware of this? Is this—are you opening it up to—like, is it like a committee hearing process, or how do they apply to make presentations to this, because obviously we have some pretty good connections in our home constituencies. We've got some very knowledgeable people on this and we want to make sure as many of them who understand the program, not just—we're not looking for the people who come to criticize; we're looking for the people who can come and actually present some good advice to you. How will they know about this? What's the process?

**Mr. Struthers:** Always with events like this there's—and in this process, there's that balance between getting as many people into a meeting as you can and not having it so big that it's hard to manage and hard to get focussed and get some advice out of it. So what the federal government and us and each of the provinces do is we identify farm organizations and we ask them to send some reps to these meetings. I meet with these farm groups all the time and so does the staff, and what we try to get across to them is that we want farm leaders and we want them to look at some real farmers out there, not that farm leaders are not real farmers—I shouldn't say it that way, but we want farm leaders and we want farmers out there who maybe not be on the executive of the organization, but they're out there farming.

So we're pretty confident we're going to get a cross section of those sorts of folks at the consultation. We also—we have in mind a view to getting other—like I said earlier—unaffiliated farmers to come forward and be part of that consultation.

I certainly—I want to say if the member for Carman or any of his colleagues have, you know, a farmer or two that they have in mind, who they think can positively come—contribute to such a consultation, I would encourage them to, you know, to buttonhole me somewhere around the building here and pass those names on to us and we could consider that.

Again, though, you don't—we don't want this—we don't want a whole big rally of people. We want a group of farmers and farm leaders who can give some advice directly to the officials that'll be there doing the consultation.

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

## FINANCE

\* (14:40)

**Mr. Chairperson (Rob Altemeyer):** Will the Committee of Supply please come to order. This section of the Committee of Supply will now resume consideration of the Estimates for the Department of Finance and, as has been previously agreed, questioning for this department will proceed in a global manner.

The floor is now open for questions.

**Mrs. Heather Stefanson (Tuxedo):** Mr. Chair, I know the minister, when she introduced the budget, indicated that there will be changes to the balanced budget legislation as it exists today. I'm wondering when we can expect to see those changes in the way of a bill.

**Hon. Rosann Wowchuk (Minister of Finance):** I should be introducing a bill within a few days.

**Mrs. Stefanson:** What are some of the changes that are—I know that she's indicated some of the changes already—but in the budget, with respect to some of the changes that will need to be made, but can you indicate for us today what some of the changes will be to the balanced budget legislation?

**Ms. Wowchuk:** As I said in the budget speech, there would be some changes that would be made to the balanced budget legislation, changes that will allow us to implement our five-year plan so that, indeed, we can continue to make the investments that Manitobans want to make—us to make, so that we can continue to protect front-line services, continue to invest in stimulus and then come back into balance in

'14-15. So there would have to be changes made in order that we can carry out the five-year plan.

**Mrs. Stefanson:** Will there be any changes to the minister's salary?

**Ms. Wowchuk:** The issue of minister salaries is addressed in this year's budget, where we have implemented a 20 percent reduction. And we have said in the budget, that that 20 percent reduction will remain in place until we come back into balance.

**Mrs. Stefanson:** So I thought it was the 20 percent per year. So, is that remaining the way it is right now or is that going to be changing?

**Ms. Wowchuk:** I would ask the member to wait until we implement the legislation, but I would also remind her that the balanced budget—the budget is balanced this year, and there did not have to be a 20 percent reduction this year. We took that voluntary, recognizing that the challenging times that we're in, and to signal to Manitobans that we would have to have some restraint, and so we voluntarily took a 20 percent reduction this year.

**Mrs. Stefanson:** Well, I would suggest that the budget, the core operating budget, was not balanced this year and hasn't been.

But, having said that, where we're talking about a four-year rolling average, and under that, you know, technicality, allege that the piece of legislation that was passed, I believe, less than two years ago, we're now—and, of course, that piece of legislation was put in place to protect Manitoba taxpayers from this sort of thing from happening. And now, fast forward a couple of years now, we're changing legislation once again, just because this government can't seem to get its act together and live within its means. And so this is a very serious situation, and this piece of legislation that this government is going to be bringing forward—I mean, obviously, they've brought forward legislation that they spoke highly of less than two years ago, they defended significantly less than two years ago. Now, two years later, they're changing the legislation.

Why is it—how can you—how can the minister justify changing this legislation less than two years later?

**Ms. Wowchuk:** The member talks about core budget balancing. She—the recommendation of the Auditor General was that we go to summary budgeting. That's the recommended—it's a standard, it's a

GAAP—general accounting practices that the Auditor General has recommended.

It took us a couple of years to implement the summary budget accounting system, and that's what we have in place now and that's the practice that—it has been followed and we are balanced, under summary budget, which is the recommendation of the Auditor General.

**Mrs. Stefanson:** You're balanced under a four-year rolling average, I believe. Is that right?

**Ms. Wowchuk:** That's right. The legislation—is it four years now?

**An Honourable Member:** Yes.

**Ms. Wowchuk:** It is a four-year rolling average, that is right.

**Mrs. Stefanson:** Right. So just to be clear, it's the summary budget is not balanced this year, either. It's balance based on the balanced budget legislation that was introduced four years ago. Is that correct?

**Ms. Wowchuk:** The law requires the government to balance, on summary budget, and under that summary budget, it is a four-year rolling average that is used.

\* (14:50)

**Mrs. Stefanson:** Yes, and that was a law that was passed by this NDP government a couple of years ago, right?

**Ms. Wowchuk:** That's right. This government introduced a summary budget at the recommendation of the Auditor General and did the—introduced a four-year rolling average.

**Mrs. Stefanson:** What was the basis of the four-year rolling average at the time? What were the reasons for a four-year rolling average as opposed to an annual balanced summary budget?

**Ms. Wowchuk:** The changes were suggested by the Auditor General.

There was a study—a consultant, Deloitte and Touche, made the recommendation that we should go on the four-year rolling average because as you're doing summary budgets, you're bringing in all the entities that are part of government, some—not only core government. And in that situation, you could have more volatility in some—one of the sections, and as a result, you need a longer time period to make adjustments should there be some volatility in one of the other reporting agencies.

So, if—this was not a decision that was made lightly. It was made—that change in accounting was made at the recommendation of the Auditor General, then the decisions was made on the advice of Deloitte and Touche.

**Mrs. Stefanson:** Well, so the—there was legislation that was passed a couple of years ago where the budget was changed to a summary budget to be balanced based on a four-year rolling average, and that was a recommendation by the Auditor General and Deloitte and Touche, if I understand correctly. At the time, this is, again, legislation that this government defended and defended on those bases.

Why, then, are we back to the table again with further changes to the legislation that will take us—and is it the intent to take us beyond that four-year rolling average?

**Ms. Wowchuk:** The Auditor General recommended moving to summary budget and we had to find a way to do that, and based on the advice given by the consultant, we went to a four-year rolling average.

Remember talks about, you know, why do you have to change? The summary budget—the balanced budget legislation never anticipated, I don't believe, an economic downturn like we're facing at this time. It was—and balanced budget works when you have shorter cycles where you're able to budget. In this case, we know that there is a long-term impact of the economic downturn, and we have to find a way to deal with the challenges and a way to maintain the services that we value.

Now, I heard the member say that we should go—why aren't we balancing every year? Well, if we were required to balance every year, that means in this year we would've been back in the '90s. We would've been back when you had to cut services, lay off people, fire nurses, reduce the number of doctors in training. You—there—when you take those kinds of drastic steps, there is a huge impact on the economy.

This is a very serious challenge that we're facing and we chose to handle it in a different way. We chose to handle it in a way that has been recommended by the public, and I heard about this time and time again when I did the budget consultations, where people said the most important thing to them was having a job. They said it was okay to run a deficit for a couple of years if it meant that we were going to maintain services, we were going to continue to invest.

So that's what we're doing. We're protecting front-line services; we're investing in stimulus; we're maintaining the apprenticeship program that's very important, and we're maintaining funding to education, both at the university and the public school level because it is very important to maintain people working. The infrastructure that is—that we gain after this stimulus package is implemented will be there for the long term. And we made that decision, and we had to find a way to do it, given the economic situation we were in and given that we had a five-year plan. Given that we didn't want to cut all those services off in one year, we put in a different approach.

**Mrs. Stefanson:** Well, Madam Minister, with all due respect, it's less than two years ago that you passed legislation that was based on advice from the Auditor General, from Deloitte and Touche. You defended that legislation at the time. That was the four-year rolling average to balance the summary budget, okay? And now, you know, two years later, you're saying that you have to change that. You said, and I quote: It was okay for—you said people out there say, and I quote: "It was okay to run a deficit for a couple of years."

Well, Madam Minister, it's—you're now changing your legislation less than two years from putting it into place because, you know, will you not just admit that you have to change the legislation just to suit your spending needs and to suit your spending habits? Two years ago you should have had a plan in place to deal with this. Two years ago, you defended a piece of legislation vehemently and I remember that. I remember that debate. But now, two years later, now you're changing it once again. I mean, how many times do you have to change the legislation just to suit your needs?

**Ms. Wowchuk:** Mr. Chairperson, two years ago when this—when those changes were being made, nobody anticipated the economic downturn that was coming. Around the world governments have been affected. Around—right across Canada, there are governments that are looking at how they can continue with protecting front-line services and investing in stimulus and putting—looking at a way that they can keep their economies going. It's happening in provinces; it's happening at the federal level. The federal government has said, I believe, that they need—they will be—need at least six years to get into—back into balance. Ontario has said they will need seven years to get back into balance.

We have said we will be back in balance by '14-15. We have a responsibility to make sure that front-line services are protected and that people keep working, and we have chosen a different route than the members opposite would have chosen because as I hear what the member opposite is saying, if she had the opportunity, she would balance, and that means people would lose their jobs, investment in stimulus would not happen. I would imagine nurses and doctors would be fired again. There would be no investment in research. There would be no investment in technology. There would be no—we would be back to the time of zero and minus twos for education. That's where the member opposite would want to go.

We have taken a different route. We have taken a—put in place a plan, and that plan requires, in order for us to implement that plan, requires us to change balanced budget legislation, and we will be introducing that legislation in the not-too-distant future, and then the member will see the changes that we are planning to implement. But to implement this five-year plan, we have to change balanced budget legislation.

**Mrs. Stefanson:** So, in order to implement this plan, you will have to change that very clause in the last balanced budget legislation that stated the four-year rolling average—that a balanced budget based on a summary budget has to be balanced within that four-year rolling average. That will have to be changed in this legislation. Is that right?

\*(15:00)

**Ms. Wowchuk:** Just as other jurisdictions that have balanced budget legislation have had to suspend their legislation, we will have to suspend our legislation. This is not unique to Manitoba. There are other jurisdictions that are following the same path that we are following.

**Mrs. Stefanson:** Well, Madam Minister, the reason that the decisions were made to make it a four-year rolling average were to anticipate for tough times. Okay. You've been in government now for 11 years. If, during that time in 11 year—there's usually cycles out there, there's economic cycles, there's ups and downs. Did you not and did your government not at any point in time—*[interjection]* Well, actually the real problem is that your government did not anticipate for the bad times, and that's really what the problem is today, because during the times of record increases in equalization payments from the federal government, during the time of record increases in

revenues to the Province, where the government had the choice to pay down the debt and to help boost our economy, what they did is they chose to spend it on their pet projects and the things that they chose to spend it on, rather than stimulating our economy in such a way. And that's why we are faced with the situation that we're faced with today, because the government didn't choose, at that time, to put money aside for the tough times.

And now two years ago they defended legislation that they brought forward in this Manitoba Legislature stating that they believed that this legislation was long-term thinking, okay. This legislation was legislation that was brought forward because, yes, they believed that it wouldn't be easy to balance a summary budget within a shorter period of time. That four years, I gather, was based in—and I still don't have an answer whether or not the four years was what the Auditor General and Deloitte Touche recommended. Maybe I'll start with that question.

**Ms. Wowchuk:** You know, it's been for—it's been a long time, in fact, even under the previous administration, that the Auditor General was recommending that government go to summary budget. We made the decision to go in that direction, and we had Deloitte and Touche make some recommendations. And it was Deloitte and Touche that made the recommendation to go a four-year rolling average. That was their recommendation.

Now, the member opposite talks about not anticipating tough times. I don't think any government in Canada and, in fact, around the world anticipated the kind of economic downturn that the whole world is facing right now. But we did, in fact, put money away in case this should happen—there should be a downturn. In 1999 there was \$427 million in the Fiscal Stabilization Fund. This year there is \$804 million in the stabilization fund.

As well, we made a significant step forward in addressing pension issues, an issue that not—had not been addressed for years, and we began to set aside and pay down our obligations on the pension fund. That is an—a very important step that has not been addressed for years.

So did we anticipate the kind of downturn that has happened? No. We didn't anticipate it would be this—that a downturn would be this severe. Nobody around the world anticipated that there would be this kind of a downturn.

We have put money aside and it is that money in the stabilization fund that we will use over the next four years to pay down the amount that we have to borrow in order to maintain services in Manitoba.

**Mrs. Stefanson:** Well, and I know my colleague from Brandon West got into that with you earlier—that you're increasing the debt over the years. You may be paying down some of—a portion of it, but it's a net increase in debt. So you're borrowing to pay down debt which is—which just perpetuates the situation for the long term.

If I can just ask a quick question: What was the growth for last year in Manitoba? I just don't have the number in front of me right now.

**An Honourable Member:** The what?

**Mrs. Stefanson:** The growth.

**Ms. Wowchuk:** Are you talking about economic growth?

**Mrs. Stefanson:** Yeah.

**Ms. Wowchuk:** While we're waiting for that, I just have—the number was minus 0.9 percent, much lower than any—the other jurisdictions had a much greater decline in their growth than we did, but we did have a decline in growth.

But I want to correct the member. The member said we are borrowing to pay down the debt. That's not true. We are borrowing to maintain the services that Manitobans want us to maintain and we are using the stabilization fund to pay down the debt, to pay down part of that borrowing.

And, yes, the member thinks that it's some great secret, that she's discovered something really new, that we are spending more than we are—we're borrowing more and only paying part of it back. That's right. We have said we are going to have a shortfall in the next four years in order to maintain service, and if you have a shortfall, you have to borrow. But we have a plan and that's why we're using the stabilization fund to reduce that amount.

**Mrs. Stefanson:** What is the plan in the legislation to address the debt repayment issue?

**Ms. Wowchuk:** The amount of—I don't—could you clarify that please?

**Mrs. Stefanson:** What will be the debt—what will be in the legislation in terms of the amount of debt that must be paid down?

**Ms. Wowchuk:** A minimum of the \$600 million that we have spelt out in our plan from the stabilization fund.

**Mrs. Stefanson:** Six hundred million annually to pay down—what will be in the legislation on an annual basis that must be—to pay down the principal of the debt?

**Ms. Wowchuk:** This plan is to address the economic downturn period and we're looking at a five-year plan to bring us back into balance. So we're looking at it over that period of time and, over that period of time, our plan is to pay down \$600 million from—and use the funds from the stabilization fund.

**Mrs. Stefanson:** But in the previous balanced budget legislation I think it was around 90 million and principal that had to be paid down in the debt. I think you lowered that in the last legislation that you brought forward to 20 million. Are you eliminating that altogether then?

**Ms. Wowchuk:** During this economic recovery period we will be paying down \$600 million as we spelt out in our budget.

**Mrs. Stefanson:** Well, I'll ask again. It used to be specified in the legislation that there was a specific amount of money that needed to be—to pay down the debt, the principal of the debt. Now your government lowered that to 20 million—I believe it was 20 million in your last legislation that she brought forward two years ago, which, again, you said was doable at the time. It was fine at the time. Now a year and a half later, two years later, it's no longer okay. So I'm to take from today that there will be nothing in legislation that will require this government to pay down any principal in the debt.

**Ms. Wowchuk:** We will be required to pay down at least \$600 million over this economic recovery period.

\*(15:10)

**Mrs. Stefanson:** What is the economic recovery period? Is that your five-year plan that you've tabled in this budget? I mean—and am I—will that \$600 million be somewhere in legislation to hold this government to account? I mean, paying down the principal of the debt is an extremely important thing for future generations in our province. That's why it was put in the original balanced budget legislation. I presume that's why it was maintained a year and a half ago when the legislation was changed again. And now I'm hearing from this minister that there

will be no requirement for this government to pay, no requirement specified in the legislation that holds this government to account, to pay down any principal on the debt.

**Ms. Wowchuk:** That's not what I said. What I said is that, in the budget, we said that we would pay down six hundred—at least \$600 million over the recovery period and that's what will be required in the legislation. We will pay down, as we outlined in the budget, that's what will be in the legislation.

**Mrs. Stefanson:** It's extremely important, when we're looking at the future generations of our province, that we are doing something towards paying down the principal debt in our province. It's bad enough that we know that interest rates are going up and we know that the servicing of that debt is going to go up and that will create, likely, more debt. And, as a matter of fact, since this government came into power more than 10 years ago, the debt in this province, the summary debt has increased by 10 billion—almost \$10 billion. It's 9 and some change.

The problem that we have here is we've come through fairly low-interest rate times. They've already increased the debt by more than \$10 billion and now, now they're going to water down a balanced budget legislation even further not to require annual specified payments, debt payments, principal debt payments.

Is that what the minister is saying?

**Ms. Wowchuk:** What I am saying is that we—just as families sometimes have to make a decision and borrow some money to address challenges that they're facing, we are going to borrow some money so that we protect front-line services, so we can continue to invest in stimulus, so we can continue to invest in technology and keep people working and make sure that our schools are operating, that we're not firing nurses and doctors, that we continue to have these services, we will borrow some money. We will borrow and we have a plan to pay it back as well.

So they're—the member is—may have a different approach and if her approach is to take everything you've got just to pay down the debt, Manitobans should listen very carefully to that comment because that means the member opposite, if she had the opportunity, she would not be protecting front-line services. She would be cutting funds to schools and hospitals, we would not have the investment and

stimulus and we would—it would take years to recover from that kind of strategy.

**Mrs. Stefanson:** Well, with all due respect, Madam Minister, if all of this had been properly managed in the first place over the past 11 years, there would be no need to cut services and we could have properly paid down the debt so that future generations would not be left to pay for the ongoing spending spree of this government. And that's just the reality of it.

Now, the minister just said that they have a plan to pay back the debt, she said. Okay, I'll say pay down the debt. Okay, the debt is now at 24 billion and some change, and if she wants to go on this, on the core operating budget debt, that's fine, if we want to start with that on the 13 billion and some change.

Will—what is her plan to pay down that debt and how long will it take to pay down that debt? Because I believe that future generations need and want to know that there is some sort of a long-term strategy to pay down this debt.

Other provinces are going in that route. We see Saskatchewan is going in that route, Alberta's already paid down. I mean, we see other provinces that have gone in that direction and, once again, we are going to be left behind with future generations being left to clean up the mess. So I'm here standing up for future generations in our province who want to know and who deserve to know what the long-term plan is to pay off this debt.

**Ms. Wowchuk:** The member says she's concerned about future generations. Well, I want to tell her what I hear from people about what they think is important. People tell me today that they think it's important that we have adequate child care in place. People say it's important that we have a properly funded education system in place. People say it's important that we have infrastructure in place. People say it's important that they can continue to work.

And this budget makes those investments so that we can have those services that are important to people, and we can make investments in infrastructure that will be there for the long term. Whether it be infrastructure in roads, whether it be infrastructure in schools, whether it be any other kind of infrastructure, those are the things that people think are important.

Do we have to have a plan? Yes, we do have to have a plan. We have to have a plan on how we're going to carry Manitobans through this challenging

time, just as every other jurisdiction is doing, just as the federal government is doing. They're saying, we will make the investments now and we will pay for them, but we will put a plan in place on how we will get back into balance and how we will pay for this. In the meantime, we are going to maintain those important front-line services, those things that are important to people.

**Mrs. Stefanson:** Well, and again, I agree, Madam Minister, that core social services should be there for those most vulnerable in our society. There is no question about that. But the fact of the matter is, if we look at when this government came to power, the size of the budget was around \$6 billion. Fast forward, it's now the expenditures of \$10.8 billion. Okay. Where are we at?

And I agree that those most vulnerable in our society should, and do deserve, to have access to the services that they most need, but we've spent all of this money. The problem is the management. This government, again—and it goes back to what I said in my opening statement. This goes back to a government that likes to talk all the time about how much money they're putting into services, \$2 billion for this or \$2 million for this, \$3 million for that.

The question is: What are we getting for the money that we're spending? And I think what people are seeing out there, is we see a justice system with a revolving door; we see children who are falling through the cracks in our social welfare system; we see patients who are waiting in line for health-care services that can't be provided; we see people dying in emergency wards in our province. We see—and the list goes on and on and on, across the board.

So, when this minister likes to say that, oh, well, we need to spend more money, I suggest that she look back and say, you know what? Maybe we could have spent the money a little bit more wisely and there would have been an opportunity there to have the services, if they were properly managed, and be able to pay down part of the debt so that future generations are not left with the kind of debt burden that this NDP government is leaving for them.

You can do both, Madam Minister. The problem is, for the last 10 or 11 years, your government chose not to, and now, you keep going back to the 1990s. You've been in government for 11 years. The problem is, you've had increases in—record increases in equalization payments from the federal government. We're still a have-not province, when other provinces like Saskatchewan have become

have provinces, who are no longer dependent on the federal government.

You had increases in revenues. The problem is, Madam Minister, is what you chose to do with those dollars. And the problem is that you didn't spend them properly and you didn't manage them properly to the best of your—of the ability of this government. And now, fast forward. We have a government that is now, because everyone else is running a deficit, now it's okay for us to run a deficit. Well, that's not right because I don't believe that today we need to be running a deficit. If they had properly managed the dollars, the revenue dollars, for this province—if they had properly managed it in the first place, I don't believe we had to be in the situation that we're in today.

\*(15:20)

But it's pretty easy for an NDP government to come forward and say, well, everyone else is running deficits, so, wow, look at this, we can get away with it too. Let's find out where else we can spend the money. And that's the problem. That's the problem that I have with this government, is that we have a situation here where we are running deficits for the next four years, apparently. Deficits, by the way, that are premised on the fact that equalization payments will remain the same even though, in their own budget documents, it says that the federal government—and give me just a moment here to find the actual quote. But it says that considerable risks remain for the national economy. Even in their own document it says that. And if considerable risks remain for the national economy, I don't know how they can premise—I don't know how they can put a budget together that says that equalization payments will remain the same.

And so—and that will be one of the basis for the projections for the next four or five years. Any changes in that will be a significant problem for future generations in our province. And that's why I'm here asking these questions today.

What is the long-term plan? You've told me the 600 million and this is what you're going to do here and there. There's no commitment whatsoever from your government with a long-term strategy to pay down the debt so that future generations won't be left to clean up the mess after you're gone.

**Ms. Wowchuk:** Well, the member has put some interesting comments on the record, but I'll address the last one first, and then I'll go into the others.



The member opposite talked about what are we going to do? Over this economic recovery period, we are going to set aside the balanced budget legislation. We are going to make a \$600-million payment over that period of time. Once we are back into balance, we will revert back to an aggressive payment on the deficit, the debt, on the general purpose debt. We have a plan. The member doesn't seem to agree with that, but that's what we intend to do.

The member talked about the size of the economy, that it was 600–6 billion when we took office and it's now 10 billion. Well, I'm very proud of that. I'm very proud that, in our term of office, our economy in this province has grown. Our population has grown. Investments in this province have grown and we should be proud of that.

The member talks about child welfare and justice system. I know she doesn't like to go back to the '90s, but I would remind her to be very careful about what she says about child welfare cases or we could start raising some of the things that happened in the '90s with child welfare and the number of children who had misfortunes under the Progressive Conservative administration.

There were also issues in health care and in justice. If you—no government is immune to having challenges, we do the best job that we can to administer and put in place policies.

The member talks about that we should spend more wisely. Well, I would like to bring to her attention that since—in the last 10 years, our provincial expenditure per capita is the second lowest in the country. The expenditures in other—only British Columbia is slightly lower than us. In other jurisdictions, it is much higher on a per capita basis.

So—and if you look at our debt-to-GDP ratio, our debt-to-GDP ratio has improved quite dramatically since the time that we have taken office. We have made—there have been improvements made. So we have made payments on our debt. We've addressed pensions issues, which were ignored by the members opposite for many, many years. That had to be addressed. We made that decision, and we have made other investments, and we will continue to invest in front-line services so that—and in services that people want for themselves and for their children.

We have a plan and we will stand by Manitobans, as other jurisdictions are doing. They're

recognizing that they can't get out of a downturn in the economy in one year. We have—so we have laid out our plan and when this downturn is over and we were—are back in balance, we will then make—take aggressive steps to pay down the debt.

**Mr. Stuart Briese (Ste. Rose):** My question to the minister is around the proposed \$1.7 billion of infrastructure spending that was announced in the budget—over five years, I believe. Could you give me a kind of a quick breakdown where that 1.7 is? Is the highways capital budget included in that?

**Ms. Wowchuk:** The \$1.798 billion includes roads and highways, universities, colleges, public schools, health facilities, Manitoba floodway, housing, public service buildings, parks, campgrounds, infrastructure. It's a wide variety of areas where we will be making capital investments.

**Mr. Briese:** Then, Madam Minister, the 400 million of highways budget that was announced, and is announced every year, is part of that overall figure then?

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

**Mr. Briese:** Okay. Along with that announcement, the minister announced 29,000 jobs, and they're announcing them like they're new jobs. Those really aren't new jobs then. Those are the jobs that are tied around the capital highways budget that have been there. All you're doing is saying that these people have one more year of employment.

**Ms. Wowchuk:** Well, I guess, if the money wasn't spent, they wouldn't have the employment. So, tied to this \$1.8 billion is—this is valued at \$29,000–29,000 job-years. And that level of expenditure is double what it was two years ago. So there are more people that will be working because of the stimulus investment that we are making. And I'm very proud that we are going to be able to have infrastructure that will be there long after this economic downturn is over.

**Mr. Briese:** I would submit that some of that infrastructure was there long before this downturn started, too. They—what I'm trying to get at here, though, and I think you've answered it, is that really the infrastructure funding you're talking about is only continuing jobs that have been there for, in many cases, for a decade, for two decades. The 29,000 that the Minister of Finance and the Premier (Mr. Selinger) are touting as supposedly new jobs to the media, are nothing of the sort. They're jobs that

already exist, and you're just extending them for one more year.

**Ms. Wowchuk:** No, I have to say I beg to differ with the member, and he is wrong. These are not maintenance jobs. These are jobs that are created because of the investments that we are making, whether it be in health— construction of health-care facilities, floodway expansion, housing. These—if these—if this stimulus wasn't taking place, then these people wouldn't be working, if there wasn't that kind of investment. So these are—these investments are equal to almost 29,000 jobs. Now the member shakes his head and says, no, they would be working anyway. Well, these aren't maintenance jobs and roads. This is construction jobs. And, if there wasn't money invested in construction, these constructions companies wouldn't have this work.

\* (15:30)

**Mr. Briese:** There's always been a highways construction budget. There's always been a number of these other budgets. It's not something that you just dreamed up this year. There's always been infrastructure programs going on in this province. You're continuing them; you're not necessarily producing new jobs. You're continuing jobs that exist.

**Ms. Wowchuk:** Mr. Chairperson, there always was a highways budget. There always was. Never—never has it been expanded or reached a level that it has under this administration. If there was, there—the jobs that the member is talking about is a very much smaller budget that was there for highway construction, that is every year there for maintenance. This has nothing to do with maintenance.

This is over and above anything that has been there before. This is just a very unprecedented amount of money that is being spent on—in our highways budget. But also it's an unprecedented amount that is being spent in various other areas, in order to keep the economy going, to keep people working and to ensure that we have the infrastructure there that were needed once we recover from this economic downturn.

**Mrs. Stefanson:** Yes, I just had a few questions for the minister with respect to the stadium deal that's out there right now.

What involvement has the minister, or her department, had in the negotiations surrounding the new proposed stadium?

**Ms. Wowchuk:** As Minister of Finance, as Minister responsible for Treasury Board, I have been involved as—throughout the process, as this project evolved.

**Mrs. Stefanson:** And has this issue come before Treasury Board?

**Ms. Wowchuk:** As we established the budget, we went through the budgetary process, yes, it was.

**Mrs. Stefanson:** So as I understand from the memorandum of understanding, that the government is pledging, in the way of a grant, \$15 million towards the stadium, and another 90 million in bridge financing. Is that right? Or is it 90 million total, less the 15, so it would be 75 in bridge financing?

**Ms. Wowchuk:** There is \$90 million in bridge financing, and then there's a \$15-million contribution above it.

**Mrs. Stefanson:** Okay, and the \$15-million grant, is that included in this year's budget?

**Ms. Wowchuk:** There is a 15 million—there's a commitment of \$15 million to be provided at the point in time when it's needed. Not sure when it's going to be needed and when that time comes—it will—the whole issue is, all of these issues, are within this year's budget.

**Mrs. Stefanson:** So there's \$105 million set out in this budget somewhere for the stadium project. Is that right?

**Ms. Wowchuk:** The 90-million loan is under The Loan Act—2010 loan act, and the \$15 million will be cash flowed over the two-year period as construction takes place and as it's needed.

**Mrs. Stefanson:** So is the two-year period—like, under The Loan Act, is that in this year's budget, and is the two years, is that this year and next year?

**Ms. Wowchuk:** If you—like, if you look at B8, under loan requirements, that's where the \$19 million will be accommodated under the 2010 loan act, and the other—the 15 million will be—will flow over the two years of the project.

**Mrs. Stefanson:** Is the minister confident that the 90 million in bridge financing will be paid back and, if so, over what period of time?

**Ms. Wowchuk:** The final details, the arrangements of how—of those financial arrangements are still being worked out, but if—Creswin has till 2016 to pay it back, to take over the team, and if that was not to

work, then it will be paid off over 25 years through TIF.

**Mrs. Stefanson:** If there is no obligation for a loan to be paid back, why would that be reported as a loan in financial statements?

**Ms. Wowchuk:** There is obligation to pay it back.

**Mrs. Stefanson:** Well, in the memorandum of understanding, it says if he can't pay it back or doesn't pay it back for some reason by 2016, then, I guess, yeah, it falls on TIF financing to pay it back. So why would it be considered a loan if there—like, why wouldn't those terms of a loan be negotiated? It doesn't really sound like a regular loan to me, if that's the case, if there are no terms and terms of—obligation to pay back those loans.

**Ms. Wowchuk:** As I said, there are still details on this loan to be—this whole project to be worked out, but the loan will be to the University of Manitoba because the University of Manitoba will own the facility. Creswell, then, has an option to purchase the team—to purchase the team, and—but the facility will always be owned by the University of Winnipeg and the City of Winnipeg.

\* (15:40)

**Mrs. Stefanson:** But there is an option, certainly, and it does mention in the memorandum of understanding that if Creswin Properties is unable to fulfil all conditions required by the WFC for purchase of the football team assets prior to March 1st, 2016—this includes repayment of 90 million plus interest at the provincial Crown borrowing rate and less any contributions made by the WFC satisfactory to the Province and the city. In other words, there really is nothing in this memorandum of understanding and in this agreement that obligates Creswin to pay back this 90-million loan.

**Ms. Wowchuk:** Well, the money doesn't go to Creswell. The money goes to the university. If in order for Creswell to exercise his option of purchasing the team, he would then have to pay off that loan. If he doesn't exercise that option to pay—to purchase the team, the facility will be still owned by the university and the City of Winnipeg and it will be paid off over 25 years through TIF.

**Mrs. Stefanson:** Okay, and that's tax increment financing based on redevelopment of the existing stadium site. Is that right?

**Ms. Wowchuk:** That's right.

**Mrs. Stefanson:** Currently, I believe, no taxes are being paid there right now. Is that right?

**Ms. Wowchuk:** That's correct.

**Mrs. Stefanson:** So, this is subject to Creswin redeveloping that site and using whatever taxes—okay, now with TIF financing, as I understand the legislation, it's the education tax portion on that. Again, after—this is several years down the road; I think it will take several years to build this and to get tenants in here and in this—on this site. After several years of this, it's—and, I mean, assuming that a loan and interest starts right away, and I guess I would ask that, I mean, if this is loaned—if this money is loaned out today, does interest start on that loan immediately and what is the rate on that?

**Ms. Wowchuk:** The rate is the Crown corporation borrowing rate that's in place at the time of the borrowing.

**Mrs. Stefanson:** Okay. Well, I believed the Premier (Mr. Selinger), in Estimates, said that it would be in the range of 5 percent. Is that roughly correct?

**Ms. Wowchuk:** That's right.

**Mrs. Stefanson:** Well, assuming that interest starts on a loan of \$90 million right away, interest will accrue over that period of time until which point in time the structure is in place at the old stadium site and taxes are starting to be paid at that time. We have seen, and it has been estimated that everyone—it says in the paper—that in the *Winnipeg Free Press* that it was estimated that 2.4 million in municipal taxes would be paid and 4.7 million in provincial education taxes would be paid along with 1.6 million in business taxes. Now, based on that 4.7 million in provincial education taxes, again, with interest rates at 5 percent on a \$90-million loan, how long would it take to pay off that \$90-million loan to the Province?

**Ms. Wowchuk:** All of the incremental taxes on the retail development on Polo Park will go towards the loan and that is estimated between 7 and 9.5 million dollars annually.

**Mrs. Stefanson:** So all the municipal back taxes will also go towards that as well as—so under TIF, it will be the provincial legislation TIF as well as the municipal taxes will all go towards—so that would be 7.1 million annually to go towards paying down the loan? Or 7—sorry.

**Ms. Wowchuk:** Seven to nine and a half, in that range.

**Mrs. Stefanson:** So, again, at a 5 percent rate, if we're looking at, say, a 7 to 9 million—is that what the minister's saying, between 7 and 9 million annually will go towards paying down the loan? Okay, so—*[interjection]*—and at a 5 percent interest rate, how long will it take to pay down the loan?

**Ms. Wowchuk:** If it is paid in this manner, it would be approximately 25 years. If Creswell gets involved and does it in a different way, it will be paid off sooner, so it depends where—what happens—with how it works out. If Creswell has a certain time period to pay it, if he wants to take over the football team, he can pay it back for the university. If it—that doesn't happen, then it will be paid off over 25 years.

**Mrs. Stefanson:** And that would obviously be—because I've got some calculations here that I've done, based on \$7.1 million going back in principal, going back towards the loan, again, a 5 percent rate on top of that. We're calculating that it would be about 30 years to pay that off.

And my point here is that that's 30 years of, again, money that could be going towards education, to schools, to kids in schools, and this is now tax increment financing. Really, the principle of TIF should be going to blighted communities where but for this type of a building or a structure, nothing would really—no economic activity would normally be created in the area. Now, we know what's happening around this area. Of course, there's Polo Park there. There's a number of businesses surrounding the area, and certainly we know that this—that these tax dollars could be well used for education purposes for kids in our inner city.

And so I would just say that, obviously, the priority in this case would be to have—of this government, if this, if these terms are acceptable to them, that the priority—and the minister liked to talk about priorities earlier, that she had her priorities and she liked to talk about the 1990s. Well, I would suggest that a priority for us would be education for kids, and if this stadium is a priority over education for kids, is that what the minister is saying?

**Ms. Wowchuk:** Well, you know, sometimes you have to make choices and you have to make decisions. We had to make a decision whether we would continue to spend—whether we would spend \$52 million to fix up the old stadium and maybe get 10 years out of it and then have to work—invest further or whether we would spend, put into place a loan and make an—a loan for 90 million and make an

investment of 15 million and have a long-term facility.

So the member talks about this financing of taxes. She has to remember that this is a fallback position. It—there is a plan that Creswell will take over the football stadium *[interjection]*—Creswin, pardon me—Creswin will take over the football team and pay back the loan in a shorter period of time. The fallback position is that if that doesn't happen, then those—we will use TIF.

The member talks about the taxes for education. I would remind her that there are no taxes on this property now. No—this is not money that is—no money is being taken away from education now. And it's a guess—the member—we—does not support a stadium.

\* (15:50)

We've taken the decision—made the decision that building—investing in a stadium will be good for the Winnipeg Blue Bombers. It will also be good for the University of Manitoba. It will be good for all kinds of sports, and that's the choices that we have made, and I'm—there are options in this proposal, and we—you have an option of taking over the football team and—as well as a fallback position if that doesn't work.

**Mrs. Stefanson:** Well, I think the minister's completely wrong. When we're talking about a stadium, I think everyone would love to see a stadium. Wouldn't that be fantastic. The question is what are—the devil's always in the details when it comes to these things. And it's important and incumbent upon this Minister of Finance and the Premier (Mr. Selinger) of our province to ensure that they are looking after the best interest of taxpayers in Manitoba, and that's what this is all about.

And so that's why we're asking these questions when it comes to the \$90-million bridge financing, when it comes to the \$15-million grant towards this project. We need to understand. Taxpayers need to understand the details. And what I'm hearing from this Minister of Finance today is, well, we're still in negotiations. Yeah, we're still discussing that. Yeah, we haven't finalized this, we haven't finalized that.

Well, isn't it more prudent, Madam Minister, to do your homework first before signing deals just to get a press conference, just to get a photo op? And I think it's much more important to get to the details of an agreement that is in the best interest of taxpayers of Manitoba and then—and not have to go back to the

drawing board after and say, oh well, we'll iron out those details later. It's all okay; just trust us.

Well, we know from several other things that it's very difficult to trust the way that this government spends money, and I could go on about the \$640 million that they want to spend on a—more—that they want to spend on a bipole line down the west side of this province. We can talk about the money that—the \$350 million that they want to waste on nitrogen removal. We can talk about all the waste that this government wants to incur on this province for the number of years to come.

We know that they're running deficits. We can see that in their five-year plan but the basis of all of that is based on equalization payments from the federal government staying the same. The assumptions in this are, I believe, unrealistic, and there are so many reasons why—that we cannot trust this Minister of Finance when it comes to the details, negotiating the details of this agreement because they have a Premier here that decided that he—it was more important for him to grab a photo op than it was to get to the bottom of the details for taxpayers of Manitoba. And I think that's unfortunate but, unfortunately, that's the way this government is.

Now, unfortunately, I guess we are at the end of our time for Estimates. I know certainly we'll have some time in concurrence to continue this lively debate with the Minister of Finance but I will leave my comments for today at that.

**Ms. Wowchuk:** Mr. Chairperson, just with those comments I have to say to the member that the parameters of the deal are all done. I said that there was some fine details to be worked out. There is always those kinds of things that you have to work out as you finalize things but there was a choice, you know. As I listened to the member opposite, I think she would rather spend \$52 million and get 10 years out of the old stadium.

I don't know if she's been there recently but that's not—that old—the stadium that we have now is not very—in very good condition. We made a choice that we—rather than spend \$52 million and have a 10-year stadium, we would put in place a long-term plan and this was—the results are—and it's very clear that we are doing a \$15-million contribution. We are putting in place a \$90-million loan, and the terms and conditions of how that loan will be replaced—repaid are all spelled out. I've given the member those details of how it will be done but you know,

we would—we have—I think we have a party—a critic in opposition that would rather do nothing.

We saw it before when they were in power, they shut down all the development in Northern Power. They didn't build one thing. We are building dams. We know that we have to put Bipole III in place for reliability of supply for Manitoba customers, and the members opposite talk about how they—this—I would remind the member, even though she says we're wasting money, that construction is not taking place this year because it's still not fully developed. But it will happen.

The members opposite talk about removal of nitrogen, and we again will make our decisions based on the advice of scientists, Mr. Chair, and the advice of the Clean Environment Commission. *[interjection]* Now, the member will think that's a funny story and a funny comment. I have a lot of respect for the people in the research industry. I have a lot of respect for Manitoba Hydro and the work that they are doing. And I have a lot of respect for the people on the east side of the province who are working very hard to get a UNESCO Heritage Site here in this province, which will be very important for us.

And, with those few comments, I will—I thank the member for her comments, and we will go on from there.

**Mr. Chairperson:** Hearing no—almost.

**Mr. Ralph Eichler (Lakeside):** I do have one question for the minister in regards to Bipole III—and I know we're trying to get wrapped up here. But on the land acquisition side of things on Bipole III on the west side, does her department have any figures available to us in regards to the estimated value for the acquisition of the farmland that's going to be used for Bipole III?

**Ms. Wowchuk:** Mr. Chairperson, that will be—that's Hydro's area. Hydro is now looking—has done the work over the last two, three—two-and-a-half, three years. They've picked out three routes. They will make their final decision on which route that will take and, once that's done, they will start to consult with those people on the particular route, and that's when they will talk about the compensation of land acquisition. But Hydro has a formula in place that they use, and they will use that formula.

**Mr. Eichler:** The farmland values: Is that established by Manitoba Hydro as well, or is that based on assessed value?

**Ms. Wowchuk:** Hydro has a formula and I cannot say. I could check with Hydro as to how they determine the value of the land. I don't have that information here with me.

**Mr. Chairperson:** Seeing no further questions, we'll now proceed to reading of the resolutions.

Starting with Resolution No. 7.2: Sorry, just a quick moment here. RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,126,000 for Finance, Treasury, for the fiscal year ending March 31st, 2011.

**Resolution agreed to.**

Resolution 7.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,960,000 for Finance, Comptroller, for the fiscal year ending March 31st, 2011.

**Resolution agreed to.**

Resolution 7.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$17,125,000 for Finance, Taxation, for the fiscal year ending March 31st, 2011.

**Resolution agreed to.**

Resolution 7.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,466,000 for Finance, Taxation, Economic and Intergovernmental Fiscal Research, for the fiscal year ending March 31st, 2011.

**Resolution agreed to.**

Resolution 7.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$474,000 for Finance, Insurance and Risk Management, for the fiscal year ending March 31st, 2011.

**Resolution agreed to.**

Resolution 7.7: RESOLVED that there be granted to Her Majesty a sum not exceeding \$7,909,000 for Finance, Treasury Board Secretariat, for the fiscal year ending March 31st, 2011.

**Resolution agreed to.**

Resolution 7.8: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,263,000 for Finance, Costs Related to Capital Assets, for the fiscal year ending March 31st, 2011.

**Resolution agreed to.**

Resolution 7.9: RESOLVED that there be granted to Her Majesty a sum not exceeding \$44,012,000 for Finance, Net Tax Credit Payments, for the fiscal year ending March 31st, 2011.

**Resolution agreed to.**

\* (16:00)

The last item to be considered for the Estimates of this department is item 7.1.(a). I see people know the drill, the Minister's Salary, contained in resolution 7.1. Staff are escaping, which is appropriate, and I now recognize the honourable minister.

**Ms. Wowchuk:** Mr. Chairperson, as there has been some question about the lines in the budget with regard to the Minister's Salary, I would like to add some additional clarity, even though this reduction is already in effect and adjusted in another line.

I would like to move that item 7.1.(a) Minister's Salary be reduced by 20 percent, or \$9,000, to seven-\$37,000.

**Mr. Chairperson:** It has been moved by the Minister of Finance that item 7.1.(a) Minister's Salary be reduced by 20 percent, or \$9,000, to \$37,000.

The motion is in order. Are there any questions or comments on the motion?

**Ms. Wowchuk:** Mr. Chairperson, as I said earlier, I'd-I'm bringing this motion forward to provide additional clarity. People have asked the question as to why it is reflected in one line in the budget and not another. So, for clarity, this is spelled out in the budget, but the legislation will be brought forward to make this reduction law.

**Mr. Chairperson:** Seeing no other comments, is the committee ready for the question?

The motion, once again, is that item 7.1.(a) Minister's Salary be reduced by 20 percent, or \$9,000, to \$37,000.

**Some Honourable Members:** Pass.

**Mr. Chairperson:** The motion is accordingly passed.

Resolution 7.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,415,000 for Finance, Administration and Finance, for the fiscal year ending March 31st, 2011.

**Revised resolution agreed to.**

Committee is now in recess. Well, this completes the Estimates of the Department for Finance. Next set of Estimates to be considered will be for the Department of Infrastructure and Transportation.

I see we will need some ministers and critics and staff, so the committee will be in a brief recess for five minutes, if it is agreeable? *[Agreed]*

Committee in recess.

*The committee recessed at 4:03 p.m.*

*The committee resumed at 4:07 p.m.*

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

## INFRASTRUCTURE AND TRANSPORTATION

**The Acting Chairperson (Mr. Reid):** Order, please. Will the committee come to order.

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

Does the honourable minister have an opening statement?

**Hon. Steve Ashton (Minister of Infrastructure and Transportation):** First of all, it's an honour to be able to present the Estimates of the Department of Infrastructure and Transportation, and I can also indicate that we will also be considering EMO as well. I want to thank the opposition critics for prearranging that.

What I want to stress, by the way, as we look at the current set of Estimates, just how significant the investment in infrastructure is in this province and how it's reflected in our Estimates. We are investing, as a Province, more than \$1.8 billion in overall infrastructure spending. That's an increase of 90 percent since 2008. We are significantly investing in our highways system: \$525 million. And what's really significant there, for the second year in a row we have record capital expenditures: 366 million. And if I could put it into perspective, in 1999, if you want to compare where we're at, we're almost quadruple the capital budget, something that we're very proud of as a department, very proud of as a government, and that's benefiting highways throughout the province.

We're investing more than a hundred million dollars to either replace or repair bridges. This is a province that has taken on the challenge of ensuring that our bridges are not only safe in the immediate sense but are going to be there for us in the long term.

*Mr. Chairperson in the Chair*

And I think what's particularly important is that we are actually now moving back to year-round RTAC rating on highways that in the '90s were being put on restricted RTAC: Over 120 kilometres of PTH 68, from Highway 6 to Highway 5; 110 kilometres of Highway 83 from Russell south to Swan River; and 43 kilometres for PTH 8 from PR 229 to PTH 68. And, previously, we had made significant progress in sections of Highway 3, Highway 57, and 264 through to 577.

I want to stress we're putting back onto the system full RTAC loading, instead of what we saw a number of years ago.

\* (16:10)

So we have a—this is all, by the way, part of our 10-year plan, \$4-billion plan. And I do want to credit Transportation Vision 2020, and the member for Transcona (Mr. Reid) was the chair of that. It came up with the target: \$4 billion, 10 years. The member for Selkirk (Mr. Dewar) was very involved with that as well, so was the member for Flin Flon (Mr. Jennissen), work with stakeholders. We actually are exceeding that very ambitious target.

I want to stress, by the way, that in terms of highways, we're also investing in active transportation. It remains a major priority of this government and we're seeing some very significant improvements. And I'm certainly more than open to questions from members about our current and future plans.

Just to give you some idea of the, you know, the immensity of the projects we're looking at. Significant improvements to Highway No. 1. Significant improvements to Highway 16. A major investment in projects related to CentrePort, which is going to be very significant for this province. We're doing a significant amount of work on 59 North and we're continuing, throughout the province, to emphasize very significant highway capital investments.

In terms of water control and structures, I want to stress that we have been working very much over

the last 10 years on our provincial drains. I think that if you look at it, there was a significant cut in the '90s in terms of investment in drainage and water control, we have been turning that around.

We're also dealing with the real need to upgrade both water and waste water in this province and we're, currently now, leveraging over \$200 million for 58 projects across the province, including both municipal shares and the federal share. Just to give you some idea, this includes: the village of Winnipegosis, sewer upgrades; town of St. Anne, sewer upgrade; city of Steinbach, waste-water expansion; the R.M. of Riverside, the Ninette lagoon; Nelson House water treatment plant; The Pas water treatment plant; Norway House—well, I could continue but, 58 projects throughout the province, very significant.

The Manitoba Water Services Board is working on a very significant number of projects and providing both the technical expertise and working with the municipalities, also, in terms of the direct financing, but we're seeing regional treated water systems: the R.M.s of Brenda, Arthur and the communities of Medora and Napinka. Phase 1 of a regional water system for the R.M.s of Whitehead and Alexander; regional water treatment facility for Grandview and Gilbert Plains; a complete waste-water treatment system in Headingley.

And I could list many other communities throughout the province where we're seeing those kind of initiatives and I look forward to questions on the many initiatives we're looking at.

In terms of transportation, CentrePort is a huge priority for this department and for our province. We are working on CentrePort, both in terms of the highway capital—it's part of our highway capital plan—but also, quite frankly, we've been working on a broader scale, the Arctic bridge offers some real potential for this province. In fact, I recently met with the Indian Minister of Infrastructure. I want to thank the member for Radisson (Mr. Jha) actually, who made that connection.

We have real potential for an air link between Manitoba and Russia—Krasnoyarsk, to be specific—and also, to India and we're looking at that.

We are also continuing to work on the Arctic Bridge within Canada as well. Certainly, we look forward to continue to develop further contacts with Nunavut. We promote the Port of Churchill which

has huge potential significance. And I can't stress enough how our vision for transportation is global and CentrePort is very much a key part of that.

On the trucking industry side, I want to mention, we've been working very closely with the trucking sector. I want to really thank all the work that's been done with the oil industry in southwest Manitoba. And I think that's very important.

We're also working with the Province of Saskatchewan—a joint Cabinet meeting. We're looking at harmonizing regulations in commercial transport and we have a tentative meeting set up over the next couple of months to follow through on that.

I want to stress, in addition to what I've already referenced to CentrePort, our continuing focus on the International Gateway Strategy. Clearly, that's part of it. But, we also are, very much, an important part of the Asia-Pacific corridor.

I want to indicate that we have acted decisively to maintain our bus service in this province, which is critical in rural and northern Manitoba, and we would be more than pleased to answer questions on the future of that.

The Red River Floodway expansion project, as minister, I'm also responsible for that. We have basically achieved the design capacity of one-in-700-year flood protection, and I think it's been done on time. It's been well within the budget. It's very important.

We're moving ahead in terms of capital construction. I'm very excited by the new UCN campuses in The Pas, the expansion of the campus there and then the brand new campus in Thompson was just announced recently; the Northern Mining Academy in Flin Flon; phase 2 relocation of Assiniboine Community College to North Hill; the women's correctional centre; the investments in corrections at Milner Ridge. These are all, again, important parts of our commitment to public services.

We're moving ahead in terms of energy efficiency. Projects require to be at LEED Silver level; that's extremely important. And, dare I say, we have moved decisively to renew our water bomber fleet. We have a new life flight Citation. We're proud of that, and despite some of the controversy, we're going to be there to protect rural and northern Manitoba when it comes to forest fires to provide air ambulance service.



I just want to sum it up again. This is a department that has got immense—an immense mandate, but I want to say how proud I am of the department that's stepped up to the plate. Infrastructure is clearly a priority for our government, and this department is delivering the goods on everything from our capital buildings, our air services through to our highways, our water and waste-water system, you name it, a historic investment in infrastructure. I'm really proud of the Estimates we're bringing forward to this committee. Thank you.

**Mr. Chairperson:** We thank the minister for those opening comments. Does the opening—or does the critic have an opening remark or two to share?

**Mr. Ralph Eichler (Lakeside):** Lakeside, yeah.

**Mr. Chairperson:** Uh-huh.

**Mr. Eichler:** Anyway, mine'll be fairly short. I do want to, you know, thank the minister for sending the book to me yesterday. Didn't give me a lot of time to get through to the depth of the department, but I can certainly tell you that I'm excited about this new portfolio and what comes with it and the challenges that comes with it, and I know the minister had talked about drainage and water treatment and CentrePort and the Port of Churchill and the trucking industry and those other initiatives that he mentioned.

I won't report—repeat all of them, but I can certainly tell you that when we talk about CentrePort and some of the things just going to come out of that is very exciting times, I can assure the minister and he knows that we're on side with moving CentrePort forward and the challenges that come with it. And the Asian-Pacific corridor as well is very important to us as well. And of course rural Manitoba, as the minister is very much aware, the bus service is paramount, and we need to ensure that those people in rural Manitoba have the services available to them to ensure that they are able to get to and fro for their doctor appointments and travel and the tourist industry as well.

And I know the member from Morris will be very pleased to come and talk about the Red River project that the minister referred to in his comments as well. And the women institute, and, of course, the 'Milne' institute as well. Getting into those types of things.

So, I do want to ask the Chair, and I know the minister has agreed to this, but I'd just like to get it

on the record for my colleagues because we do have a number of issues that we're going to try and deal with in regards to this huge portfolio—I think it's quite huge anyway—and to try to have some type of a structure in regards to EMO, if we could do that tomorrow between four and five. And then today, we'll just do the general questions and then come back on Monday and attempt to try and deal with CentrePort and those issues, and then Tuesday, if we could call the water services people there as well.

I know we're on tight constraints as far as times is concerned, so I think if we could lay out some type of a bit of an agenda, I think that'd be beneficial to the minister and to the staff so that we wouldn't have duplication of staff staying here when it's not necessary.

\* (16:20)

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

Under Manitoba practice, debate on the Minister's Salary is the last item considered for a department in the Committee of Supply. Accordingly, we shall now defer consideration of line item 15.1.(a) which is included and contained in resolution 15.1.

At this time, we'd invite the minister's staff to come join us at the head table, and, perhaps, minister, when they are seated, you could be kind enough to introduce them.

**Mr. Ashton:** What I'll do, I'll introduce both staff that are at the table and staff that are currently with us: Doug McNeil, Deputy Minister; Paul Rochon, associate deputy minister; Lance Vigfusson, assistant deputy minister, Engineering and Operations Division; Karlene Maharaj, Executive Director, Canada-Manitoba Infrastructure Secretariat; Dick Menon, General Manager, Manitoba Water Services Board; Ian Hasanally, Director of Financial Services.

**Mr. Chairperson:** Thank you very much, Minister.

Now, a quick question for the committee. Is there a wish for the Estimates for this department to proceed chronologically or globally?

**Mr. Eichler:** In light of the previous comments that I had, if we'd stay on the global I think would be the right way to go in order to try and arrange for staff, if that's acceptable.

**Mr. Ashton:** I'm all in favour of thinking and acting globally. Yes.

**Mr. Chairperson:** That said, it is understood that the Estimates discussion for this department will proceed in a global manner. Thank you very much for that, committee members.

The floor is now open for questions.

**Mr. Eichler:** Mr. Chair, I was wondering if we would get a list of the political staff and the position and whether or not they're full-time or part-time for the various departments that is under the minister's privy.

**Mr. Ashton:** Now, just for clarification, I assume the member is talking about the core political staff, and there's also, under our department, the Lieutenant-Governor's office, which are not political staff but are Order-in-Council. I don't know if the member—can the member perhaps clarify if he wants that information as well?

**Mr. Eichler:** Yes, the Lieutenant-Governor's—the minister is absolutely right, you know, excluding that, I think the rest of them are available to you through, one way or another, through political staff, if that's clarity enough.

**Mr. Ashton:** Yeah. What I can indicate in terms of staff, my Executive Assistant is Donna Kildaw; our special adviser, Clif Evans. We also—my special assistant is Dale Edmunds; Jack McPherson is—works in The Pas Cabinet office and deals with northern issues related to MIT; and there are a number of policy appointments that have been in place for a number of years; Tanis Wheeler that deals with northern development issues; Alison Dubois, also in northern development Aboriginal issues; and Sig Laser, planning program analyst.

As I said, there are some other positions that are in the Lieutenant-Governor's office, but I don't think they're necessarily, you know, political, but they are Order-in-Council, so that information is available for whoever wants it.

**Mr. Eichler:** Would the minister indicate, for the record, new staff that's—that came on board since 2009 until 2010?

**Mr. Ashton:** The big—the main change, obviously, with the change in now—and now the minister has a new executive assistant for this department—Donna Kildaw has been my executive assistant, you know, in previous departments, but now is obviously under this. And Clif Evans, same scenario, and Dale

Edmunds, and also Jack McPherson has worked for government for some time but is now specifically assigned to MIT issues within this department.

And, obviously, there've been other individuals that are no longer with the department; the former SA, former intake co-ordinator are no longer with this department. So that you know, there's been some additional staff and some staff that have moved on.

**Mr. Eichler:** I guess we'll move down the standard list of Estimate questions, and the next one will be the staff of the minister's and deputy minister's office.

**Mr. Ashton:** In the deputy's office, Doug McNeil, we—do you want the number of positions or names?

**An Honourable Member:** Names and positions.

**Mr. Ashton:** All right. We have a vacant position. We have Debbie Draward, Anne Lenius, Lauren Donnelly, and those are variously—there's an AYW, AY3 and AY3.

And, in the associate deputy minister's office, one vacant position, and W. Van Loon, AYD.

**Mr. Eichler:** Mr. Chair, on the—I believe there's two vacancies, if I heard the minister correct. Those will be—will those positions be refilled and how would—what would the policy be in regards to replacing those two individuals, if I heard right?

**Mr. Ashton:** They will be filled in, and, actually, I should clarify that Terri Hooper is in one of the positions I had indicated was vacant. So the other one is in the process in the associate deputy minister's office of being replaced right now.

**Mr. Eichler:** And, just for clarity for my information and for the record, the procedure that's used to fill those positions, how is that? Is it advertised or is it posted? What's the process that we usually follow for that?

**Mr. Ashton:** It is bulletined, yes.

**Mr. Eichler:** We'll move on to the number of staff currently employed by the department and if there's an increase or decrease since 2009-2010 as to that process.

**Mr. Ashton:** The change from last year to this year is 13.1 positions down.

**Mr. Eichler:** So the total number of staff currently employed in the department is at what number right now? You indicated you're down 13.1 position

overall, so what's the total number in the department at this point?

**Mr. Ashton:** 2,440.01 FTs.

**Mr. Eichler:** New positions that's been hired in 2009-2010, if we could have the names of those individuals, and was there any appointed and how many was done under the competition side of employment numbers?

\*(16:30)

**Mr. Ashton:** Certainly, I can provide that information. We can perhaps get back at the next sitting, and I can certainly indicate that one of the positions was—our deputy minister was just hired this past year, replacing Andy Horosko, who retired. But we can provide other names; it'll take a little bit of time to assemble.

**Mr. Eichler:** That's fine. Would the minister indicate if there was any appointed at this point? Do you know the positions that was appointed rather than through the competition?

**Mr. Ashton:** We'll double-check, but our senior staff advise that they're not aware of any. But we'll double-check that and, when we provide the names, we'll clarify that.

**Mr. Eichler:** Okay, thank you. What about reclassifications? Has there been positions that have been reclassified since the last estimate process?

**Mr. Ashton:** As you know, it's a fairly large department. I'm not sure the member wants all of the positions and the rationale, because there's actually 308 of them.

**Mr. Eichler:** No, I don't think it's necessary to have that. We have far too many other items that are more important. I think that that's fine, just knowing the number. I know that, you know, the size of the department is certainly large, and it will be that way.

In regards to the vacancy rate, I know you indicated that it was down 13.1 positions. What is the estimated vacancy rate for the upcoming year through attrition, and is there any indication that those positions will go unfilled as a result of budget restraints and that type of thing?

**Mr. Ashton:** Well, certainly government, on an ongoing basis, manages vacancies. The current vacancy rate in the department—and when I say current, that was the end of the last fiscal year—was 11.76 percent.

**Mr. Eichler:** In regards to government contracts, and I'm not a hundred percent sure how it works in this particular department, but I think the normal value is \$25,000 for contracts that can be given out without tender process. Has there been a list of contracts that you gave out under that \$25,000 amount or over that amount that would be of interest for us to discuss in the Estimates process?

**Mr. Ashton:** So, just to clarify, the member wants a list of all the contracts granted or on tender contracts or over a certain amount. I mean, you know, we, again, I could—I'm not sure that the member would want every last contract coming out of this department. He could be spending most of the next month just going through the paper. We are involved, you know, obviously, with a significant number of contracts varying in monetary amount and scope.

**Mr. Eichler:** I think it would be worth the record to have the untendered contracts that have been given out rather than the tendered contracts.

**Mr. Ashton:** So the member wants a list of untendered contracts? We can provide that, yes. And, just to clarify, the monetary authority of the minister is up to \$50,000 but, generally speaking, we do tender out. That's the general policy of the department.

**Mr. Eichler:** So, Mr. Chair, then the minister will table those to me or get them to me at another time, the tender contracts? That's \$50,000—that's under the \$50,000, I believe, is what you said in regards to untendered—the range that we're able to work within. So that would be fine. And I guess the other question would be in regards to relocation of people within his department from one area to the other, from rural to northern, or from Winnipeg. Has there been positions that have been moved in regards to his department as a result of relocation?

**Mr. Ashton:** I'm not aware of any, and I want to stress that the context of that is that this is a department that has very significant employment throughout the province, including every part of rural and northern Manitoba. That's important from an operational side and it's—I think it's important that we maintain that and certainly that is reflected in our staffing. We continue to emphasize a decentralized model of provision of services and we're certainly not aware of any positions that have been transferred. I will double-check before the next sitting, just in case there are some isolated cases where that's happened, but we have not been, as a policy,

relocating offices. We've been maintaining that employment.

**Mr. Eichler:** We just have a few more standard questions, and we're about done this process, and I know it seems a bit redundant at times but we certainly need to follow the standard questions.

In regards to travel by the minister or the Premier (Mr. Selinger) of the province, was it paid for in particular by the department or transferred from your department into another department to cover costs for yourself or the Premier or another minister?

**Mr. Ashton:** Of course, this is now available. It's public record, but I have travelled to Vancouver, related to WESTAC, and I'm sure the member's aware of WESTAC so I won't get into details and actually this involved the Port of Vancouver, you know, port facilities.

I also attended a joint Cabinet meeting in Yorkton, Saskatchewan, which I don't know the member is aware of. I also was in Ottawa on issues relating to flood protection and other departmental issues. I'm sure we'll get into questions of that on that particular line item, but that was in March. And most recently, a very important meeting with the Indian minister of infrastructure, that I referenced in my opening remarks, in Montreal, related to CentrePort. So that was in March–March 25th.

**Mr. Eichler:** Just for clarification then, so no travel was paid for, for the First Minister out of your department, or other ministers?

**Mr. Ashton:** No. I've–the travel I've listed is basically the four trips that have taken place. Yeah.

**Mr. Eichler:** Thank you. One final question in regards to the standard questions and that's to do with the advertising budget that you've–I guess you have your actual that you've got from 2008-2009 and 2009-2010. How much money was spent on advertising and what media lines did you use to advertise in?

**Mr. Ashton:** Yeah, I'll provide that information in the next sitting of Estimates. Of course, I wasn't minister for the bulk of that period, so it'll be historic information, and you know, I can indicate we're certainly watching our advertising this year. You know, we do have a, you know, significant mandate, particularly on safety issues and other issues on the highway side, you know, so there is still a need to

advertise, but I'll make sure we provide that context, you know, the past and what the current budget is.

\* (16:40)

**Mr. Eichler:** Thank you for your patience in regards to those standard questions, and before I do start the general line of questioning, I want to first of off, welcome the table staff here and, as I said, it's my first go at Infrastructure, Transportation and Government Services. And I know there'll be some questions that I missed, and I know, in my previous role as Agriculture critic, the ability to be able to come back and ask questions a bit later on through you, Mr. Minister, and your staff, I know the same extension will be granted to me in regards to trying to learn as much about the department as I certainly can.

And I know that we used to have 240 hours for Estimates. In Agriculture, I was used to 12 to 14. I understand we maybe have eight or nine hours here to go over–through such a large portfolio. So I know that we'll miss a lot of those questions, but certainly appreciate the efforts that your staff and you will make to try and help us get through this process the best we can and cover as much as we possibly can.

So, having said that, I would like to start off with the first department, I guess, that we would be going through, and that would be the Executive Support. And, again, because the portfolio is fairly new to me I did try to do some cramming over the last month, two months, in regards to the services that actually come out of your department. And I have to comment that it's quite the undertaking when you look at Executive Support, you know, administration services and financial services, technological services.

I was wondering if the minister could kind of outline for me how those three departments interrelate and how they work within your department.

**Mr. Ashton:** Well, I think the member obviously understands the context here. This is a large department in terms of FTEs. It's also a large department in terms of scope of activity, both in-house and also through the various contracts that we let, and I think there's a fairly good explanation of the specific roles that are attached to each particular part of the department.

I do want to stress, by the way, that the–took on the financial oversight, that this is a–been a significant area of some change over the last number

of years. We've moved to a full amortization, for example, in terms of highways capital which, to my mind, is hugely significant. I mean, 10 years ago we had to expense every single dollar for highway capital out of operating. Now, you name me where a homeowner buying a home, business person, or farmer could operate under those kind of rules.

So there's a very—there's been a very significant shift in the way we deal with that and that's one of the reasons why you'll see, this year, for example, the highway capital at record levels. We're not cannibalizing our capital infrastructure, and a more difficult budget year, we are investing—it provides fiscal stimulus and good results.

So I do want to stress that there's been a very significant overall shift and I also want to stress the degree to which we—there's a lot of financial oversight of the contracts that are let. I mean, if you consider we've more than—well, close to quadrupled the highway capital budget, as an example. We're probably about 250 percent on the building side, and when I say building, that includes corrections, which we're responsible for, college capital, which we're responsible for, as well as, you know, the various government buildings, you get some idea of the, again, the additional scope.

So I can't say enough about the degree to which—yes, we're a department of building but we're also very much a department that's got a very significant fiscal control side, financial side, and many of the people think you're referencing—they're—they don't get perhaps as much profile as other people in the department, but they're every much a part of it and I think, as you'll see—and, you know, I'll look forward to some more detailed questions—the financial scrutiny is a huge part of it. We not only want to deliver things, you know, in terms of building highways and capital projects, we want to make sure that we get the best value for the public, and we've been able to do some fairly innovative things the last years that are ensuring that.

And, again, it's very much the work of our finance people in the department. So I appreciate the member asking the question.

**Mr. Eichler:** Thank you. That does clarify an awful lot for me in regards to that.

And, again, just to kind of help me get started here, in regards to the spending within your department, I believe in your opening comments you talked about some \$525 million that's going to be

spent in Highways. I'm wondering, could you break that down for me? There's obviously federal dollars in here. Is there municipal dollars that are included in that through the gas tax? What is the actual breakdown out of that \$525 million, and that—is that per year? Is that for five years or is that a projection over the 10-year project that he had talked about overall?

**Mr. Ashton:** Well, the 565 includes the cap—I'll reference that, you know, specifically—366, include maintenance, 149, and, of course, our winter road system which we have separately. I have acknowledged this year this is probably our best year historically in a long time in terms of federal cost sharing, and we have oriented a lot of our capital budget this year to maximize our partnerships with the federal government. Of course, the winter roads system we do cost share with the federal government on an ongoing basis, and the key element here, by the way, is that we have increased spending on the capital side, and we have also dealt with some of the real challenges on the maintenance-side increase over the last number of years.

To put it in context, in the 1990s, I think, we hit as low as 92 million print on capital and when you consider this now, 366 on capital alone. That's strict capital expenditures. You'll see the significance of that, and that is the one-year figure; the 525 is the one-year figure.

Yeah and, actually, if you want the global number for 1998—I remember it well, having taken over parts of this department in 1999—the actual expenditure, the entire expenditure, was 174 million on an annualized basis, 174—to be fair 174,624,000. This year it's 525.

**Mr. Eichler:** So the 525, could you give us a breakdown on that, Mr. Chairperson, to the minister? The maintenance is 149, new capital is 366, so we've got a little bit of a shortfall there. Where would the rest of the money—

**An Honourable Member:** Winter roads.

**Mr. Eichler:** Winter roads?

**An Honourable Member:** Yes.

**Mr. Ashton:** Yes, actually the—I want to stress the 149 is actually maintenance and preservation. So those are—you know, the combined 149 is actually maintenance and, you know, I can get into the—how we define that, because there are—you know, there's—I think you know, I mean you know the highway

system and what sort of pure maintenance is and some of the work that doesn't necessarily fit under the capital budget but is, you know, is a regular activity that's really sort of between the capital and the operating side. So that's the calculation.

**Mr. Eichler:** So the amount on the winter roads is in, to figure out the balance here, is how much?

**An Honourable Member:** Is nine, I know.

**Mr. Chairperson:** Sorry, just repeat that, honourable minister.

**Mr. Ashton:** It's nine–9 million.

**Mr. Eichler:** Okay. Thank you for that clarity.

In regards to the federal share, is there any federal dollars added into the 525 or is that—how much of that is provincial money?

**Mr. Ashton:** Yes, about 100 million this year will—and it's on the—obviously, on the capital side. It will be money that's claimable back from the federal government.

**Mr. Eichler:** So, then, roughly, we have about a 25 percent investment in the overall total project, then, if we're spending a 100 million out of our taxpayers' dollars then the federal government's kicking in the other 75 percent. Is that correct?

\* (16:50)

**Mr. Ashton:** These are specific projects that have been identified for eligibility under the various Infrastructure programs, and each one of them is a separate project. They are claimable on an individual basis.

So I do want to put on the record that it's increasing over last year. However, of course, you know, we're also looking at the fact that this will be the last year of the stimulus project, but we have had—if you go back a few years ago to the Prairie Grain Roads Program, we've had some federal funding in the past, but this is the most significant.

So, essentially, if you look at the \$100 million, that reflects the fact that 200 out of the 366 is basically cost-shareable with the federal government.

**Mr. Eichler:** Okay, I'm just trying to put this all in perspective, because you didn't bring up the amount that was spent in 1998 of 174 million. Do we have the figures there that's available to us of what percentage that was of federal dollars as compared to now then, because I understood there was 174 in

1998, there's 525 now, of which we put in 100 million, and the rest is federal dollars? So, out of the 174, how much of that was federal dollars?

**Mr. Ashton:** Mr. Chairperson, 417,000, and what happened, by the way, in the '90s is probably the best example. The highest amount—there were some more significant recoveries in the federal government in '96-97, '97-98, but at that time, actually, the government of the day took the federal money and actually reduced its expenditure on Highways.

In our case, we have taken the federal investment and in this case, we are—it's our second year with a record capital investment. So, you know, one of the key things we're doing here is I believe maintaining the credibility of working with the federal government.

We had—last year we would have had—I can get the historic information, but this is by far the most significant amount we've seen, but even without the federal cost-share, we're at historic levels, and I think one of the reasons we have the credibility of the federal government on this is we're putting significantly increased resources in as a Province, and in the case of the eligible projects, they're matching them. That's a win-win for everyone.

**Mr. Eichler:** I thought there was more numbers coming.

**An Honourable Member:** If you want more numbers, I can give you them.

**Mr. Eichler:** No. We'll get to them, I'm sure.

The other question that I have in regards to the 525—and you named off a number of roads that are going to be coming up to RTAC, over your 10-year plan, of course, the highways 1, 16 and so on. In regards to those numbers, how is that going to roll out as far as determination? Is there a predetermined formula from the federal government and the provincial government on how much money's going to be spent on highways 1 and 16, or is there other roads that will be determined in there as well?

And I know, in particular, one is CentrePort, but, again, just for clarification, if we could understand how that might roll out I think would be beneficial to all members.

**Mr. Ashton:** Yeah, probably the best thing would be to give the—if the member wants a list of the projects that we do have that we're cost-sharing with the federal government currently.

I want to stress, again, it's not done on a formula basis; it's done on a project basis. It involves a number of highways throughout the province. One of the key factors we looked at as a department was our ability to actually achieve the deadline of next year for completion. The program was quite serious about the—you know, shovel-ready and get it done by next year approach.

So I can give the member a list of projects. And what I can also indicate, by the way, is we have—to make sure we maximize the federal cost share, we've actually used some of our flexibility in the capital program to put forward projects that were, you know, good projects, listed projected, but did meet the shovel-ready criteria. So, that's been one of the factors. Certainly, it's been very useful with CentrePort, because we're—you know, the three-year period, CentrePort is a huge investment by the Province. I can give the member a list of projects here, if he's interested, as well, of CentrePort and CentrePort-related projects.

So, it—I can give the member a list, but you'll see roads in various parts of the province that are being cost-shared this year, which is win-win for all of us.

**Mr. Eichler:** I certainly agree with the minister in regards to that, and I would certainly appreciate a list of those projects if we could get them.

I guess one that comes to mind, and I might as well get it out right on the table, and a selfish issue in regards to Inkster Boulevard. Your—the previous minister announced the twinning of Inkster Boulevard when we were first talking about CentrePort. I believe the number was \$88 million. I can be corrected on that. And, of course, that project got bumped, and then we started talking about CentrePort Way. So that money that was announced by the federal government, along with the previous minister, what happens with that money? Is it deferred? Or do we have to reapply for new money at the provincial side of things, in the federal side of things? Or how does that formula work in regards to those previous announcements?

**Mr. Ashton:** Yes, I think it important to put in context the evolution of the scope of CentrePort. It's now 212.5 million, which is, you know, very significant. We're doing a lot of work this year and the following two years. I also want to stress the importance of the work we're doing on other key parts of the highway system. All of our elements of the national highway system, in particular, are a part

of that. Particularly, I want to emphasize Highway 75. Next Tuesday, actually, we're out in Morris at an open house on the flood-protection dimension of that. But we've done a significant amount of upgrading on 75.

The way it works with the federal government is there are criteria for each individual component of, you know, the infrastructure programs. I could run through—you know, we could probably spend all of Estimates just talking about each program, what's been funded and what the criteria are, but the approach back and forth has been very much on an individual project basis.

And I do want to stress again, we have put a significant priority on CentrePort, recognizing the significant amount of federal funding that is available, and that's clearly a part of it as well. So, in fact, what I'd like to do is, perhaps, suggest, you know, rather than spend a lot of time in Estimates, if the member's got a real interest in CentrePort, I'm sure we could arrange with CentrePort itself, or with our staff, to give you a full briefing. I know it impacts on your constituency, obviously, geographically. So I know you would have an interest on the constituency level, but we would be more than happy to share that. And, by the way, CentrePort itself just released its business plan, which I know has been covered in the paper. It is, you know, a document that the member may be interested in as well. So, rather than spend a lot of time on CentrePort, I'd like to offer the, you know, our—the critic, an opportunity to get detailed information on sort of the current plans and where we're headed over the next few years.

**Mr. Eichler:** I certainly accept that invitation to do it that way, and I know we do have on the agenda for CentrePort to talk about—and a number of my colleagues want to talk about it as well on Monday. And so we'll take the invitation at that point in time to go over that. And, of course, we'll be briefed on the project and the budgets and how they'll be coming down at another time. So, certainly, thank you for that.

We do want to talk about some of the other issues in regards to your department, and that's the Lieutenant-Governor's office.

**Mr. Chairperson:** Please excuse the interruption, but the hour being 5 p.m., committee rise. To be continued.

## EDUCATION

\* (14:40)

**Madam Chairperson (Marilyn Brick):** This section of the Committee of Supply has been dealing with the Estimates of the Department of Education. Would the minister's staff please enter the Chamber. We are on page 62 of the Estimates book.

As previously agreed, questioning for this department will proceed in a global manner. The floor is open for questions.

**Mr. Cliff Cullen (Turtle Mountain):** I know I just posed a question. Yesterday we talked a little bit about some of the changes that had taken place as of November 2009, and I don't think the minister was finished her comments on that. I just wondered if the minister would like to conclude her comments, and I do want to just acknowledge the people in Hansard, you know, for the tremendous work they do in putting this together overnight. It's something quite impressive to see and I appreciate their endeavours to get all this information out as quickly as possible, but we do, on this side of the House, we'd like to have an opportunity in terms of having the minister expand on why decisions were made back in November and just explain the situation that transpired and the reasons for the change in the Education portfolio.

**Hon. Nancy Allan (Minister of Education):** Well, I think that I was just chatting or explaining to the member that one of the reasons—the reason for the change was to take the youth portfolio, the Citizenship and Youth portfolio, and put it with the Healthy Child ministry because of the fact that, you know, some of the work that has been done at the Healthy Child Committee and in the portfolio has focussed on the early intervention for young children and we all know how important that is in regards to their success in schools.

And some of the work that has been done at the committee level has moved beyond the early intervention mandate and into the youth mandate and so we felt that it was—and certainly that's where we want to go as a government in regards to enhancing opportunities for young people so we felt that that was an opportunity to make—to build some capacity for young people. So it was kind of done with those thoughts in mind.

\* (14:50)

**Mr. Cullen:** I guess I'm looking at, specifically, which programs were removed from Education over to Healthy Living. Are you talking specifically preschool programs that the department was administering previously?

**Ms. Allan:** No, it's not—it's MB4Youth. It's programming that's targeted at young people.

**Mr. Cullen:** So then, there was staff then that was transferred out of this department into the Healthy Living, and if there is, I'm wondering what number of staff then were transferred from the Education portfolio over to Healthy Living.

**Ms. Allan:** Yes, that's correct. And there was a branch, if you can call it the youth branch; I don't know if that's fair. Some call it—or not a branch, a division—and there was about 20 students—sorry, excuse me—staff.

**Mr. Cullen:** Did the minister say how many staff were involved in that?

**Ms. Allan:** Yes, about 20.

**Mr. Cullen:** When I look in the Estimates booklet here, I look at the long-term number of staff. I think it's on page 110 of the Estimates booklet. There's not a reflection in terms of a 'reducement' in number of staff, and I'm wondering why there's not a difference there if those number of staff are actually still being funded under Education or if there's actually a—where those particular staff are being funded.

**Ms. Allan:** My—the officials of my department tell me because it's just a vote transfer.

**Mr. Cullen:** Could the minister clarify what she means by that?

**Ms. Allan:** The numbers are restated backwards to support the transfer.

**Mr. Cullen:** Yeah, I'm seeking clarification on that statement.

**Ms. Allan:** Well, I don't think you're going to—that this is going to help you any, but officials in my department tell me that it's so you're comparing apples to apples.

**Mr. Cullen:** Well, hopefully, the minister's staff can give us a little clearer explanation of that. You know, are this staff, are they accounted for in Education and also accounted for in Healthy Living?

**Ms. Allan:** If the Education critic has an opportunity to look at the budget book that came out with our budget, Budget 2010, on page 16 of that budget



document, there is an overview in—and explains prior year Estimates of Expenditure and there's a paragraph there that outlines and would be helpful to him in regards to what was done, but I'll read it to you: In order to make year over year comparisons meaningful, adjustments to the previous year's Estimates figures may be necessary. These adjustments reflect organizational changes, as well as any other adjustments that may be required to provide comparability. Generally, the total of the previous year's Estimates of expenditure does not change as a result of these adjustments. The 2009-10 Estimates have been adjusted to reflect the departmental reorganization that occurred in November, 2009, however, the total of the previous year's Estimates of expenditure did not change as a result of this adjustment.

**Mr. Cullen:** Okay, well, maybe the minister and her staff could point to a supplementary document and show me the difference. I'm assuming now that those positions, those 20 positions are now being paid under the Healthy Living budget. Am I correct to assume that?

**Ms. Allan:** If you go to the Supplementary Information for the Department of Manitoba Education, the blue book that you have in your hand, and if you go to schedule 2, and I believe it's at the bottom, schedule 2—it's about page 9. There is a reconciliation statement and you'll see at the bottom of that page the printed Estimates of Expenditure, and then you see the allocation of funds and you see the allocation of funds that went to Healthy Living, Youth and Seniors, reorganization of the MB4Youth division.

**Mr. Cullen:** So those staff, then, will be paid out of the Healthy Living budget.

**Ms. Allan:** That's correct.

**Mr. Cullen:** Certainly, it'll be something that we can discuss with Healthy Living in terms of their change as well. Was this particular program, the Manitoba 4Youth, did it also have an education component to it in terms of employment services for people beyond school? Is there a component there in that, or was it strictly for people that were, say, Grade 12 and less, or was there another component to that program in previous years?

**Ms. Allan:** In the MB4Youth division, there were programs that were targeted specifically at youth at risk, Aboriginal youth, and it was about providing

opportunities for young people so that they could get, in some cases—it wasn't a cookie-cutter approach. It was sometimes—perhaps the young people needed to go back to school and get more education. Perhaps it was a little bit more training, and also we worked with community organizations to get young people jobs, and the Green Team was part of—was an initiative that was part of the MB4Youth division.

**Mr. Larry Maguire (Arthur-Virden):** Just a—if I could ask a question just on capital investments, and it's to do with the Reston high school, or the Reston school, Madam Minister, and it's just if—I know that there's been tenders left—I think they were in the middle of April here, and I think they're closed now, but I just wondered if the minister could give me an update on how soon the move will get under way to combine the elementary and the high school in the community of Reston.

Just while the minister's checking there—it's in, of course, Fort La Bosse School Division. *[interjection]* Oh, it's just in Fort La Bosse School Division. The community of Reston is the one I was asking about.

\* (15:00)

**Ms. Allan:** The tender, as the MLA suggested, the tenders just finished last week. So I'm informed by officials in my department that they will try to move forward on this project as soon as possible, and there will probably be a groundbreaking ceremony as soon as possible.

**Mr. Maguire:** I know that the tenders just closed so I just—I guess I'm just wondering if she could indicate—you know, I don't expect it within the next week or two, but how long does it normally take to analyze the tenders that have come in and would we expect that to happen sometime before the beginning of the school year this fall?

**Ms. Allan:** Officials in my department are working—at PSFB are working with the school division in regards to moving that project forward, and we feel that it's going to be certainly long before September.

**Madam Chairperson:** Prior to recognizing the honourable member from Minnedosa, I just want to ask permission of the House that she can ask questions from the seat she's currently sitting in.

Is that agreed? *[Agreed]*

**Mrs. Leanne Rowat (Minnedosa):** I'm just sitting with my colleague here, the critic, the MLA for Turtle Mountain (Mr. Cullen). We're just looking at the restructuring that is happening in the Department

of Education and just wanting to know if she could share some information on the Aboriginal education component?

I know that there is a collaborative effort to look at education outcomes. I'm just wanting to know if she can give us a little background on what is—what her role as Education Minister is with regard to Aboriginal education and what collaborative investments she feels are working right now and in the way that this department was restructured in November of 2009.

**Ms. Allan:** I'd like to thank the member for the question. Aboriginal education is a very important file for our government, and the new Deputy Premier and minister responsible for Aboriginal and Northern Affairs has also been given the title of Minister of Aboriginal and Northern Affairs (Mr. Robinson) and Aboriginal education.

We thought it was important as a government to work intersectorally with the minister and with his department around initiatives for young Aboriginal people.

We also feel as—certainly as a Department of Education there are some frustrations with the federal government on some files, and we thought that it was important to have the Minister of Aboriginal and Northern Affairs involved in some of those files and that has proved to have been working very well. He has an excellent relationship with his federal counterpart in Ottawa, and I believe all of us working together in regards to having our young people of Aboriginal descent to, you know, achieve a good education and be successful. I believe, everybody believes, that that's what's important for our First Nations students as well as our urban and rural Aboriginal students.

We—probably the most success we've had in the department with our Aboriginal students is around the Aboriginal Academic Achievement Grant, which is a grant that is made available to school divisions that have a high population of Aboriginal students, and it provides special funding to school divisions to provide programs and services to Aboriginal students.

Last week I had the opportunity to attend the Seven Oaks School Division and it was an event in Seven Oaks School Division where they released their report. It was their Aboriginal achievement committee of their Seven Oaks School Division, and they released their report and it was a four-year

research document in regards to some of the students in their school division and what they found has been working well in Seven Oaks School Division.

And it was a really special evening because they had all of the stakeholders and all of the partners that they've been working with in their school division there with them that evening. And they talked about some of the things that are working in their school division, in regards to what's helping Aboriginal students succeed. And, sometimes, it's small things, like the opportunity for Aboriginal students in the middle schools to come to the graduation ceremonies of Aboriginal students that are graduating from high school, and come to that celebration and see their peers and their older brothers and sisters graduating, and it instils in them a belief that they can do it too.

So there's a lot of things going on with this file, and we just really wanted to focus strategically on Aboriginal students and their success.

**Mrs. Rowat:** I'm glad to hear of Seven Oaks' success in their efforts.

I think that we have to understand and believe that putting people or students through programs, and just letting them jump through hoops without really giving them any goals or any hopes of going further, need to be addressed. I think that what we're hearing is that individuals need to attain goals. They need real credentials and they need real employment. And so I'm pleased to see that some of this work is being done.

Can the minister indicate to me how many students participated in the Seven Oaks model?

**Ms. Allan:** I don't have that document with me here in the House, but, actually, the day that we were there, we got extra copies of the document that they released that day, and, I'm sure that we could provide the MLA with the document.

It's—I believe—I mean, I know there are lots of very exciting things going on in all of the school divisions across Manitoba, but I believe this is one of the first of its kind in regards to that length of a research project around best practices. So I'd be more than happy to find a copy and get it to the MLA.

**Mrs. Rowat:** I believe that I'm familiar a bit with this project. It might have been one that was piloted with two or three schools through the province. I may be wrong, but that's something that comes to mind.

I'd like to ask the minister, based on the work that she's doing in her new portfolio, can she indicate to me what efforts are being done, or what strategies are taking place, to focus on retention and completion rates for children at risk?

I believe that education links to opportunities, and, if retention and completion rates are not being considered as a benchmark, then we have some serious problems down the road. So I'd just like the minister to give me her perspective on how her government is looking at and focussing on retention and completion as benchmarks for young children.

\*(15:10)

**Ms. Allan:** Well, the first thing that we have done, obviously, as a government, is we've made record and historical sustainable funding to the public school system, which, we believe, is a priority because it provides school divisions with the appropriate amount of funding to do innovative programming and provides them with some flexibility to target children who are at risk, and we have examples of that in many school divisions all throughout the province.

We've also—I think a couple of things around funding that we believe is important in providing all school divisions with appropriate levels of funding and—is the 2 percent guarantee. And we've heard that over and over again when I've met with school divisions and had the opportunity to speak with them over the last few months, that the 2 percent guarantee that we implemented as a government in 2004 or 2005 was important to school divisions because, sometimes, when the announcement was made, if it was a 3 percent funding announcement or a 4 percent funding announcement, or whatever it was, when it runs through that complicated formula and comes out the other end, sometimes they would get less than that 2 percent.

So, of course, funding is one of the priority areas in regards to providing school divisions with money for programming. One of the other initiatives in the department has been providing funding to school divisions that have pockets of low income. We also have provided funding to schools. It's called the small school grant. So that if you have a small school in a rural area that may not get as much money as some of the other schools in your urban areas that that money is being funnelled through to communities in need.

The other thing that is probably most important in regards to this particular question is the assessment, learning assessment document that is on our Web site. And that learning assessment document we've done a lot—the department has done a lot of work around that document and they are in consultation with school divisions in regards to what is happening in their school divisions. They've been very, very active in getting out and visiting all of the school divisions to find out what's happening in their school divisions with assessment and learning and outcomes, and making sure that if there's a support that they need out there in the field, that they're there as a support to those school divisions to make sure that we know what's going on, and if there's an opportunity for us to be able to help, we can do that.

**Mrs. Rowat:** Madam Chair, can the minister indicate to me then what their benchmark is? Like, she's saying that there's success. Well, how is she—you know, how are those outcomes determined? Like, there has to be some type of a benchmark that would've been established, and if there was, can the minister identify what that was?

And over the years, you know, how can you determine your outcomes? Like, how have you focussed on your outcomes? You know, how can you tell that what you're doing is in the best interest of the child, that child is actually, you know, completing, you know, tasks that are necessary, that they are actually getting employment when they do graduate with skills that are going to actually meet the needs of the community as well as the individual? There has to be something that she can provide me as a tool that is identifying strengths and the work that they're doing.

**Ms. Allan:** Well, first of all, how students do in the system is determined in the field, on the front lines, in regards to individual student success. And I don't know if the member opposite is talking about the no-fail policy, but I think it's an opportunity for us to have a conversation about that because it was a very live file in my department in February, and I think it's worth a discussion, and I think it's worth a dialogue.

The whole issue in regards to how students do in school divisions is actually up to school divisions, and that is managed by the professionals in the school division. And that's exactly where, you know, that should fall. And it's actually no different than was done in—under the Tory years, actually, in regards to how students did. That was—it's actually a

regulation and it was a regulation that was brought forward by the member for Russell (Mr. Derkach) in 1988. And the testing and promotion of students is managed and is the exclusive responsibility of the principals in the school.

And I think that's important, because I don't think we want to have a directive from the Department of Education to all school divisions, because, then, I think what we would have is a one-size-fits-all approach. And I think that that may not serve students all across our province, because there is an important difference from school division to school division, from community to community, in regards to what supports and what services students need, in regards to whether or not they pass or they fail.

I am pleased to tell the member opposite that grad rates have increased in Manitoba. I believe it was in 2002, the grad rate was around 74 percent, and we announced our grad rate last week, and it's up to 80.9 percent. So we are having some success in our province in getting those grad rates up. And I think the other thing that's really helping us is a project that was led by our department in regards to getting Aboriginal students to declare. And that's helping us as well because, if we're going to get to students that aren't being—as Aboriginal students that aren't being successful in the school system, we have to know who they are. And that'll help us provide supports and services to them. So some work has been done by our Aboriginal Secretariat in regards to declaration.

**Mrs. Rowat:** Madam Chair, and it's not about just putting children through programs and hoops and hoping that they set and attain goals. It has to be about real credentials and real employment and making sure that people are successful when they do get out of the system.

So, you know, she's talking about programs, and I'm just wanting to, you know, appreciate the work that is being done in the communities by understanding, you know, how they're working through this and how, you know, they're ensuring that no child is left behind, if that's, you know, the statement being made—is that no child is left—being left behind, in the sense that they're being given—they're given every opportunity to learn, they're being given every opportunity to upgrade and train and every opportunity, then, when they leave the system, that they have the skills necessary to be successful in life.

So, you know, I'm encouraged by some of the work that the minister says is being done out there. But, again, you know, I'm a believer in knowing that there are benchmarks to show success and I'm encouraging the minister to provide those examples.

I'd like to know if the minister can share with me the Aboriginal Education Directorate. Who in her department is the liaison or the individual that is tasked with being a part of—or being the liaison with that directorate?

**Ms. Allan:** I'm sorry, I missed the piece just before the directorate.

**Mrs. Rowat:** I'd like to know who the individual would be from her department that would be the liaison with the Aboriginal Education Directorate?

**Ms. Allan:** Well, first of all, I'd like to comment on the remarks that were made by the MLA in regards to students doing well in the province of Manitoba. I think one of the things that we've done in regards to moving from a standards test regime to an assessment, where teachers are doing assessments with students prior to those tests and making sure that they know exactly, you know, where those students are at in the system and what support that they might need.

\*(15:20)

I think that that kind of a system is—we have heard, is helping our students. Obviously, we want every student in our province to graduate, and that's been a focus for us as a government in regards to working on that, and we are having some success and we are going to continue to work on that. You know, we have had some very good results out of the PISA study that says that we rank—Manitoba ranks in the top half of the provinces. And also the summer—the Canadian Council on Learning issued a composite learning index and Manitoba scored above the Canadian average, and for the third year in a row, our score increased.

So I would—I just wanted to ensure the MLA that, you know, we are working very hard on this, and we're working hard on this in partnership with our stakeholders and many members of the community that are interested in this as well, and the contact at the Aboriginal directorate is Helen Settee.

**Mrs. Rowat:** I'm not going to get into the debate of standards testing, but I just would like the minister to comment. In 2007, it came to my attention that several Manitoba First Nations were adopting

standards testing as a way of improving the quality of education in their communities, and my understanding is the pilot project that was for students from grade 1 to 8 was actually partially funded by the Province of Manitoba.

Can the minister just give me an update on how that pilot project has transitioned over time and where she's at on that decision to fund the First Nations standards testing pilot project?

**Ms. Allan:** Officials in my department are not aware of a pilot project. Perhaps the member has more information that she could provide.

**Mrs. Rowat:** It was brought to my attention by the Long Plain First Nation that there was a pilot project for students from grade 1 to 8 who would be writing standards tests—or exams—in areas of math and language arts or that was being proposed.

If there is nothing on record as that happening, then I'm assuming that the funding didn't flow, but I just wanted to know if the minister would be able to provide some background on that initiative that I understand was moving forward.

**Ms. Allan:** We're—we think—we're a little unclear about whether or not this is exactly the project that you're talking about, but there is a project that is being funded by the federal government, and the lead on it is MFNERC, and it is around assessment, and we're not sure if it's with the long plains reserve, but we'll certainly look into that.

And we can—it is a project that we're doing. The department has developed an excellent working relationship with MFNERC in regards to working together around the success of Aboriginal students, and it is something that we'll have a look at and try to get further information on for the MLA.

**Mr. Cullen:** I just want to get back to the Estimates booklet and talk a little bit about the mission, the vision and some of the goals the minister has laid out in her document here just so that I'm clear on where the department's headed and where she's headed.

And on page 4, 5 and 6, in particular—I know on page 4 the minister talks about the department's mission, and I'm wondering if the mission statement has changed here in the last year to, you know, with the slight change in the portfolio. Is the mission statement the same as it was previously or has there been a change in that particular statement?

**Ms. Allan:** Well, I'm actually thrilled that the member for Turtle Mountain has asked this question,

because it's definitely changed because we never used to have one, and this is very exciting for the department. And I'd like to recognize the work that the Deputy Minister Gerald Farthing has done on this.

*Ms. Erna Braun, Acting Chairperson, in the Chair*

This mandate mission and vision and overarching goals and priority action areas is now on our Web site, and I'd like to thank the Education stakeholders that we consulted with in regards to putting this together. And they're very excited about it as well because we're actually looking at our priority action areas—is now in making sure that everything that we do in our action areas flows into our mission statement and our vision.

And, actually, when we rolled this out the first time, we have made one tiny change to it. I'm trying to recall when we posted it on our Web site—I think it would be around January, February, maybe—

**An Honourable Member:** Very close to Christmas.

**Ms. Allan:** —or maybe very close to Christmas. It was everybody's Christmas present, and we actually went to—I went to a public meeting with the parents' coalition and they chatted with us about the fact that they thought inclusion should be in the—our mission statement. And we realized that it wasn't, and so we made an adjustment to that mission statement and put inclusion in our mission statement. And so what you're looking at is something totally brand new for our department and the first time in the history of our province, I think. I'm pretty sure. Well, our deputy minister's been with the department for—

**An Honourable Member:** Twenty-five years.

**Ms. Allan:** —25 years, so it's certainly the first one in 25 years.

**Mr. Cullen:** Well, I thank the minister for that, and certainly accolades to the work that's being done within the department. And, clearly, it's—you need some kind of a direction so that you can work towards that particular mission. Can the minister explain a little more in detail in terms, you know—it lays out here a democratic, socially just and sustainable society. I know that feels good; it's kind of motherhood and apple pie, but can you kind of give me the nuts and bolts of what you're trying to get across there?

**Ms. Allan:** Well, that piece in the mission statement is about—and I agree—it's a motherhood-and-apple-pie

kind of statement, but I think it represents how we would like people to interact in a civil society and how we believe that students should think about their life in this world and how they want to participate in this world through education. And they want to live in this world and make a difference, and make a difference in their lives for their families and for their communities and for their world.

**Mr. Cullen:** Your vision talks about a sense of accomplishment, hope and optimism, and I agree. That's where we want to be at the end of the day. But it goes back to my colleague's comments. How do we know once we have achieved that? What are the benchmarks? And I know we talk about graduation rates and those sort of things, but do we have, you know, other concrete benchmarks that we look at that we can evaluate our programs, measure our success in the big picture in society?

\* (15:30)

**Ms. Allan:** Well, I think when we are measuring how well students are doing in the Department of Education, obviously, one of the areas that is most important to us is, you know, how they do from grade to grade and how, you know, they move through our education system, the K to 12 education system. And, obviously, the goal for every student that moves through that system is to graduate, and we need to be able to provide them with the resources and the programs to graduate.

The other aspect of the mission statement is around engagement. We want our young people to be engaged in learning, and we want to be able to measure that learning. And, actually, the department is actually looking at measuring the engagement—their engagement in learning—and they're looking at measuring it in grade 7 because we know that that can be an area where students start to lose that engagement in learning and that there can be a risk of dropping out. We know that that's what the research says, and that has become a priority for us as a department.

**Mr. Cullen:** You're exactly right. We certainly have to keep the children engaged in the process, and I guess part of what I'm hearing, too, is we have to engage parents in that process so that parents can be a very important and integral part of keeping kids engaged in school and, in fact, very important in terms of their learning through the years. How is your department engaging parents in that discussion and that dialogue?

*Madam Chairperson in the Chair*

**Ms. Allan:** Well, the first area, obviously, where we're very supportive of parents being involved in the education system is our support and our partnership with the Manitoba Association of Parent Councils. And I know that the MLA for Turtle Mountain had the opportunity to be at the conference on Saturday, and I was there as well as the MLA for Healthy Living, and I have had—we have both had ongoing meetings with the Manitoba Association of Parent Councils. And I have to—I was very complimentary of the Manitoba Association of Parent Councils when I was at their meeting on Saturday. I told them that I had met with them in December, with their executive, and I complimented them on how they have evolved over the years.

I remember, you know, as a parent—as the president of a parent council myself, and there wasn't a structure like that in place when I was involved in the public education system, and I also know that they have done an incredible amount of work of really looking at their organizational structure and making sure that they represent parents from across this country—province, excuse me—and I really complimented them in regards to the work that they have done in raising the bar within their organization.

We've also done, as a department, a lot of work in preparing documents that are written for parents in appropriate language for parents about what we're trying to accomplish in our education system and some of the changes that we make. You know, we do liaise and communicate with parents, and we also have a strategy in our Aboriginal directorate to communicate with Aboriginal parents. It's called Building Student Success and it's a program that we do with Aboriginal parents. And prior to this program being developed, there wasn't a lot of that going on in regards to an opportunity to engage with parents about how their children were doing in the education system. And we also provide funding to school divisions so that they can work within that program as well.

**Mr. Cullen:** I look at your priority action areas and certainly I can agree with it.

My apologies for not looking in depth on your Web site to see how far you go in terms of explaining what your priority areas are.

But within each of those priority areas, you would, I guess, each branch would develop a strategy

in terms of how they're going to deal with that. Is that where you're at? And then, second of all, you would have to have a set of measurements to make sure that you are on target to get what you want in terms of each one of those priority areas.

I'm just wondering where you're at in that process and is that, in fact, the process that you're following within the department?

**Ms. Allan:** Because the mission in the vision statement is all of three months old, a lot of this is still under way and innovative in the department in regards to matching the action areas to all of the goals and objectives of the department. But we are very excited about it and it's a very active file for us in our department.

I'd just like to comment, for instance, on the first one, Education for Sustainable Development. This is obviously an area for us, as a department, and as a government, where we're further along than I would say any other jurisdiction in Canada. And everywhere I go, regardless of what stakeholder group it is, they're very complimentary about the work that has been done in this area. And we have posters and brochures that I'd be more than happy to share with the MLA in regards to the incredible work that has been done on this particular action area.

And actually, the deputy minister has been asked to speak in Paris, at the United Nations, on this topic, because we are one of the leaders in the world on this. The other person that is speaking is a president from Togo—or former minister of Education from Togo and there will only be two speakers at that conference. And I'd like to thank the deputy minister for the work that he has done on this file. And I'd also like to thank him for the fact that he told the UN that he couldn't afford to go and they said, well, that's okay, we want you so much, that we will pay for you. So just as an example of some of the work that is being done in our department and how it's lining up in regards to our priority action areas.

Some of the action plans are already happening. They will be enhanced. We will continue to work on them. Some of the other areas, there's going to be new initiatives that will roll into it. But, as we move forward, as a province, and as a department, and as communities all across the province is, we believe it's really important that this can be a framework to guide us in building a quality education here in Manitoba.

\* (15:40)

**Mr. Cullen:** I'm certainly glad to hear the deputy is able to make that trek to Paris and certainly offer his advice on where we're at in Manitoba.

I guess the next question would be, when you talk about sustainable lifestyles, sustainable development, it's probably going to be reflected in the curriculum that's coming forward. Is that—ultimately, that's where we're headed in this picture.

**Ms. Allan:** Well, first of all, we're going to take the sustainable development, and we're going to put it into the existing curriculum, and we're already doing that. And we're doing training with teachers about the curriculum, and we also have in our grade 12 curriculum, we have some work that is being done around global citizenship. It's a course that's called global citizenship and sustainability, which connects directly to our priority action area.

And we're also working with the three universities, with teacher education, around sustainable development. And we also have a Manitoba person who was appointed by CMEC, which is the Council of Ministers of Education, and he's a Manitoba person that was appointed to the United Nations. And he's working around teachers' competency and he's an expert on this, and actually, our deputy minister received some words back from Geneva that this gentleman is highly regarded. He's a Manitoban from, right here from, dean of education at the St. Boniface Collège, and he is highly regarded and making a real contribution in Geneva. So there's just some excellent work that is going on that we believe is just one example of the work that is going on in regards to our first priority action area.

**Mr. Cullen:** I thank the minister for that response, and I'm going to follow the Estimates book for a few more questions here. We talked about the corporate initiatives; I think we covered that.

The early childhood education on page 5 and 6 here. I just want a little clarification on that. It talks about grant assist school divisions for this Early Childhood Development Initiative. Could you explain exactly what that grant is used for?

**Ms. Allan:** The Early Childhood Development Initiative, it is funding that is provided through our announcement every year in January when we make our funding announcement. And it's provided to assist school divisions in their efforts to provide services for preschoolers, birth to age five, to increase their readiness for school. And the Early Childhood Development Initiative, it's designed to

support school divisions in responding to their local needs and their priorities, and to provide programs in partnership with parents, the community and Healthy Child Manitoba, that facilitates preschoolers' readiness to learn prior to school entry. And, oh, this year, we increased that grant by \$25 per child.

**Mr. Cullen:** So the grant is provided to individual school boards on a per capita basis?

**Ms. Allan:** We actually use the per eligible kindergarten pupil and it's calculated every September, and we use that calculation to provide the funding per pupil to the school divisions.

**Mr. Cullen:** So this is for all children that are preschool. Is that how that works?

**Ms. Allan:** It's funding that is provided to the school division and it's targeted to preschool children from the ages of birth to five. And it's up to those school divisions to develop those programs in regards to what they think is the best way to provide supports to their—to those young people that are getting—they want to get school—ready for school and parents as well. And it's a grant to every school division.

**Mr. Cullen:** Would the minister be able to provide what the amount is across the province and which line in the Estimates it would fall under? Would that fall under the schools grants line?

**Ms. Allan:** The total funding was 1.8 million. We don't report that separately so it's actually on page 97 in the Estimates book and it's part of other grants and transfer payments to school divisions.

**Mr. Cullen:** Thank you very much and I appreciate the minister's response.

The Estimates book talks about the number of pupils here and this is the, I guess, the current year—this past year. Would the minister be able to provide a five year—the same numbers over the last five-year period in terms of the, you know, the K to 8 and the high school numbers.

**Ms. Allan:** Yes, we can do that.

**Mr. Cullen:** And if the minister could also do the same thing for the last five years for the independent schools, the students that are participating in independent schools, I would appreciate that.

And just seeking clarification on the nursery pupils and the pupils in ungraded classes. Could you explain to me what those numbers represent?

\* (15:50)

**Ms. Allan:** The kindergarten relates to the three school divisions that do kindergarten programming—the DSFM, Frontier School Division and the Winnipeg School Division—nursery, excuse me, nursery. And then the other is the non-graded. Those are special education classes for students that are—or aren't [*inaudible*] sometimes. Yes, special programming.

**Mr. Cullen:** Yeah, just for clarification, I might have an opportunity to get back into the independent schools issue a little later in the week, but the issue here is talking about attending funded independent schools.

Is there independent schools within the province that are not funded by the Province?

**Ms. Allan:** Yes.

**Mr. Cullen:** Would those be home schools or is there other schools in this area that are not being funded by the Province?

**Ms. Allan:** Some of them are faith-based schools. Actually, a lot of them—some of them are schools on colonies—[*interjection*] Well, Airport Colony School. Yeah, there's a few.

I'm informed by my official in my department that the reason they are unfunded is because they choose not to take the funding, because they don't want to follow our rules.

**Mr. Cullen:** Well, that's a sign of a true democracy all right.

Would the minister be able to share with us how many students we're talking about then, in this regard?

**Ms. Allan:** Madam Chairperson, 967 in approximately 30 schools, and they don't receive a diploma as, either.

**Mr. Cullen:** Okay. Well, thank you very much.

I guess that leads us into the whole funding issue, funding of the schools that you do fund. What I guess my first question is, I'm interested in the tax incentive grants and how that particular mechanism works and if—maybe what I should do sometime is sit down with the department and get a big picture in terms of how the formula works in terms of funding school divisions. It might be an interesting afternoon, I'm sure. [*interjection*] I don't know if I'll ever figure it out, but maybe we should have the Coles Notes version sometime, then they can try to explain that to me.



But, you know, there certainly has been some talk about the tax grant, and I'm just wondering if the minister could explain the mechanism and how it's designed to work. I know we've had it for a few years, and I want to understand the parameters around the tax incentive grant.

**Ms. Allan:** Well, I am quite sure that the members of my department and my Education Finance branch would be more than delighted if you would like to spend any time at all talking about education financing, and I would highly suggest that you set up several afternoons over the next couple of months if you—about a week—if you would like to discuss it. And I know I certainly had an interesting November, December, January, and my officials were incredibly patient with me and—but I did find—it took me a while to move from my Labour and Immigration brain to my Education brain, but I think I've accomplished it kind of.

The tax incentive grant is a grant that has been used for the last three years with school divisions, and it is a grant that has been offered to school divisions on top of the funding formula. And it's an extra grant that has been offered to them, and the criteria for the grant is that, if they take it, they have to keep their mill rate at the same level as the mill rate to the prior year. And so we've had a lot of success with that over the last few years, and, actually, this year we had the most success that we've had with it that we've had of any year with 23 school divisions taking the tax incentive grant, and I believe there were seven school divisions that didn't have to take the tax incentive grant because just with their funding through the formula they were able to—they knew that they weren't—that they didn't have to increase taxes, that they were okay. So it basically boils down to this year, 30 out of 37 school divisions managed to not increase their taxes.

Now, most of this is done because of the great relationship, I have to say, and I have to thank staff in the Education Finance branch who work with the secretary-treasurers in all of the school divisions. And, you know, once we make that education announcement, right, they start working with the school divisions to figure out really what this funding announcement really means, because, of course, we make an announcement of 2.95 percent globally across the province. But, when those numbers flow through that formula, it affects every jurisdiction, every school division, differently, and they work with them throughout the whole wonderful process.

**Mr. Cullen:** I just want to clarify one statement she made. As long as a school division, you said, didn't increase the mill rate, but is it actually the taxes, not the actual mill rate? Just if you could clarify that.

**Ms. Allan:** This is—well—this is—can't increase—the school divisions, once they've received the tax incentive grant, they can't increase their mill rate unless, of course, there is new assessment and new growth within the school division, and this year there was a reassessment. The City of Winnipeg did a reassessment, so it looked a little bit different this year because our funding announcement was complicated because it was a reassessment year.

\* (16:00)

**Mr. Cullen:** Well, thank you very much. I'll try to keep it simple then.

Could the minister—how much was the tax incentive grant this year? And the second part to that question: Is that part of the school grants, that \$996 million?

**Ms. Allan:** As part of the 2.95 percent announcement in January, there was 31.2 million for the tax incentive grant.

**Mr. Cullen:** Right. And the second part of the question was: That is part of the \$996 million shown as grants to schools?

**Ms. Allan:** Yes.

**Mr. Cullen:** Would the minister be able to provide to us the—which school divisions accepted the TIG and which didn't? And, if you could clarify for me, you said there were seven divisions that did not take the tax incentive grant, but my understanding was they were eligible for the tax incentive grant.

**Ms. Allan:** Certainly, we can provide you with those school divisions that took the tax incentive grant, but there were seven school divisions that didn't take the TIG. And they didn't take the TIG is because they didn't need to take the TIG, because they got sufficient funding that came to them through the formula. So they didn't—I think it's seven. Was I right? Twenty-four took it, seven rejected it and seven didn't need it. There's the Coles Notes on that.

**Madam Chairperson:** Honourable member for Turtle Mountain.

**Ms. Allan:** Oh, wait, wait, wait.

**Madam Chairperson:** Honourable minister.

**Ms. Allan:** Oh, I was right: 23 took it. More importantly, you were wrong.

**Mr. Cullen:** If the minister would undertake to provide that list, I would certainly appreciate it.

The other question is—I'm assuming this tax incentive grant will carry forward into the future. Does the minister intend to carry that grant into the future?

**Ms. Allan:** Well, the tax incentive grant has been around for three years, and it's been built into the base. And that was very, very important for school divisions to know that because, if it was built into their base, then they would get that funding year after year. Now, I mean, I never say never, and I, you know, and education and funding is very dynamic, but I certainly, you know, have had some pretty positive comments out there this year from school divisions. In fact, I got a letter from the River East school division thanking me for the tax incentive grant and for the opportunity. So I would think that that would be something that we would seriously look at again for next year. I'm pretty sure.

**Mr. Cullen:** The \$31.2 million that you talked about. Is that the actual amount that was allocated to school divisions or is that a budgeted figure? And if there's a difference between the budgeted figure and the allocated figure, what is the difference?

**Ms. Allan:** Actually, in regards to the funding announcement that was made, the 2.95 percent and the \$31.2 million, that was the announcement after that. When officials were working with school divisions—and they worked with them on a daily basis—quite often officials would get in their vehicles and they would drive out to school divisions and meet with the secretary-treasurers. What we determined was there was a calculation that they were being funded 50 percent. They were being funded as a percentage of their expenditures over four years. That was kind of one of the figures that was looked at when they were looking at the funding formula.

They decided when they had spent quite a bit of time talking to a lot of school divisions, they were concerned about the level of funding that had been announced, and, actually, what we decided to do as a government because of the recommendation that officials made to me as minister, that we needed to move that 50 percent to 65 percent—percentage of expenditure. So more money actually ended up flowing to school divisions. So, actually, a

considerable amount more—actually, another \$9 million was flowed to school divisions.

And, of course, I would have loved to have made a wonderful announcement about this and jumped for joy and clicked my heels, but we were in the middle of a by-election in Concordia and we weren't allowed to talk about it or to make any announcements about it, so this is actually the first opportunity to talk about it.

**Madam Chairperson:** Before I recognize the honourable member for Carman, I have to ask permission from the House for the honourable member for Carman to ask a question from the seat he's currently sitting in.

Is that agreed? [*Agreed*] And the honourable member for Carman.

\* (16:10)

**Mr. Blaine Pedersen (Carman):** Madam Chairperson, through you to the minister, a couple of years ago, I believe it would be, there was a bill passed for moratoriums on small school closures that implemented that moratorium on small schools being closed. Despite the dollars provided there was a grant provision in there where the school division was granted money to offset the cost of running these small schools. It still falls short and it's costing our local school division money to continue to operate these small schools.

Does the minister have any updates on where we are with that? Is the moratorium going to continue or will there be any exceptions?

**Ms. Allan:** Well, this—the moratorium, as the MLA has said, was put in place in 2008, The Strengthening Local Schools Act. And it was put in place so that we could work with school divisions and school divisions could look at, you know, instead of closing schools was there an opportunity to create community schools? Was there an opportunity to put a day-care centre in the school? Was there an opportunity to put an adult learning centre in the school? Was there an opportunity to, you know, perhaps there was, you know, something else, you know, that could make the school sustainable.

I have said to the stakeholders—since I've become minister a lot of them have wanted to talk to me about it, so I am in discussion with school divisions and with the stakeholders in regards to the legislation. And for now there will be no change in that legislation. I'm actually just—want the

opportunity to speak to the stakeholders about it and get their thoughts in regards to it.

**Mr. Pedersen:** Well, if the minister's saying there's not going to be any change in the legislation is there any use—what is the purpose of having talks if there's going to be no changes? If the school division comes forward and says, we've explored all opportunities, there is no opportunities for this particular school to be used for a day care, for economic development, whatever, within the school division's purpose, is there any use then in having talks with the minister when she says there will be no changes to the legislation, or will there be exemptions from this or what is the use of having any talks?

**Ms. Allan:** Well, there is in the legislation—there is in the strengthening schools act, you know, there is in the act criteria where a school could be consolidated. And it says very clearly that a school could be consolidated and the minister may approve a school closure if the closure is the result of a consolidation of schools within the area or community, if there is a consensus among the parents and residents of the area served by the school that the school should be closed, and if it is no longer feasible to keep the school open because of declining enrolment, and despite having made reasonable efforts the board has been unable to expand the use of the school building for appropriate community purposes.

So, you know, that is in the legislation and that is, you know, part of my dialogue with the stakeholders in regards, you know, to this legislation.

**Mr. Pedersen:** So if the school division—the school division will look at that criteria and they send—forward a letter to you outlining their—the due diligence they've done according to the criteria that you just read out, then the minister will, at least, consider allowing the school division to close that particular school?

**Ms. Allan:** What I have told school divisions up until now—that I'm still in the process of having particular school divisions that I've met with and the stakeholders that I've met with—what I have told them is, as the new minister responsible for Education, that I want an opportunity to meet with the stakeholders and have a dialogue about this section of the act. We're not about to, you know, move swiftly on this.

In fact, I had one stakeholder say to me—and a very highly regarded stakeholder in this province, say to me, don't just lift that moratorium, don't just take it off just like that. We don't want to, you know, cause chaos in our education community. That's important to us. So, you know, I think it's important to have this dialogue in regards to how we would do that and how it makes sense. And the other thing that I have told stakeholders that's very, very important to me is there has to be a very high degree of unanimous consent in the community in regards to consultation with the community and with parents.

**Mr. Pedersen:** Madam Minister, if you're—Madam Chair, through you to the minister, if you're looking for unanimous consent amongst a community, you're probably not going to get that, but it's up to the school division to do the due diligence here.

And, just my final question on this, and I'll tell you that there is a school division that will be sending you a letter and they will be outlining the due diligence that they've done. And I just urge the minister to look at this because here we are in the end of April. The end of June is coming when they need to decide for the coming school year, so I would just urge her to look at this request promptly and consider it favourably—given the work that this school division has done on this—and give them a quick reply to their request.

**Ms. Allan:** I just want the MLA to know that I did not say that there had to be unanimous consent. I said there had to be a high degree of unanimous consent, which, I think, is quite different. I mean, obviously, you're not going to get the hundred percent. You know, you're not going to get everyone in a community leaping for joy, you know, over consolidating or closing a school, you know, but there has to be some due diligence done and there has to be some—a lot of consultation and there has to be a high degree of consensus around that. So I look forward to that documentation and I will definitely take it seriously, as minister.

**Mr. Peter Dyck (Pembina):** Just a question for the minister, and I'll just refer back to a press release that went out March 27th of '09, where the Province announced that it would be building schools in Steinbach and Winkler, and these were the high schools. They were to be completed in 2012 and then, of course, there was a—later on there was a—the minister was out in Garden Valley and indicated that it would not be done till 2013.

The questions that I'm getting from parent council, from parents, calls that we're getting is, how can we be assured that this will actually happen in 2013?

**Ms. Allan:** Well, I thank the member for the question cause I certainly think that that is a valid question for the school division in regards to, you know, the commitment that has now been made around the 2013 date. I was at the public meeting with the parents and a lot of the community in Winkler with officials from my department, and we ensured them that that commitment for 2013 was solid and that the funding for their school had been debentured. And we've signed a contract with the architect, and the schematic drawings, as I told the MLA for the area that—you know, the work has started in regards to building that school. It's full speed ahead and we, you know, that commitment for 2013 is certainly something that we're committed to.

**Mr. Dyck:** Well, I thank the minister for that answer. And I think she can appreciate the fact that, when the announcement was made back in '09 of March, you know, at that time, the parents and—of course, these are parents who have children in school and are in the huts and, you know, the issue has been ongoing, the crowding that's taking place, and so I'm happy to hear that this will be for sure taking place in 2013. But, as I say, there is a scepticism out there and so we do get calls on that. And I know that when the previous minister did make the announcement, I asked him the same question where, you know, was he sure this would be able to be completed in 2012? And the answer was yes. So I do thank you for that answer and certainly I will relay that back to the community. But, again, just want to reiterate the fact that there is an urgency that this get done because there is extreme crowding out there. And I know that you and your department are well aware of that, so I guess I'll leave it at that for now.

\* (16:20)

**Hon. Jon Gerrard (River Heights):** I note in your Estimates that on page 37 you talk about developing—on page 37 of the Estimates, there's a section or a mention of developing outcome-based curricula. I wonder if you can tell us what the government's plans are in this respect.

**Ms. Allan:** Sorry. Well, we've been developing outcome-based curriculum for years in the department, and the paragraph outlines the work that has been done in that area. And earlier, I was talking

about our mission and our vision statement as a department that we've just put up on our Web site, which is something that we're very proud of, and we're at the—in the process right now developing Education for Sustainable Development curricula, and that is outcome based as well. And this is nothing new for the department. They've been doing that for years.

**Mr. Gerrard:** Who is responsible for doing the, setting the outcomes? Is that the department?

**Ms. Allan:** Well, this is—developing curriculum is a collaborative process in the Department of Education. The Department of Education takes the lead on it and works with the stakeholders in the community—in our education community in regards to developing that curriculum. And it's an ongoing process and, for instance, a good example is the social studies curriculum where we had teachers with expertise in social studies that were on that committee. And it was an opportunity for us to work in a collegial and collaborative way with teachers and stakeholders so that everybody felt that they were involved in the development of this curriculum and in those outcomes.

**Mr. Gerrard:** Can you, can the minister give us some examples? Can you give us some examples of the Education for Sustainable Development outcomes?

**Ms. Allan:** Well, I actually referenced that comment, and I don't know if the Leader of the Liberal Party had an opportunity to hear what I said about our education for sustainability work that has been done in this province that is actually—we're actually a leader in the world.

And, you know, I probably shouldn't talk about this more than once, but it's such a pleasure to talk about it, I'll do it again. But our deputy minister, who has been the lead on this and is highly regarded in Manitoba on the Education for Sustainable Development work that we have done, has been asked to speak at a UNESCO conference in Paris in May, and he is one of two people—a former minister of Education in Togo will be the other person that will be speaking—and we—the work that we have done is very, very important to us and it's one of our priority actions in regards to our mission statement. Our mission statement is new. It just went up on our Web site around Christmastime, and we are in the process of developing our Educational Sustainable Development curriculum and outcomes, and that's just another important part of the work that

we're doing around Education for Sustainable Development.

**Mr. Gerrard:** I'd asked for examples of what—of an outcome. If you don't have examples, then I'll move on to another question, which is: What other areas beyond the Education for Sustainable Development and Social Studies are you developing outcome-based curricula in?

**Ms. Allan:** First of all, we don't have outcomes because they're in development right now for Sustainable Development. But I just want to clarify, we're in—we have outcomes for our arts curriculum as well. I just need clarification on the question. Are you asking for what curriculum have outcomes or are you asking what the outcomes are?

**Mr. Gerrard:** In terms of the Education for Sustainable Development, my question was, you know, could you give me an example of an outcome? And then my second question was, you know, which areas are you also developing outcome-based curricula for?

**Ms. Allan:** As we've developed curriculum over the years, all of the curriculum has had outcomes. This is nothing new to the department. But the two, you know, other than Education for Sustainable Development and Social Studies, the other two areas that we're developing outcomes would be in the arts and technical and vocational.

**Mr. Gerrard:** I note that also in this section that there's some discussion about the experiential learning program in grades 5 to 8. I wonder if you could expand a little bit about what that experiential learning program is.

\*(16:30)

**Ms. Allan:** The department is working with school divisions on experiential learning and this can involve many different mediums. Sometimes it's using technology; sometimes it's using science—the sciences. I think it would be fair to say also using math. And what it is is taking what kids are learning in the classroom and learning from books and bringing that learning to life outside of the school. A perfect example of a project is, it's called Big Picture Learning and it's delivered by the Seven Oaks School Division, and, you know, it's taking—it's an emphasis that they've developed in regards to experiential learning around, you know, just taking what they're learning in the classroom and taking them outside of the classroom and trying to really put a life experience on what they're learning in the classroom.

**Mr. Gerrard:** Are there experiential learning programs throughout Manitoba?

**Ms. Allan:** Yes, there are. It's happening in almost every school division in Manitoba. Some of it we support. Some of it's done by school divisions because they're doing exciting stuff on their own. There's also an experiential grant, experiential learning grant, and it's money that we provided to school divisions to complement what is happening in school divisions, and for this year, it was half a million dollars for the year 2010-2011 and it's calculated as \$10 per eligible child in grades 5 to 8.

**Mr. Gerrard:** And maybe you can just expand a little bit on the role of the department beyond providing the grant?

**Ms. Allan:** Yes, actually, I want to compliment my department. This a perfect opportunity because whenever I'm out in the field meeting with stakeholder groups, regardless of whether it's teachers, superintendents, parents, trustees, everybody is so complimentary about working with the officials in my department, and we have people in my department who work with school divisions to help them, you know, to plan and support these kinds of programs when they need that kind of support.

**Mr. Gerrard:** The department is not involved in setting up any specific programs or beyond providing some planning and advice.

**Ms. Allan:** We have—we've got a Scientist-in-the-Classroom program that we have developed that is—which is a program that school divisions can implement if they would like. But, you know, quite often, school divisions like to make these decisions themselves in regards to what works for their school division, so we, you know, continue to work with them to help them develop their programming.

Activities can include developing an electronic handbook to provide models to inspire and support educators in transforming middle-years school, a mentoring project to support schools intent on changing their middle-years practices. And we provide professional learning opportunities for teachers and experiential learning grants for schools so that, you know, we can really complement the hands-on, interdisciplinary approach.

And this is also part of our engaging learners in schools. This is something that I chatted with the leader about before when we were in Committee of Supply about a month ago in regards to, you know,

increasing our grad rates and engaging learners in those middle years.

We really want to make sure that what we're doing is providing learning opportunities for young people at that—at a particular age that is engaging for them. So this complements this experiential learning, complements that engagement that we're doing with school divisions.

**Mr. Gerrard:** I'm going to come back and ask some more about the Education For Sustainable Development, but I want to move, frankly, to another topic.

I've been hearing some concerns about the rates of truancy. Does the department keep information on the rates of truancy around the province in different grades and—?

**Ms. Allan:** Well, absenteeism is actually something that is being reported right now on our government Web site for—on the school division Web sites, and we have—we get that information.

In regards to truancy, we are actually in discussion with school divisions in regards to truancy, and we're actually working on that right now in regards to what we might be able to do in regards to an initiative around that.

**Mr. Gerrard:** Can the minister talk about what extent the truancy is occurring and to what extent it's a significant problem?

**Ms. Allan:** Well, that's actually part of the discussions that we're having with school divisions right now, and, you know, we don't have, I don't really, at this point—this is a very active file in my department, and we don't—I don't have anything more about that at this time, but we will in the future.

**Mr. Gerrard:** Is the minister undertaking any specific actions with regard to truancy, except the discussions?

**Ms. Allan:** Yes, I think that's what I was referring to in my previous answers.

**Mr. Gerrard:** Yes, I thought you said you were involved in discussions, and I asked if you're doing anything else beyond the discussions.

**Ms. Allan:** Yes, we are in discussions with school divisions in regards to what we might implement with them to resolve any truancy issues.

First of all, we're in discussions with school divisions to resolve two issues. The first issue to

resolve, to find out how big the issue is, for school divisions to find out, you know, how big a problem it is, where it's a problem—and, also, we're trying to discover in those discussions with school divisions about what programs, what services, what things might work with them in regards to resolving those issues in their individual school divisions.

**Mr. Gerrard:** Okay. Let me come back to the Education for Sustainable Development. One of the things that I'm hearing from teachers is that the Education For Sustainable Development is being essentially incorporated in many different curricula, which, on the one hand, is a good thing, but for some students, it apparently is leading to a lot of duplication.

\* (16:40)

So, a question is to—what are you doing in terms of, you know, ensuring that the program is delivered in an effective way but not in a way that duplicates the same thing in, you know, different parts of the curriculum?

**Ms. Allan:** Well, I find that quite interesting, actually, because I've had meetings, several meetings with the Manitoba Teachers' Society and I have—and I've also had meetings with all of the stakeholders, the five major stakeholders, and everywhere I go, we get incredibly positive comments about our Education for Sustainable Development initiative. And we've developed posters and we have developed brochures and we've developed training and we're in the process of implementing specific curricula, and I am surprised, to be honest with you, that you're picking this up in the community. And if you are picking that up in the community, I would like to know where you're picking it up, because if that's the case, we would like to get involved with them directly and we would like to resolve it.

**Mr. Gerrard:** I will follow that up with you. I might even come back to it a little later on, but let me ask a question now about the technical vocational programming. What grade does that now start at?

**Ms. Allan:** Technical vocational training starts in grade 9, traditionally. There may be some industrial arts. Some school divisions still have industrial arts programming for their grade 7 and 8 which is complementary to the technical vocational programming that occurs in grade 9, but that's, you know—the bulk of the training starts in grade 9.

**Mr. Gerrard:** And would that be in grade 9 throughout the province?

**Ms. Allan:** Well, I'm informed by my staff that we don't take a cookie-cutter approach to regional vocational training or programming throughout Manitoba, that we—that—because that doesn't work for all of the communities, so we're trying to get it in as many high schools as possible. Of course, we wouldn't put it in a high school where there was a regional technical school. And the other area that we've been very involved in in getting technical vocational training is in the north. In Frontier School Division, there is a—quite a robust program in Cranberry Portage and we've been involved in helping them develop that programming, and that programming is important to us as a government because those students are—a lot of them, the bulk of those students are Aboriginal students, and this—and they come from communities all across the north. There is a residence there for those students where they can come and they can live, and we have actually given—we actually provided funding to them a couple of years ago to renovate their residence because, quite frankly, it was horrific. So that's been a real bonus to the community, to have that residence upgraded. And we are going to be doing further work with them in that area.

So it kind of is a strategy where there's some regional vocational programming in some high schools. Then we have some regional secondary schools that do some, and then we have kind of the activity in the north.

**Mr. Gerrard:** I gather that, when you're saying that it's not as many high schools as possible, that there's still a considerable number of grade 9 students who would not necessarily have access to technical-vocational programming.

**Ms. Allan:** Well, I think that might be unfair. I don't think that—I think I would word that—officials would tell me that we would word that differently. I think we would say that, you know, that we have—this is a program that we have developed over the years, and our goal is to get in the majority of schools. And we're certainly well on our way to that. I mean, obviously, there are some gaps, but we're going to be continuing to work on those gaps.

We actually just started working with the Construction Sector Council. The Construction Sector Council is a new council here in Manitoba that was developed through the minister of industry, and we're actually starting to do some partnership work with them in regards to, you know, how we can

enhance our technical vocational training here in Manitoba.

**Mr. Gerrard:** Yeah, I don't—that in this section there's a reference to research to support the department, and school divisions providing evidence-based policy and program. What—could the minister tell me a little bit more about what research the department is involved with?

**Ms. Allan:** We have a group of stakeholders, a group of—a network of stakeholders and they are called MERN, the Manitoba education resource network. Education—oh, I'm sorry, the Manitoba Education Research Network. And this is a group of stakeholders that work together, and there was—there are conferences. There have been conferences on different topics. There was a conference recently on—in northern Manitoba, and it was specific to best practices and research about what would be best for students in northern Manitoba.

There's been a conference on sustainable development; there's been a conference on Aboriginal students, and we work with all of our stakeholders in regards to putting together those conferences, and then working with MERN.

The faculties of Education are also involved and there's a publication, and I'm sure we'd be more than happy to get that publication to the MLA so he could have a look at it.

\* (16:50)

**Mr. Gerrard:** I thank the minister, and I look forward to getting a copy of the publication and having a look at it.

Earlier this year I had an opportunity to visit the communities of Bloodvein, Berens River, Poplar River, Pauingassi and Little Grand Rapids and to talk to people in the schools there, and these are communities which are relatively isolated on the east side of Lake Winnipeg. And I'm just wondering, you know, particularly for communities which are not associated with the Frontier School Division, which a number of these have relatively high dropout rates, or poor low graduation rates, what the minister and her department is doing to help the situation in these communities.

**Ms. Allan:** I'm sorry. I'm sharing a laugh with my deputy minister because he said he's just been to every one of those communities recently, and I don't know if you were travelling together or not. I'm going to have to check into his travel schedule. But

I'm pleased to tell the Leader of the Liberal Party that we have, the officials in my department have an excellent relationship with an organization called MFNERC, which is the Manitoba First Nations Education Resource Centre. And it's a relationship that they have developed over the last three years that is truly making a difference for First Nations children in our province.

And we have a \$5-million letter of—it's a—we have a letter of understanding in regards to a \$5-million four-year project, and it's around assessment for First Nations. It's a broad strategy, but one of them is around assessment in First Nations students, and it's our department working with MFNERC and with INAC, and we are working with them. MFNERC is the lead on this, which is very, very important. They need to be the lead because they are the primary stakeholder group here, and we're working with them on this project in regards to assessment in First Nations schools, I want to clarify.

**Mr. Gerrard:** Just could the minister clarify—could you clarify what is being assessed?

**Ms. Allan:** Well, our department is, right now, working with MFNERC on the assessment strategy, and the assessment strategy will be developed and offered to the First Nations schools and it will be the assessment around curriculum. The core will be the Manitoba curriculum because they receive a Manitoba diploma, but in many communities there is, you know, our provincial curriculum and quite often there is locally developed curriculum to reflect the local community, and so what we want to make sure is that we work together with them in partnership with the local communities and First Nations schools so that it respects their local autonomy.

**Mr. Gerrard:** Just wondering if the minister could clarify whether the approach is to assess the teachers, whether they're teaching the curriculum and how well they're doing or whether it's to assess the students, how well they're learning the curriculum, or whether it's to assess the students, you know, how well they're attending classes, et cetera. I mean,

there's a whole range of things that could be assessed and it's not clear to me.

**Ms. Allan:** What we're trying to accomplish here throughout this—through this relationship with MFNERC is we want to develop culturally appropriate curriculum and culturally appropriate assessment. That's what MFNERC wants and that's what we're there to support. And this is about the assessment of students and the assessment of learning and their outcomes and we also have a joint—we also have joint professional development around the curriculum assessment and also around the culturally appropriate curriculum and assessment. So we do do training with teachers on that initiative.

**Mr. Gerrard:** One of the significant issues is around students who have trouble learning in a traditional classroom environment, and, you know, who need some alternative form of learning. I wonder if the minister could talk about what she's doing in respect to these students.

**Madam Chairperson:** Honourable minister, for a short answer.

**Ms. Allan:** Okay, so we've always supported alternative ways of teaching and learning because that's what's best for students that don't fit into the regular school setting. And we have many examples of that all throughout the province and one of them is Argyle School who, actually, I know is a very excellent program because one of the MLAs I know on this side of the House sent her daughter there, and there's many examples of those all throughout the province.

\* (17:00)

**Madam Chairperson:** Order.

The hour being 5 p.m., committee rise. Call in the Speaker.

### IN SESSION

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



# LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, April 27, 2010

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