

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

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Eighth Legislature

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 10, 2004

The House met at 1:30 p.m.

Proposed PLA—Floodway

PRAYERS

ROUTINE PROCEEDINGS

PETITIONS

Minimum Sitting Days for Legislative Assembly

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:

The Manitoba Legislature sat for only 37 days in 2003.

Manitobans expect their Government to be accountable, and the number of sitting days has a direct impact on the issue of public accountability.

Manitobans expect their elected officials to be provided the opportunity to be able to hold the Government accountable.

The Legislative Assembly provides the best forum for all MLAs to debate and ask questions of the Government, and it is critical that all MLAs be provided the time needed in order for them to cover constituent and party duties.

Establishing a minimum number of sitting days could prevent the government of the day from limiting the rights of opposition members from being able to ask questions.

We petition the Legislative Assembly of Manitoba as follows:

To request the Legislative Assembly of Manitoba to consider recognizing the need to sit for a minimum of 80 days in any given calendar year.

Signed by Jagdev Cheema, S. Grewal, Jim Budde and others.

Mr. Speaker: In accordance with our Rule 132(6), when a petition is read it is deemed to be received by the House.

Mr. Kelvin Goertzen (Steinbach): I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

The Province of Manitoba has tabled legislation in the Legislature that may result in the \$660-million expansion of the Red River Floodway by the summer of 2005.

The Premier of Manitoba plans to subject all work related to the project to a Project Labour Agreement (PLA).

The proposed PLA would force all employees on the project to belong to a union.

Approximately 95 percent of heavy construction companies in Manitoba are currently non-unionized.

The Manitoba Heavy Construction Association has indicated that the forced unionization of all employees may increase the costs of the project by \$65 million.

The chair of B.C.'s 2010 Construction Leaders Taskforce has stated, "Major industrial projects built under project labour agreements from the energy sector in Alberta to off-shore development on the East Coast have repeatedly incurred cost overruns, labour disruptions and delays."

Organizations including the Winnipeg Chamber of Commerce, the Canadian Taxpayers Federation, the Manitoba Heavy Construction Association, the Canadian Federation of Independent Business, the Merit Contractors Association of Manitoba, the Winnipeg Construction Association, the Construction Association of Rural Manitoba and the Canadian Construction Association have publicly opposed the Premier's plan to turn the floodway expansion project into a union-only worksite.

Manitobans deserve an open and fair competition that protects taxpayers from unnecessary costs and respects workers' democratic choice.

Manitobans support the right of any company, both union and non-union, to participate in the expansion of the Red River Floodway.

We petition the Legislative Assembly of Manitoba as follows:

To request the Premier of Manitoba to consider ending his Government's forced unionization plan of companies involved with the Red River Floodway expansion.

To request the Premier of Manitoba to consider entering into discussions with business, construction and labour groups to ensure any qualified company and worker, regardless of their union status, is afforded the opportunity to bid and work on the floodway expansion project.

Signed by Harry Funk, Lawrence Funk, Sandra Funk and others.

Mr. Speaker: In accordance with our Rule 132(6), when a petition is read it is deemed to be received by the House.

Alzheimer's Disease

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

These are the reasons for this petition:

Alzheimer's is a debilitating disease.

* (13:35)

Cholinesterase inhibitors are known to slow or even prevent the progression of Alzheimer's.

The provincial government asked for the development of an Alzheimer's strategy in 2000 and was presented with nine recommendations in 2002, none of which has yet been implemented.

In the absence of a provincial Alzheimer's strategy, the Winnipeg Regional Health Authority put in place a policy in November 2003 whereby Alzheimer's patients entering personal care homes are being weaned from certain Alzheimer medications in a move that the WRHA's vice-president of

long-term care has referred to as a financial necessity.

The administrative costs of the Winnipeg Regional Health Authority have more than tripled since 1999, to a total of more than \$16 million a year.

In a move that amounts to two-tier medicine, the families of Alzheimer's sufferers in personal care homes may request that the drugs continue to be delivered at the family's expense.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Health (Mr. Chomiak) to ensure that his attempts to balance his department's finances are not at the expense of the health and well-being of seniors and other vulnerable Manitobans suffering from this debilitating disease.

To urge the Minister of Health to consider reversing his decision to deny Alzheimer's patients in personal care homes access to certain medications.

To request the Minister of Health to consider implementing a provincial Alzheimer's strategy.

Signed by Irma Van Niekerk, April Gregora, Dani Rivalin and others.

Mr. Speaker: In accordance with our Rule 132(6), when a petition is read it is deemed to be received by the House.

TABLING OF REPORTS

Hon. Ron Lemieux (Minister of Transportation and Government Services): I am pleased to table the Supplementary Information for Legislative Review 2004-2005 Departmental Expenditure Estimates for the Department of Transportation and Government Services.

MINISTERIAL STATEMENTS

National Nursing Week

Hon. Jim Rondeau (Minister responsible for Healthy Living): Mr. Speaker, I have a ministerial statement for the House.

Today is the beginning of National Nursing Week. The purpose of National Nursing Week is to raise public awareness of the many contributions registered nurses, registered psychiatric nurses and licensed practical nurses make to the well-being of Canadians. The theme this year is Nursing: Knowledge and Commitment at Work. The knowledge, dedication, compassion, experience of nurses play a critical role in delivering the best possible health care to Manitobans.

We currently have approximately 15 000 active practising nurses in Manitoba. I call on all members of the House to join me and acknowledge and applaud the enormous contributions nurses make towards our well-being.

We are proud of our nurses, knowledgeable and dedicated health professionals with a commitment to provide the best possible care, both physical and mental, to patients in the community and in hospitals. I am delighted, Mr. Speaker, that our Government has made significant progress on all points of the nursing strategy we put in place four years ago.

Enrolments in nursing programs have more than doubled since 1999. We have 879 more active practising nurses in Manitoba than were registered in 1999. Nurse graduates have almost tripled since 1999.

Mr. Speaker, members of this House will note that we have acted on and continue to make achievements on all five points of the nursing strategy. We have demonstrated our commitment to nurses by taking decisive and effective action in consultation with nurses. We value their role in many settings where their skills are needed.

* (13:40)

Nurses take on roles including health educator, care provider, counsellor, consultant, just to name a few of their roles. I believe this year's theme: Knowledge and Commitment at Work, reflects the value we place on nurses in terms of the care they offer and the knowledge they bring as they maintain continued competence over their entire career.

I congratulate all nurses of Manitoba and applaud their knowledge and commitment.

Mrs. Myrna Driedger (Charleswood): I would like to thank the minister for the ministerial statement. It

is an honour for me to rise in the House today to recognize National Nursing Week and to applaud the overwhelming dedication, compassion and personal sacrifice demonstrated on a daily basis by Manitoba's hardworking nurses, RNs, RPNs and LPNs.

Nurses demonstrate their knowledge and commitment at work every day, so it is fitting that this year's theme reflects that. It speaks to the art and science of nursing. Not only must nurses be compassionate and caring, they must also use finely honed critical thinking skills to make the right decisions at the right times.

It is the science of nursing that determines if a patient's analgesics are not adequately controlling the pain. It is the science of nursing that tells the nurse to call the neurosurgeon at four in the morning because one pupil has gone fixed and dilated and the patient's level of consciousness is decreasing. It is the science of nursing that tells the nurse that the cold, clammy skin, laboured breathing and thread pulse means that the patient has taken a turn for the worse and the doctor needs to be called now. It is the science of nursing that tells a nurse if a patient has had an adverse reaction to a drug.

Mr. Speaker, it is the art of nursing that weaves a thread through the science and helps a nurse tell a woman that her husband has just died, or tell a five-year-old boy that his daddy has just committed suicide, or care for adolescents in a psychiatric ward, adolescents who have experienced horrors most people would not even imagine, or go to the morgue and dress a dead baby in a special outfit that mom and dad brought in, wrap that baby in a blanket and carry him from the morgue in the basement of the hospital to the third floor and place that baby in his mom's arms.

Yes, Mr. Speaker, nursing is an art and a science. It is a privilege. The knowledge of nursing is key to patient care and safety, prevention of disease, public health education and the hands-on care provided in hospitals, clinics, and personal care homes.

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

Mr. Speaker: Does the honourable member have leave?

An Honourable Member: No.

Some Honourable Members: Leave.

Mr. Speaker: I heard a no. Request has been denied.

INTRODUCTION OF BILLS

Bill 49—The Municipal Amendment Act

Hon. MaryAnn Mihychuk (Minister of Intergovernmental Affairs and Trade): It is my pleasure, Mr. Speaker, to move, seconded by the Minister of Industry, Economic Development and Mines (Mr. Smith), that Bill 49, The Municipal Amendment Act, be now read a first time.

Motion presented.

Ms. Mihychuk: I am pleased to introduce Bill 49, The Municipal Amendment Act. Bill 49 proposes a new and broader authority for municipalities to establish programs of tax credits, grants and tax incremental financing. It also provides that when municipalities amalgamate, the provisions of The Municipal Act about policing continue to apply in the same way as before amalgamation.

The bill also restores the ability of municipalities to amend existing licensing by-laws for mobile homes in addition to their existing authority of assessing them.

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

Bill 50—The Municipal Assessment Amendment Act

Hon. MaryAnn Mihychuk (Minister of Intergovernmental Affairs and Trade): I move, seconded by the Minister of Conservation (Mr. Struthers), that Bill 50, The Municipal Assessment Amendment Act, be now read a first time.

Motion presented.

* (13:45)

Ms. Mihychuk: I am pleased to introduce Bill 50, The Municipal Assessment Amendment Act. Bill 50 enables municipalities to enter into agreements with non-profit organizations to take over operations on municipally owned properties such as community clubs without those organizations incurring liability

for property taxes where none existed before. The bill also exempts property owned by the Manitoba Recreational Trails Association or similar non-profit organizations from property tax.

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

Bill 212—The Pension Freedom Act (Pension Benefits Act Amended)

Mr. Ron Schuler (Springfield): Mr. Speaker, it brings me great pleasure to move Bill 212, The Pension Freedom Act, seconded by the honourable Member for Turtle Mountain (Mr. Tweed), and that it now be read a first time.

Mr. Speaker: It has been moved by the honourable Member for Springfield, seconded by the honourable Member for Turtle Mountain, that Bill 212, The Pension Freedom Act (Pension Benefits Act), be now read a first time.

Mr. Schuler: Mr. Speaker, this bill amends The Pension Benefits Act to enable a person to replace a pension benefit with a registered retirement savings plan or a registered retirement income fund that is not locked in. The bill further provides that a person who transfers his or her pension benefit to a life income fund or other prescribed arrangement may later withdraw money from the fund or arrangement. This legislation is similar to legislation passed in Saskatchewan in the spring of 2002.

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

I would just like to draw to the attention of our guests in the gallery there is to be no participation in whatever fashion, whether it is applauding or verbal comments. There is to be no participation from our guests in the gallery.

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have with us Riley and Lorie Lathlin and their son, Comacho, and, also, Amanda Lathlin. Riley is the brother and Amanda is the daughter of the honourable Minister of Aboriginal and Northern Affairs (Mr. Lathlin).

Also in the public gallery we have Vic Savage who is the president, and other members of the Manitoba Society of Seniors.

Also we have employees from the Credit Union Retail Co-operative and Caisse Populaire, and members of Advocis. These are the guests of the honourable Member for Springfield (Mr. Schuler).

We have also Gail Fones who is the president of the College of Registered Nurses of Manitoba and Helen Rempel who is the president of the College of Licensed Practical Nurses of Manitoba. We have Marg Synyshyn who is the president of the College of Psychiatric Nurses, Karen Wall who is the chair of nursing for Red River College and Dr. David Gregory who is the Dean of the Faculty of Nursing for the University of Manitoba.

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

ORAL QUESTIONS

Pension Freedom Act Government Support

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, there are about 180 000 Manitobans who belong to plans that fall under The Pension Benefits Act. Many of them have joined us today in the gallery.

Mr. Speaker, the private member's bill that we have introduced, The Pension Freedom Act, would ensure that retirees could decide for themselves how much money to access from their plans and when. This is a simple and logical change because it is their money. They have earned it.

* (13:50)

Will the Premier indicate today if he will support our bill to give Manitoba seniors the freedom to make decisions about how and when to spend their own money?

Hon. Gary Doer (Premier): We certainly have sought the opinions of Manitobans because we know that there is one side of a continuum of debate about pensions that is being proposed by members opposite. There is the existing situation which some seniors believe is not flexible enough to deal with

individual decision making. We are trying to find the balance along with nine other provinces I should say, that are looking at this whole matter of ensuring that pension freedom day does not become tomorrow's vulnerable day.

We are certainly very aware of what the seniors are saying. We respect the fact that many seniors and many of our constituents are arguing that there should be similar amendments made as there were in Saskatchewan. We are also aware of many other constituents that are saying they do not want to have a situation where their pensions are vulnerable. This is not a problem that is simple. Members opposite were in office for about 11 years and never looked at it. We have been prepared to look at it because we know some people feel it is not flexible enough. We are working with the nine other provinces in Canada to look at a balance between predictability of pensions for livelihood and flexibility for individual investments that people want to make themselves through their own investment counsels. We are still working on that right and proper balance.

Mr. Murray: The Premier often forgets he has been the Premier of Manitoba for some five years, Mr. Speaker. *[interjection]* Of course they would on that side applaud inaction when Manitobans have come forward and asked for some action with respect to their pension plan. They are not looking for more delays or excuses from this Premier. They are looking for some action and they are looking for it today.

Mr. Speaker, I would like to quote one retiree who said, and I quote, "At present we are living on a rapidly depleting bank account. This income barely covers our apartment rent and leaves very little for us to enjoy our senior years. How can any government enact legislation that takes a person's hard-earned pension and allows the banks to lock up these funds and not allow a person any control over their own money?"

Will the Premier correct this mistake? Will he correct it by supporting our Pension Freedom Act bill today?

Mr. Doer: Mr. Speaker, we have letters from people talking about the vulnerability of pensions, and there are people that have lost a considerable amount of money in the markets over the last couple of years. That has driven some individuals into an equally

very serious situation. There are some serious issues of the rights of individuals and greater flexibility.

As I say, we are trying to reach the right balance between predictable pension income and flexibility for individuals. We want to make sure that today's flexibility is not tomorrow's vulnerability for people, and I would point out that is why the status quo is not acceptable to us. Also we are very cognizant of our responsibilities under pension obligations.

The Manitoba Association of Women and the Law has just written us and said they strongly agree with the view that the special status of pensions and pension benefits should be preserved. It is extremely important for plan members, spouses and partners to have retirement income in their elder years. Immediate access to pension benefits results in financial hardship for many Manitoba women. The Manitoba Association of Women and the Law agrees with the pension commission's views with respect to this matter. We have various views and that is why we are trying to get a balance between the unfettered rights that are being proposed by members opposite and the present lack of flexibility that is presently in the law. Well, Mr. Speaker, the members opposite, when they were in Cabinet when Mr. Gilleshammer was the minister, gave a status quo answer. I am not giving a status quo answer today.

*(13:55)

Mr. Murray: Mr. Speaker, the answer that the Premier is giving today to all of the people in the gallery and those listening is that he as government knows how to spend the pensioners' money better than they do. That is shameful.

We on this side of the House believe that hardworking Manitobans who have toiled and put money into a pension have the ability and the wherewithal to decide how they should have their annual income decided. They should decide, Mr. Speaker. They have earned that right.

Surely this Premier would listen to Peter and Sabina Long. When Sabina was diagnosed with Parkinson's disease, Mr. Long took early retirement so that he could spend time with his wife and they could enjoy life, but as Mr. Long has said, because of the restrictions in the act, they cannot access their own money. If new medicine came available for

Parkinson's, they would be unable to access that medicine.

Mr. Speaker, we can improve the quality of life of these Manitobans today. It is about the Premier doing the right thing, and I ask him again today: Will he support our Pension Freedom Act so that those Manitobans can enjoy a quality of life?

Mr. Doer: Well, we need no lectures from members opposite that worked for former Prime Minister Mulroney, who under federal bankruptcy legislation protected the banks over pensioners and pension surpluses. Their record is not very proud. Let the member opposite be very careful about that.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: Thank you, Mr. Speaker. There is the one Saskatchewan piece of legislation. There are nine other provinces looking at, along with Manitoba, creating more flexibility and at the same time having a balance of predictability for pension funds.

The Saskatchewan legislation in its present form does not provide as much predictability as many pension administrators feel. On the other side, the existing legislation in Manitoba does not provide enough flexibility for individuals to make more investment decisions on behalf of their own families. We are going to use—*[interjection]* You know, Mr. Speaker, members opposite can yell and scream, but we are going to be very careful to improve the individual rights and flexibilities under pension legislation but not roll the dice with long-term predictability for seniors and their pension plan. That is the balance we are going to bring and that is what we are committed to doing.

Pension Freedom Act Government Support

Mr. Ron Schuler (Springfield): Mr. Speaker, I would like to focus yesterday's Premier on today's issue. On March 28, Robert, a retired Manitoban, wrote to the NDP government and stated, "After my wife became very ill, I retired to attend to her. We are living on a rapidly depleting bank account. This income barely covers our apartment rent and leaves very little for us to enjoy our senior years. I must tell you I find the locked-in pension law appalling."

Will this Premier stand up for Robert and the thousands of other Manitobans and indicate his party's support for Bill 212, The Pension Freedom Act?

Hon. Gary Doer (Premier): Mr. Speaker, those are some of the circumstances that require more flexibility. The bill that is being proposed, if it is modelled after Saskatchewan, goes much further than that. We are looking at issues of that kind of sensitivity and flexibility but still maintaining a balance of predictability so that we do not go from flexibility to absolute vulnerability.

* (14:00)

There is no question that there are circumstances that we are reviewing that need more flexibility, and that is what we said in our first answer, second answer, third answer and again on our fourth answer. Having said that, we do not want to roll the dice completely with the proposal that is before us. I have not read the wording of it, but we can provide flexibility without totally rolling the dice.

Mr. Schuler: When this Premier uses code words like "balance," it means do nothing.

I ask this Premier if he would respond: On March 29, Michael, a retired Manitoban, wrote to the NDP government and he stated, "Due to recent unexpected circumstances, through family illness, home maintenance and automobile repairs, I was forced to obtain bank financing which would have been avoided if I had access to my own money."

Will this Premier stand up for Michael and the thousands of other Manitobans and indicate his party's support for Bill 212, The Pension Freedom Act, or is it all going to be about balance and doing nothing?

Mr. Doer: I have already stated that we are going to move to create more flexibility, but I would point out to members opposite—*[interjection]* Rudeness will not move us forward, Mr. Speaker, if I could please answer the question.

Mr. Speaker: Order.

Mr. Doer: We are also aware, Mr. Speaker, and members opposite may not be as concerned about this as we are, but when Margaret Thatcher

deregulated pensions in England, 60 000 seniors were left without pensions or incomes. We do need more flexibility. We will provide more flexibility. We will be bringing in more flexibility, but at the same time, we are going to have a balance between the need to be more sensitive and flexible and have more seniors involved in their investments and at the same time not placing them in a vulnerable situation. We need predictability and flexibility. We plan to have that balance in the action we will take in government.

Mr. Schuler: Mr. Speaker, on January 10, Jay, a retired Manitoban, wrote to the NDP government and stated, "Very strange, the financial wizards in the Legislature think seniors can live cheaper than anyone else. Why is that? Food, drugs, housing, loans, utilities cost the same for seniors as anyone else. Is it because they are not seniors yet or is it because they do not or never will belong to a locked-in pension fund?" These people are looking for answers now, not five years from now, not ten years from now when they are long gone. They want the answers now because they need their funds now.

Will this Premier stand up and tell this House that he will support Bill 212, The Pension Freedom Act?

Hon. Nancy Allan (Minister of Labour and Immigration): I would like to remind the member opposite that this is the first major review of The Pension Benefits Act in almost 20 years. The last government that did a major review of The Pension Benefits Act was the Pawley government, and the minister was Mary Beth Dolin. I just want to remind the member it is our Government that has taken action on pension legislation in this province. We had a commission that did a report and made recommendations to the Government. We put that report on the Web site for public comment and we have received lots of comments. Mr. Speaker, we will take each and every one of those comments under consideration when we move forward with our pension legislation, Mr. Speaker.

Pension Freedom Act Government Support

Mr. Mervin Tweed (Turtle Mountain): I am pleased to second The Pension Freedom Act brought forward today because it allows seniors full access to the locked-in pension funds they built up during their

working years. I know that is news to the members opposite, "their working years," Mr. Speaker.

We also have a statement made by the minister from Brandon that says if people take and spend their entire pension then, obviously, Mr. Speaker, they go to the Government for support. I will ask the minister today: Does he believe that this Government knows how to spend pension money better than the people who saved it themselves?

Hon. Nancy Allan (Minister of Labour and Immigration): The Leader of the Opposition (Mr. Murray) said there were 180 000 Manitobans in this province with a pension plan. When we move forward with our legislation, we must have all the information. Mr. Speaker, the Canadian Association of Pension Supervisory Authorities, CAPSA, the federal body responsible for model law principles, is making recommendations to all jurisdictions in Canada in the fall and that is very important information for all jurisdictions because of what happened in Saskatchewan with the Saskatchewan experiment.

Mr. Tweed: We know this bill has been received in past in Saskatchewan and through all the people we have spoken to it is working very well.

I want to ask the Premier does he agree with the minister from Brandon West. Does he agree that his Government can manage and spend the retirement funds of the 180 000 people that were referenced in Manitoba, the hardworking people who saved this during their working years? Does the Premier agree with the minister from Brandon West when he says that his Government can spend their money better than they can?

Hon. Gary Doer (Premier): Mr. Speaker, I would point out to members in this Chamber that if we look at actuarial tables and look at the facts, women actually live much longer than men and are much more vulnerable on the issue of pensions and livelihood. I think we—*[interjection]* In my opinion, this is a very serious issue and it is—

Some Honourable Members: Oh. Oh.

Mr. Speaker: Order. I just heard a member make a comment, "Do you think they all came here for the good of their health?" I am sure our guests in the galleries that came down to hear the questions and

hear the answers, I think we all in the Chamber here should show them the respect and the courtesy to let them hear the questions and the answers. I ask the co-operation of all honourable members.

Mr. Doer: Thank you, Mr. Speaker. There is no question that there are a number of seniors who are wanting and desiring and feel very strongly that they should have more individual rights and flexibilities on their own pension money. We know that and we respect that opinion. We also respect the fact that women, if there are two members of a family who have pensions, and in most circumstances, rightly or wrongly, the survivor of a relationship is the female who has already been prejudiced in a number of factors including maternity leave and other factors that have led to less pension entitlements over the years, there is already that factor built in in an inherent challenge for pensions. You add that to the issue of some decisions that are made and that is why women representing other women, not all women but some women through the Manitoba Association of Women and the Law, have cautioned us not to make any changes at all because of this whole issue of vulnerability.

I would suggest to members opposite we have to listen to the advice of people that have studied pensions and their impact on women and seniors. We have to listen to those who also want more right to make more individual decisions and want more flexibility.

We have to look to some of the examples that members opposite have raised that are legitimate issues that need more flexibility, but we will consider the whole range of advice when we change the legislation. We will change it, but it will consider all the range of advice and the demographics. That is the answer to the member opposite, and I would ask all of us to take a look down the road at what this also means for all members of our society, Mr. Speaker.

* (14:10)

Mr. Tweed: The Premier references the groups of people that he has heard from. We have heard from no one in Manitoba that has not asked for this legislation. We have heard from no one who said they have worked their entire lives to save these funds to find out when they retire that they cannot access them, Mr. Speaker. We have heard the hardships of people that cannot get the medicine they

need. They cannot get the support they need for their children.

Mr. Speaker, I ask the Premier again: Does he believe that his Government can manage the retirement funds of some 180 000 people in this province who have worked diligently and hard their entire lives to save this fund? Does he believe he is a better manager of that money than they are?

Mr. Doer: I would ask the member from Turtle Mountain does he think he is more equipped to make decisions on women and the law and pension vulnerability than the women that are representing them. We are listening.

Pharmacare Deductible Increase

Mr. Jack Reimer (Southdale): Mr. Speaker, we continue to receive numerous calls regarding the Pharmacare cuts on the toll-free phone number, 1-877-NDP-CUTS. In fact we had a call from a lady in Fort Rouge whose deductible has gone up \$335, and she states that she is forced to cut down on clothes and cancel her cablevision.

What does the Minister responsible for Seniors (Mr. Rondeau) say to this lady who is forced to make these choices because of the mismanagement of this Doer government?

Hon. Steve Ashton (Acting Minister of Health): As Acting Minister of Health, I think it is important for this member, who was a member of the former government that significantly cut Pharmacare in the 1990's, to recognize that since 1998-1999, we have gone in this province from a \$62-million budget for Pharmacare under the previous government to \$177.5 million under this Government. We have added 1000 new drugs. There are 30 000 families that have been added to Pharmacare. By the way, in the 1990s, the previous government took two thirds of Manitobans receiving Pharmacare off the Pharmacare rolls.

We recognize, Mr. Speaker, that in this Budget some difficult decisions were made. It does have an impact on Manitobans, but we are committed to preserving the Pharmacare program, something that was woefully lacking in the 1990s under the Conservatives.

Mr. Reimer: Mr. Speaker, my question again is to the Minister responsible for Seniors (Mr. Rondeau). We also had a call from a senior in the Lord Roberts area whose deductible has increased by \$100 who stated, and I quote again, "can't do anything but exist."

Mr. Speaker, is this the legacy the Doer government is creating where seniors in this province just exist? Where is the compassion and where is the understanding of the hardships that are being created by these Pharmacare increases throughout Manitoba?

Mr. Ashton: How a Conservative member of this Legislature who was part of the previous government can talk about compassion when they in 1996 cut \$20 million out of the Pharmacare budget and took two thirds of Manitobans off the Pharmacare rolls is beyond me. We all know the circumstances that Manitobans are faced with and let us not forget that one of the biggest problems we face in terms of Pharmacare is the complete lack of any commitment to a national Pharmacare program from the federal government. I am hoping in the next federal election maybe we will see some promises in terms of that.

We recognize the situation facing Manitobans but we have added a thousand drugs, we have increased the budget year over year, including this year. We are doing our best to save the Pharmacare system, something the previous government, the Conservatives, never had the concern to do.

Mr. Reimer: My question is again to the Minister responsible for Seniors (Mr. Rondeau). We are hearing hardships, we are hearing problems that seniors are experiencing in this province that this Government is trying to manage. Hydro increases, gas increases, driver's licence increases, vehicle registration increases, professional services, increase in taxes and now Pharmacare deductible increases, the list keeps growing and growing while the senior's pocketbook keeps getting smaller and smaller.

When will the Government reverse their policy? When will the Government look more critically and more analytically at what they are causing to these seniors in this province? It is something that is hurting them. Mr. Speaker, they are hurting them in the pocketbook. Do something.

Hon. Gary Doer (Premier): The member opposite reads off his list. When the members opposite took

over the gas company, the natural gas company here in Manitoba, they had a hidden tax they did not reveal to the public that would have cost people \$11 million a year. This Minister of Finance (Mr. Selinger) cancelled that tax. The member opposite should be a little more forthcoming with the people of this province.

Emergency Rooms Nursing Vacancies

Mrs. Myrna Driedger (Charleswood): Front-line doctors and nurses have told us that there is an ER crisis, yet it took an ER death and several moms miscarrying before this Minister of Health (Mr. Chomiak) acted and set up a task force.

Can the Minister of Health tell us why he never asked the task force to find out why there are so many nurse and physician vacancies in our ERs?

Hon. Steve Ashton (Acting Minister of Health): I think it is important to put on the record that the Minister of Health, the entire health care system in this province, has recognized, Mr. Speaker, as is the case in many jurisdictions across the country, some of the challenges facing our emergency rooms by putting in place not just the review but already acting in terms of a number of specific initiatives in our emergency rooms, and by specifically not only tracking the incidents that are out there but working towards long-term solutions. I think that is something that members opposite should welcome in this province.

In terms of staffing, I would ask the member to check the record, particularly in terms of nurses. One of the things we are the proudest of in terms of this Government is we have record numbers of nurses not only being trained in this province but in our health care system. That is what helps solve the ER crisis and elsewhere in the system.

Mrs. Driedger: I am glad to see the minister acknowledge that there is an ER crisis. In December there were 39 nursing vacancies in Winnipeg ERs and in January the Minister of Health committed to hiring 25 more nurses to improve care in Winnipeg's ERs. Can the Minister of Health (Mr. Chomiak) tell us how many of these 64 positions have since been filled?

Mr. Ashton: The member raised this very important issue in Estimates, where the Minister of Health, I

am sure if this question was raised, would have been in a position to respond to that.

Mr. Speaker, I want to put on the record, too, and it is important to note when members opposite show concern, supposed concern, about vacancies, when they ran the election barely a year ago, their platform in terms of health care was to add 1 percent to our budget in this province in terms of health care. That would not even cover the costs of increased salaries to cover inflation. There was a program of cuts to the health care system so when they raise concerns about staffing and staff vacancies, let Manitobans take their concerns with a huge grain of salt.

Mrs. Driedger: The concerns are very real when patients are dying in our ERs because they cannot access care and this minister could not even answer the question. Mr. Speaker, there are eight-and-a-half physician vacancies in our ERs. In fact, three resigned in January '04 and one resigned in March '04. There is one position that has been vacant for over four years and two positions that have been vacant for 18 months.

I would like to ask what is this Minister of Health (Mr. Chomiak) doing to address these serious physician vacancies. What is he doing to help these front-line nurses and doctors do their jobs?

Mr. Ashton: Mr. Speaker, I will put on the record that one of the things the Minister of Health has been doing is making sure that we are training more nurses, that we have more nurses in the system, that we in fact have more doctors in the system in terms of recruitment. We have increased both the numbers of nurses and doctors and notwithstanding the fact that at times members opposite talk about us having a spending problem, we have invested in health care, something they were unwilling to do.

Mr. Speaker, they had a 1% solution to health care which was no solution at all. We have made a commitment to health care and we will continue to do that in our emergency rooms and our hospitals across this province.

Legal Aid Review Consultations

Mr. Gerald Hawranik (Lac du Bonnet): Mr. Speaker, this Minister of Justice has been sitting on a

Legal Aid review report which was not prepared with public input. The report was prepared behind closed doors. Many of my constituents have concerns about legal aid and have suggestions which would strengthen the system but of course there was no public process. Why did this minister not consult with Manitobans in a public process to review the legal aid system?

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Mr. Speaker, I was pleased to receive the report which I understand engaged many Manitobans who have insights to offer and people outside of Manitoba on the issue of legal aid, 47 consultations I understand. I look forward to the feedback from members opposite, from Manitobans, from other stakeholders. There will be a consultation process and of course legislation will engage the public because in Manitoba, which is very unique I understand in Canada, the public has the ability to come to public presentations in standing committee.

Mr. Hawranik: Mr. Speaker, there were no public hearings with respect to that report. Manitobans own the legal aid system, and they have every right to share their views with government in order that their input strengthens the legal aid system.

There were no public hearings for that report, and by introducing Bill 47 in the Legislature without prior public input would the minister agree that he is saying to Manitobans that their views in fact are not important?

* (14:20)

Mr. Mackintosh: Mr. Speaker, I am disappointed that the member did not listen to the answer to the first question. I said that there certainly will be consultations and indeed the report will be—*[interjection]* I do not know why they asked a question if they are not interested in an answer. I can advise that the report on legal aid will be posted on the Web site with the views of Manitobans asked for. I do not know where this new-found interest in legal aid is coming from. They froze tariffs every year they were in office.

Mr. Hawranik: Mr. Speaker, the legal aid system is designed for Manitobans, and Manitobans should have input into legal aid so they can have input into changes to the system to ensure that the system does meet the needs of Manitobans. Had the minister met

with Manitobans, I am certain that they would have told him that legal aid is certainly not for the Hells Angels.

Mr. Speaker, why did this minister not consult with Manitobans before producing that Legal Aid report? Is it because he believes that the Hells Angels ought to be given legal representation at the expense of taxpayers?

Mr. Mackintosh: Mr. Speaker, this Government has ushered in legislation unique in this country, The Criminal Property Forfeiture Act, in order to go after the assets of members of criminal organizations. I hope that members opposite will support that legislation. It is a significant step forward and monies can be turned over to Legal Aid as a result of action by police forces under that legislation.

The Hells Angels came into Manitoba in the fall of 1997—*[interjection]* I knew I would get a little rise out of them from that. Those are the facts.

Mr. Speaker, as I said earlier, the Legal Aid report will be open to the public for consultation. It will be on our Web site. The legislation will be proposed, and we will invite presentations from the public at standing committee.

Health Care Access to Services

Hon. Jon Gerrard (River Heights): A survey of 1500 Canadians conducted by Ipsos-Reid in January of this year and released today shows that many Canadians are reporting difficulty in getting access to available services in health care.

Mr. Speaker, 62 percent of respondents in Manitoba and Saskatchewan report difficulty in getting access to health care services. This percentage is the highest in all of Canada.

My question is to the Minister of Health: Can the Minister of Health explain why it is that the most difficulty in accessing health care services in Canada is in Manitoba and Saskatchewan, two provinces with NDP governments? Mr. Speaker, is this because the Government says one thing but has a lot of trouble actually following through and delivering?

Hon. Steve Ashton (Acting Minister of Health): A former federal Liberal cabinet minister, Mr. Speaker,

talk about having trouble saying something and having difficulties following through, Mr. Speaker. It is just absolutely incredible.

We have had more than 10 years of a federal Liberal government that has done very little more than pay lip service to health care to where we are now at a point where we are facing a \$7.5-billion gap, the Romanow gap, because the federal cost sharing of medicare in this country has now hit 18. It is heading towards 16 percent. If it continues at this rate, there will be virtually no federal presence left in health care over the next number of decades.

We have taken very seriously the challenge of health care within our own jurisdiction. We have taken many initiatives to deal with waiting lists and providing health care. I want to add that, while the Tories had a 1% solution in the last election, the Liberals had a 2% solution, no solution at all for health care in this province.

Healthy Living Premier's Task Force

Hon. Jon Gerrard (River Heights): The point is that whatever the Government's solution, when you look at the outcomes, they are worse in Manitoba than they are in the rest of the country.

The Premier has talked about promoting healthy living. More than two months ago the Premier said he was shortly going to set up a task force for all parties in the Legislature to participate, to work together and look at ways of getting children and young people to exercise more. It is now more than two months later and we have heard no more of the Premier's task force. No one has contacted either me or the MLA for Inkster (Mr. Lamoureux) on this side.

Is this another example of where the Premier says "shortly," but really means that nothing is going to happen for months? Is this really another example of the Government saying one thing and then not following through?

Hon. Gary Doer (Premier): Mr. Speaker, we are working on a number of the draft terms of reference that we will be sharing with members, and I think it is almost completed. We look forward to the discussion. We wanted to make sure it was not just a

narrow discussion. We wanted to make sure it was not just a narrow discussion on some of the obvious issues, some of which have been raised by the member opposite, mandatory phys ed. We wanted it to be much broader than that and we will be having a much broader discussion. We will shortly have some consultations with members opposite.

I would point out that the member opposite did vote for the equivalent reduction in health care funding for Manitoba of the closure of every rural and northern hospital in 1995, so we certainly know his record of accountability when it comes to health care. It was the vote against hospitals, nurses and doctors here in Manitoba.

Pension Plan Withdrawals Hardship Cases

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I have had numerous letters regarding the pension issue and I think Manitobans—[interjection] No, it is a lot more than two, I must say.

Manitobans are disappointed with the lack of action and direction coming from this Government. In one letter, the constituent or individual stated that even in Ontario provisions that allow for permit hardship withdrawals be taken into consideration. This would include to avoid eviction due to creditor's claim of secured property, to avoid eviction for rent owing by parties noted above, to renovate a property to accommodate personal illness or disabilities, parties noted above, to increase low income. There are exemptions that could be made.

My question to the Government is, if it is not going to do what Saskatchewan is going to do, will it at least be open to allow for hardship cases regarding what seniors can do with their money.

Hon. Nancy Allan (Minister of Labour and Immigration): I just want to remind the member opposite that we are the first government in almost 20 years to review the pension legislation. This is very serious legislation.

We need all of the information as we move forward. We will continue to listen to the stakeholders. We have heard many compelling stories. Mr. Speaker, we will take all of that information into consideration when we move forward with our legislation.

Nursing Education Graduates

Ms. Kerri Irvin-Ross (Fort Garry): Mr. Speaker, the availability of trained nurses is crucial to the delivery of quality health services in Manitoba. Will the minister please describe for us progress that has been made in terms of nursing education and indicate how many nurses are expected to graduate from all nursing programs in 2004?

Hon. Jim Rondeau (Minister responsible for Healthy Living): Today I am pleased to inform the House that nursing graduates have almost tripled since 1999. Mr. Speaker, in 1999 there were 210 graduates. In 2004 we expect approximately 600 nurses to graduate, almost 400 registered nurses, 200 licensed practical nurses and 25 registered psychiatric nurses.

Enrolment in nursing programs has almost doubled since 1999. We now have 2600 people enrolled. Mr. Speaker, there are over 400 people who have accessed funding to complete nursing refresher programs through distance education. We now have 879 more active practising nurses than in 1999. We have made progress on all five points of the nursing strategy. We are moving forward in co-operation with all health professionals.

Mr. Speaker: Time for Oral Questions has expired.

* (14:30)

Speaker's Rulings

Mr. Speaker: I have some rulings for the House.

During Oral Questions on April 27, 2004, the honourable Member for Turtle Mountain (Mr. Tweed) rose on a matter of privilege based on comments made by the honourable Minister of Finance (Mr. Selinger), comments which the honourable Member for Turtle Mountain contended besmirched the employees and management at Manitoba Lotteries Corporation.

In addition, the honourable Member for Turtle Mountain complained that the honourable Minister of Finance had quoted from a legal opinion but refused to table it. At the conclusion of his remarks, the honourable Member for Turtle Mountain moved "that the Minister of Finance did break the privileges

of myself by quoting directly from a legal opinion indicating that illegal activities were occurring at the Manitoba Lotteries Corporation; and that this House finds the Minister of Finance in contempt of the House for casting aspersions against employees of the Manitoba Lotteries Corporation; and further that this minister be directed to withdraw his comments and apologize or provide to this House this legal opinion as referenced by the minister; and that this matter be referred to the Standing Committee on Legislative Affairs for the committee's consideration."

The honourable Government House Leader (Mr. Mackintosh), the honourable Official Opposition House Leader (Mr. Derkach) and the honourable Member for Ste. Rose (Mr. Cummings) offered advice to the Chair on this matter. I took the matter under advisement in order to consult the procedural authorities.

There are two conditions that must be satisfied in order for the matter raised to be considered a prima facie case of privilege. First, was the matter raised at the earliest opportunity; and second, is there sufficient evidence that a prima facie breach of privilege has occurred.

The honourable Member for Turtle Mountain stated that he was raising the issue at the earliest opportunity and I accept the word of the honourable member. I would, however, like to address one comment that the honourable member made in conjunction with reviewing the video recording of Question Period. The video recording of Question Period is not the official record of what is said in the House.

Actually, the printed Hansard is the official version of what is said. The 22nd edition of Erskine May states on page 230, "the official report, Hansard, remains the authoritative record of what is said in the Commons, and the Speaker has stated that the tapes cannot be used for the purpose of casting doubt on the validity of the official report, Hansard." I would also point out that it is stated on the Legislative Assembly Web site that the audio and video content provided is provided for information purposes only, and that the printed versions are the official record.

Turning to the substance of the issue raised by the honourable Member for Turtle Mountain, he

contended that the honourable minister was obligated to table a document, and the honourable Member for Turtle Mountain cited a quotation from Marleau and Montpetit which states that, "Any document quoted by a minister in debate or in response to a question during Question Period must be tabled."

Indeed, a minister is not at liberty to read or quote from a dispatch, an official written message or governmental affairs or other state papers without being prepared to table it." I would note for the House that I undertook a careful review of the response provided by the honourable Minister of Finance, and though the minister made reference to a document, he did not quote from the document. Therefore, the reference made from Marleau and Montpetit is not applicable in this case.

In addition, we have our own Manitoba practice and Manitoba Rule 39 which states, "Where in a debate a member quotes from a private letter, any other member may require the member who quoted from the letter to table the letter from which the member quoted, but this rule does not alter any rule or practice of the House relating to the tabling of documents other than private letters."

Our practice is clear and has been upheld by previous Speakers, that the document must be a private letter and it must be read or quoted from in order to compel a member to table it. This concept is supported from a 1989 ruling by Speaker Rocan, a 1996 ruling by Speaker Dacquay and a 2000 ruling that I had made.

Concerning the argument that reference was made to a legal opinion which would therefore require the minister to table the legal opinion, I would note for the House that I ruled on July 4, 2000, that it had been the contemporary practice of the House to permit members to ask ministers if the minister has received a legal opinion or to ask that the legal opinion be tabled, however, it is up to the minister to decide to answer the question or to decide to table the opinion if asked to do so. It is not in order to ask a minister to state his or her opinion of the legal opinion. Therefore, the minister cannot be compelled to table the opinion.

Given that none of the individual privileges of the member, such as freedom of speech, freedom from arrest in civil matters, exemption from jury duty, exemption from appearing as a witness and

freedom from obstruction, interference, intimidation or molestation occurred, I would rule that there is no prima facie case of privilege. Also, the allegation of contempt does not appear to fit within the definition of contempt as provided by Joseph Maingot in the 2nd edition of *Parliamentary Privilege in Canada*, which is defined as any act or omission which obstructs or impedes either House of Parliament in the performance of its functions, or which obstructs or impedes any member or officer of such House in the discharge of his parliamentary duty, or which has a tendency, directly or indirectly, to produce such results may be treated as contempt even though there is no precedent for the offence.

I have another ruling.

During Oral Questions on April 27, 2004, the honourable Member for Ste. Rose (Mr. Cummings) raised a matter of privilege concerning comments made by the honourable Government House Leader (Mr. Mackintosh) in speaking to a matter of privilege raised by the honourable Member for Turtle Mountain (Mr. Tweed).

The honourable Member for Ste. Rose contended that the honourable Government House Leader had reflected on his ability to serve his constituents and his ability to serve in the Chamber, and had therefore breached his privileges as a member.

At the conclusion of his remarks, the honourable Member for Ste. Rose moved "that this serious matter be referred to the Committee on Legislative Affairs and be reported in this House." The honourable Government House Leader, the Official Opposition House Leader (Mr. Derkach) and the honourable Member for Carman (Mr. Rocan) offered advice to the Chair on the matter. I took the matter under advisement in order to consult the procedural authorities.

There are two conditions that must be satisfied in order for the matter raised to be considered a prima facie case of privilege. First, was the matter raised at the earliest opportunity, and, second, is there sufficient evidence that a prima facie breach of privilege has occurred.

The honourable Member for Ste. Rose has met the first condition in that the issue was indeed raised at the earliest opportunity.

Regarding the second condition, I must rule that the matter raised does not qualify as a prima facie case of privilege. Joseph Maingot, on pages 254 and 255 of the second edition of *Parliamentary Privilege in Canada*, states "language spoken during a parliamentary proceeding that impugns the integrity of members could be unparliamentary and a breach of order contrary to the Standing Orders but not a breach of privilege."

This finding is supported by two rulings from Speaker Rocan in 1994 and 1995, as well as a ruling that I made in the House in 2001. I would therefore rule that there is no prima facie case of privilege.

* (14:40)

I have one more ruling.

During Oral Questions on April 28, 2004, the honourable Official Opposition House Leader (Mr. Derkach) raised two points of order concerning the taking of photographs by a political staff member from the press gallery. The honourable Government House Leader and honourable Member for Inkster (Mr. Lamoureux) spoke to the first point of order.

I took both points of order under advisement in order to review the issue. Given that the substance of both points of order raised deal with the same issue, this ruling will address both points of order. The issue of access to the public and press galleries and the taking of photographs is something that is within the purview of the Legislative Assembly Management Commission to determine.

The commission has already dealt with the issue of the taking of photographs from the public galleries and it was previously decided that photographs are not to be taken from the public gallery. The commission does have policies in place that intersessionally allow photographs to be taken of members at their desks, provided that the photos are not used for election campaigns.

However, the commission has not yet dealt with the issue of the taking of photographs by political staff from the press gallery. As Speaker, I intend to raise this issue with the commission for its consideration, and up until such time as the commission considers and establishes policies or guidelines, political staff will not be permitted to take photographs from the press gallery.

MEMBERS' STATEMENTS

National Police Week

Mr. Drew Caldwell (Brandon East): Today is the first day of National Police Week and I would like to recognize the outstanding work of our police services in Manitoba. Last month, the Brandon Police Service was rewarded with recognition by the Commission on Accreditation for Law Enforcement Agencies.

Brandon Police Service joins Winnipeg as the only other Manitoba police service presently accredited by CALEA and is only the thirteenth agency to receive the recognition award from this organization.

CALEA is an international, accredited organization that provides levels of distinction to police agencies throughout North America who are able to meet its rigorous standards. National Police Week began in 1970 with the purpose of building stronger relationships between police and the communities they serve.

This relationship is also important to our Government, which supports Manitoba's police forces. When we came into government, we funded the RCMP to enable them to staff to complement for the first time in 10 years, and we have maintained that funding level.

We also pay for two officers with the Brandon Police Service, one of whom is a youth officer. The Brandon Police Service provides an excellent example of the spirit of this week because the drive to exceed existing standards can only benefit the community of Brandon.

My congratulations are to Chief Richard Bruce and accreditation manager, Anne Stoesz, as well as to the entire force of the Brandon Police Service for their dedication and commitment. Brandonites know that Brandon is a better and safer community because of the Brandon Police Service and we are proud to be home to an internationally recognized police force.

Mr. Speaker, I congratulate the Brandon Police Service on their achievement and ask that during this National Police Week all members recognize the difficult and dangerous work carried out by members of their own local law enforcement agency. I know that the Member for Brandon West (Mr. Smith) joins me in being particularly proud of these talented and courageous men and women.

Pension Freedom Act

Mr. Ron Schuler (Springfield): I rise today to bring the attention of the House to an issue that is raising a great deal of debate amongst seniors throughout Manitoba. Mr. Speaker, today in the Manitoba Legislature, Bill 212, The Pension Freedom Act, was introduced.

Mr. Speaker, this bill is the direct result of the thousands of e-mails and letters we have received demanding changes to provincial legislation in order to remove the restrictions placed on seniors' access to their pensions.

This bill will amend The Pension Benefits Act to enable persons to replace a pension benefit with an RRSP or a registered retirement income fund that is not locked in. It will also provide that a person who elects to transfer their pension benefit to a life income fund may subsequently choose to make withdrawals of money from that fund or other prescribed arrangements.

As the Manitoba government has indicated that it will not be making changes to The Pension Benefits Act at this time, Mr. Speaker, we have introduced this private members' bill in order to make the legislative changes necessary to allow Manitoban senior citizens to decide how and when to spend their own money.

I would like to table this petition on behalf of the thousands of senior citizens and those affected by locked-in pensions across Manitoba who wish to see changes to The Pension Benefits Act.

I urge the Premier (Mr. Doer) and Minister of Labour (Ms. Allan) to recognize the valid concerns raised in this petition and urge all honourable members to support the passage of Bill 212. Thank you, Mr. Speaker.

Mother's Day Event

Ms. Marilyn Brick (St. Norbert): On Sunday, May 9, I was pleased to host an International Mother's Day Celebration in conjunction with the Yellow River Chinese Association and the Immigrant and Refugee Facilitator for Fort Garry.

This event was held at the Richmond Kings Community Centre, Mr. Speaker, in my constituency

of St. Norbert. This event was organized to honour women in our community and around the world who have dedicated their lives to the raising and caring of children and to the betterment of our communities. The event provided an opportunity to highlight the many talented musicians, dancers and theatrical artists that reside in the south end of the city. It also served to connect many different cultures in a day of sharing that included entertainment, cuisine and many smiles.

Mr. Speaker, the celebration began with the opening ceremonies by the Honourable Nancy Allan, Minister responsible for the Status of Women and included the unveiling—

Mr. Speaker: Order. I hate to interrupt the honourable member, but we have been consistent in this Chamber that ministers are to be addressed by their portfolios and members by their constituencies and not by their names.

The honourable Member for St. Norbert, to continue.

Ms. Brick: It included the unveiling of a new Lion of the South. In the Chinese culture the lion dance is reserved for special occasions. This event included a male lion dancing in concert with a new female Lion of the South. There was a martial arts demonstration, sword dance and theatrical performances by the Yellow River Chinese Association and the Ching Wu Athletic Association.

Mr. Speaker, there was a colourful Mexican dance performance by the internationally recognized Hispanic Dance Theatre and a Nigerian dance demonstration by the very talented Ariya Afrika. The India School of Music, Dance and Theatre performed a selection of music and dance numbers written especially to honour mothers. The Brown Bear Spirit Singers, an Aboriginal drum group, sang and performed for the audience of 200 people. The Fort Richmond Collegiate Jazz Quintet performed several lively selections for everyone to enjoy.

I was overwhelmed by the colourful clothing display that included mothers and children from all continents of this beautiful green planet.

I would especially like to thank the hosts for the event and especially Canada Safeway and the St. Norbert Foundation for donating food for the 200

hungry participants, the performers who wowed us with their talents and the Richmond Kings Community Centre for providing the venue. Mr. Speaker, these organizations generously supported the event.

* (14:50)

Mr. Speaker: Order. Time has expired.

Some Honourable Members: Leave.

Mr. Speaker: Does the honourable member have leave? [*Agreed*]

Ms. Brick: Volunteers, Mr. Speaker, including the Member for Fort Garry (Ms. Irvin-Ross), and 30 other community residents made the events happen, and to them goes a huge thank you. Thank you, Mr. Speaker.

Outstanding Young Farmers Program

Mrs. Leanne Rowat (Minnedosa): Mr. Speaker, I rise today to acknowledge the recipients of the Manitoba Outstanding Young Farmers for 2004. I would like to take this time to congratulate Todd and Julie Racher of Elgin, Manitoba, for winning this highly prestigious award on Saturday, April 3 at the ceremony held in Russell, Manitoba.

The Racher family are constituents of the MLA for Arthur-Virden (Mr. Maguire) and are proud community leaders within the community of Elgin, which is in the constituency of Minnedosa. The purpose of the Outstanding Young Farmers program is to bring recognition to the agricultural community and to foster better urban-rural relations through the understanding of farmers' challenges as well as their achievements.

Judging criteria for this award includes progress in agricultural career; soil, water and energy conservation practices; crop and livestock production practices; financial and management practices; contribution to the well-being of the community, province and nation. Todd and Julie have acted as positive role models for the youth in their community as well as showed others that farming is an exciting, innovative and respected profession.

I would like to acknowledge the other Manitoba finalists as well: Idzerd and Dori Boersma of Portage la Prairie, Terry and Tracey Cholka of Ethelbert and

Calvin and Sandra Vaags of Dugald. The program is open to farmers across Manitoba between the ages of 18 and 39 who derive a minimum of two thirds of their income from their farm. The program brings into the spotlight young men and women who have achieved success and leadership in the farming industry.

Todd and Julie will participate in the National Outstanding Young Farmer Program when it celebrates its 25th anniversary in Winnipeg this November, a first for Manitoba. Six other couples from across Canada will join Todd and Julie in Winnipeg this fall. Along with the MLA from Arthur-Virden, I would like to wish them all the best as they pursue this as well as other goals in the future. I know they are deeply committed to their family, farm and community and shall continue to do so in the many years to come. Thank you, Mr. Speaker.

Follies: The Musical

Mr. Gerard Jennissen (Flin Flon): Mr. Speaker, along with hundreds of other people from the Flin Flon region, my wife and I were privileged to attend *Follies*, the musical, this past weekend at the R. H. Channing Auditorium in Flin Flon. This delightful and colourful extravaganza was presented by the Flin Flon Community Choir and the Flin Flon Arts Council. Performing along with the choir were local musicians and musicians from the Brandon University School of Music. The audience was dazzled by the costumes, elaborate sets, great dancing, fantastic music, singing and choreography. All the performers were volunteers who have dedicated endless hours to practising, preparing and perfecting every element of this impressive musical.

The large cast was supported by a production crew comprised of seamstresses, set designers, painters, dressers, dancers and a backstage crew. I want to recognize the director and choreographer, Brad McDougall, whose experience as dance captain of the *Follies* musical in the West End of London, England from 1987 to 1990 was instrumental in making this production a success.

Producer and choral/orchestra director, Crystal Kolt, and music and accompaniment director, Mark Kolt, showed extraordinary leadership in pulling together so many talented individuals. We have been

spoiled and come to expect perfection from Mark and Crystal, and they never let us down.

Thanks to Lori Lawrence and Linda Allan for their fabulous costumes and Ken Pawlachuk for impressive sets. Special thanks, as well, to Dorothy Liss and Joyce Bongfeldt who created a wave of nostalgia because their talented performance paid tribute to the musical spirit of Flin Flon in the forties and fifties.

I recognize the invaluable support given to this show by local sponsors and advertisers. We also appreciate that the Province of Manitoba continues to give annual support to the Flin Flon Arts Council. It is money well spent.

It is incredible how a relatively small community in northern Manitoba can present such high-quality artistic entertainment year after year. It makes me humble and proud to be able to represent such talented people. Thank you, Mr. Speaker.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, would you please call Supply?

Mr. Speaker: In accordance with our Rule 23(5), the House will now resolve into Committee of Supply.

COMMITTEE OF SUPPLY (Concurrent Sections)

EDUCATION, CITIZENSHIP AND YOUTH

* (15:00)

Mr. Chairperson (Harry Schellenberg): Will the Committee of Supply please come to order. This section of the Committee of Supply meeting in Room 254 will now resume consideration of the Estimates for the Department of Education, Citizenship and Youth.

As had been previously agreed, questions for this department will follow in a global manner. The floor is now open for questions.

Mr. David Faurchou (Portage la Prairie): I would like to ask the minister, because we are in global discussions, on the point of using Statistics

Canada figures to allocate funding for children at risk. Mr. Chairman, I have a specific issue with the Portage la Prairie School Division, in which they are looking at \$144,000 less because of the use of Statistics Canada figures in the category in support of students at risk. We are entering into 2004-2005, and we are effectively using 2001 figures.

Mr. Chair, I would like to ask the minister is there any consideration within the department to changing this particular policy and regard and recognize that teachers on the front line in our classrooms across the province are more adequately able to determine the number of students requiring this type of additional support, or is he looking to maintain the status quo, which, obviously, is in error in regard to the Portage la Prairie School Division experience. They have more students at risk this year than they had last. Yet they are seeing \$144,000 less.

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): The census data is only part of the information that we use to determine at-risk students and the funding associated with that, but, currently, the funding of schools committee is reviewing this.

Mr. Faurchou: Would the minister be a little more explicit insofar as whatever figures the department is using they are significantly in error? It is clearly evident to all of the administration in the Portage la Prairie School Division that we have more students this year at risk or identified at-risk students than we have in past years, and yet we are receiving less funding from the department.

So perhaps the minister, if Stats Canada is only part of the information used by the department, Mr. Chair, maybe would like to enlighten us to the other information sources so we can get right to the bottom of it right now.

* (15:10)

Mr. Bjornson: The census data provides the basis for the decisions around the funding for at-risk students, and as such, if the division contacted the department then we would review their situation.

Mr. Faurchou: I think the minister recognizes that the example that I am using is one that is of concern to not only himself as responsible for the entire department, but for me as the MLA for Portage la

Prairie, that there is the gravest error, and it is coming at the expense of the most vulnerable within our student body.

I want to be very clear at this point in time, and if the minister wants to respond to me in writing at a later time when he has had opportunity to research this, I will give the minister that latitude, Mr. Chairperson, because this is a very important issue and one that our administration, the Portage La Prairie School Division, recognizes is going to be an issue, not only this coming year, but in subsequent years, because our predominantly students at risk that have been identified are those within our Aboriginal community in and about Portage la Prairie. The numbers of Aboriginal students within our student body in Portage la Prairie are projected to increase, and increase significantly. Currently, it is identified that almost a third of the student population in the Portage la Prairie School Division now has Aboriginal roots, and so I leave that with the minister.

I would like to move on to another topic. I would like to have the minister's response and confirmation that he will, indeed, write a response to the question.

Mr. Bjornson: I would strongly recommend that the school division contact the department on this issue.

Mr. Faursehou: Okay. Mr. Chairperson, I will move on to other points to which I know the school division has already contacted the department on. One is the adult learning program. Right now, the review has been completed, and the department is in deliberations as to the numbers of adult learning sites within the province. Portage la Prairie School Division has hosted an adult learning site, but also we are fortunate to have two other locales within Portage la Prairie addressing the needs of the adults that are looking to improve themselves through schooling.

Mr. Bjornson: It would be appropriate to defer that question to the Minister responsible for Advanced Education and Training (Ms. McGifford).

Mr. Faursehou: I shall do just that when I have that opportunity.

The program in regard to the electronics at the Portage Collegiate Institute has been recognized as program with significant merit. However, it has fallen between the cracks in regard to funding and is

of concern to the Portage la Prairie School Division as to the longevity of this program because of the lack of funding. I know that the school division's board of trustees has written the minister for further consideration of the electronics program at Portage Collegiate and I was wondering whether or not the minister has had opportunity and can enlighten us this afternoon as to that particular proposal.

Mr. Bjornson: As a matter of process, every capital improvement would go through the Public Schools Finance Board.

I am aware of the program. I had met with the school board and they had brought that to my attention, their concerns around the facility. Having said that, they also advised me that they are engaged in a facilities review and, until such time as that review is conducted and it is determined where that program will indeed be located and if, indeed, it remains a priority for the school division under the five-year capital plan through the Public Schools Finance Board, then that is currently the status of that request.

Mr. Faursehou: The minister is very perceptive, because that leads into my last question this afternoon in regard to the Portage la Prairie School Division, which is that there has been significant study take place about the amalgamation of the two high schools in Portage la Prairie to afford a greater access to programming and greater participation with a larger student body. Arthur Meighen High School exists with just a little more than 300 students, as does the Portage Collegiate Institute. Merging those two facilities would end up with a student body of 700 to 700-plus students and that way, then, would afford the opportunity to go—I should clarify that. That is in the Senior 2 to Senior 4. What the merger would allow would be, effectively, to bring in the Senior 1s from all of the little schools, junior high schools that are now around the school division. That would also add a further 200-plus students to that, so that we would be looking at a student body of significance.

A number of years ago it was recognized by the department that merger and amalgamation of schools affords a cost-effective program delivery and that the department did support such mergers, especially at the high school level. I believe he is familiar with a number of schools around the province that the Province supported with the regional programming.

Essentially, this is what we speak of, because Portage la Prairie did regionalize their high school program right in Portage la Prairie. Now we are just further regionalizing it to one site in Portage la Prairie. Mr. Chairman, there will be a requirement for capital investment in order to accomplish this, although one has to look at the importance of the points I already mentioned and that this is an investment in cost-effective program delivery, enhanced program delivery.

I would like to ask the minister at this time is he prepared to look favourably towards special, because this would have to come over and above the capital programming. Right now the restricted type of support through the Public Schools Finance Board would not really, truly fit this type of proposal, as I understand.

Mr. Bjornson: All school divisions can submit their capital plans, their five-year capital plans. Many school divisions are currently engaged in looking at space analysis and facility reviews and things of that nature. Until such time that those five-year plans are submitted and those facility reviews are complete, it would not be appropriate to speculate on what their recommendations might be.

Also, Mr. Chairperson, the rules would not change around the Public Schools Finance Board process. There is certainly merit in the suggestion that the two schools merge. There are a lot of things that can be realized in terms of economy of scale and programs that can be offered. Having playing basketball against Portage, I suspect that will mean a very strong basketball team as well.

Having said that, there is a process in place through the Public Schools Finance Board around capital and infrastructure projects that it would have to follow that process.

Mr. Faurshou: I know the school is actually looking at upgrading to a 4A competition with that size of school which will bring them on line with a number of Winnipeg city schools and that of Garden Valley as well. It is now a 4A-sized school.

I want to emphasize with the minister, though, that there was a special program of regionalization and access to resources made available to school divisions throughout the province. We can cite Swan River as one of the school divisions that accessed

this funding directly. We have got a fantastic facility in Swan River regional and Dauphin too.

Mr. Chairperson, these are the sites that this took place in. Portage la Prairie did not access that and went its own way insofar as local resources have been employed extensively in Portage la Prairie. We do not look to ask the Province for much in this regard.

I am looking to the minister for his support and direction, because it is going to take his efforts to make this thing happen. We want to make certain that if the decision is made to go forward with this proposal, which I suspect will occur, that I have his assurances that he will look favourably towards working with the Portage la Prairie School Division to make this happen and happen in the fashion which we believe it should.

Mr. Bjornson: As a matter of process, the school divisions will be receiving packages to put together their five-year capital plan. Those five-year capital plans would be submitted by the end of June.

At that time, if the Public Schools Finance Board begins the review of the capital projects and begins to establish priorities on a province-wide basis. In the event that school divisions have a project of particular concern, they will have the opportunity to request a meeting with the Public Schools Finance Board, but, as an arm's-length organization, I cannot say yea or nay to the choices that are to be made at the Public Schools Finance Board.

* (15:20)

Mr. Faurshou: I am rather disappointed with the minister's response, because the projects which I cited were accomplished with ministerial support and not just Public Schools Finance Board.

These requests that came forward had a wide-ranging effect on an area. Mr. Chair, the Public Schools Finance Board recognized as well limited resources. In fact we have seen projects almost resulting in a structure having a determined failure, whether it be a roof or a boiler and all of those particular items. They are hard-pressed to get around and cover all of those bases.

We know that the resources available to the Public Schools Finance Board are limited, so I hear

what the minister is saying. I will suggest that the board make certain that it is in the five-year capital plan right at this juncture.

My understanding is that there is nothing other than the public schools finance as a resource from the Province of Manitoba to recognize regionalization of high school curriculum.

Mr. Bjornson: Mr. Chair, the member from Portage recognizes that there are some limits with respect to what we can do with the funding available through the Public Schools Finance Board. Having said that, certainly there is our \$35-million announcement this year, and add that into the previous four years, \$288-million investment over five years, which is a very significant amount of money.

We will have completed approximately 600 projects. The member referred to leaky roofs and, yes, there are some infrastructure challenges. There will have been over 600 projects completed through the Public Schools Finance Board in operations in the last five years. That is a very significant number given the fact that there are 707 public schools. So recognizing some of the challenges that we do have, we have certainly been committed to providing the infrastructure that is necessary for a safe learning environment for our children. The record of this Government is a very good one in terms of providing those safe environments for our children.

Mrs. Heather Stefanson (Tuxedo): Mr. Chair, last Thursday in the Estimates process we had asked the minister to provide us with the name of the individual who is the staffperson or it was perhaps an elected official, we were not sure at the time, who sat on the original working group that the minister set up some two years ago to look at education finance in our province.

The minister said at the time that he would have that information for us on Friday. It is Monday now. I am wondering if the minister could provide us with that information today.

Mr. Bjornson: Yes, Mr. Chairman. The legislative assistant to the Minister of Education at the time was the member from St. Vital, and she had been on the working group in the initial meetings. I believe she attended three or four meetings until such time that the terms of reference had been established for the working group.

Ms. Christine Melnick, Acting Chairperson, in the Chair

Mrs. Stefanson: So it was the Member for St. Vital (Ms. Allan). It was an elected member that originally sat on this committee.

Mr. Bjornson: That is correct. As I said, the first three or four meetings to make sure the committee was off to a good start, to assist with developing the terms of reference and find out if the working group would require any more assistance.

Mrs. Stefanson: What were the reasons why that member was removed from the committee?

Mr. Bjornson: As I mentioned, the reason that the member was on that committee in the first place was to make sure the committee got off to a good start and have established in terms of reference. She essentially removed herself from the committee once those objectives had been achieved, that indeed the committee was off to a good start, that they did have the terms of reference around what the working group's objectives would be.

She had also been there to see if they needed any more support, any additional support. Essentially, Mr. Chair, once those objectives had been obtained, she removed herself from the committee.

Mrs. Stefanson: So it was not the Minister of Education who removed this individual from this working group where I guess it is the Minister of Education's working group? This individual decided on her own that she had done enough for this committee and removed herself.

Mr. Bjornson: The individual had achieved what she had initially set out to achieve in terms of establishing the terms of reference and making sure the committee was off to a good start. Once those objectives were achieved there was really no need for the member to remain a part of that working group.

Mrs. Stefanson: Were there any other elected officials on the working group?

Mr. Bjornson: No, not MLAs or any other elected official from the provincial government.

Mrs. Stefanson: Okay. Madam Acting Chairperson, I will move on to another set of questions here. With

respect to the cost of administration, we see in the Estimates of Expenditure book on page 58, but, I guess, it is also in, obviously, the minister's Estimates books as well that administrative costs are up some 9.9 percent while School Programs are down 4.1 percent.

Can the minister explain to us why administration costs would be up so significantly while cutting School Programs?

Mr. Bjornson: As far as the admin increase that has been identified, the Aboriginal Education Directorate includes \$405,200 in salaries and operating, which is part of the Making Education Work longitudinal research project. These expenditures are completely offset by revenues from the Canada Millennium Scholarship Foundation, resulting in a net cost to government of zero. But the main increase in administration is our priorities in the Aboriginal Education Directorate.

* (15:30)

Mrs. Stefanson: Administration is administration. We believe that the front line is about programs, offering programs for students. It seems to me that the priority for any government is to ensure that school programs are certainly not offset. Cutting school programs would not be a priority to increase administration costs. Is it the priority of this Government to work in that direction?

Mr. Bjornson: Madam Acting Chair, with respect to the Aboriginal Education Directorate, it is part of the main administration appropriation, but it is actually not part of the administration cost. There is a net cost to government of zero. This is one of our objectives with respect to addressing the needs of Aboriginal students in the province of Manitoba. This is leveraged over \$5 million from the Canada Millennium Scholarship Foundation over the next five years.

Mrs. Stefanson: Where would we find the offsetting line, then, in the Estimates book?

Mr. Bjornson: Madam Acting Chair, if you refer to page 27 under Administration and Finance, there are two footnotes, one footnote under Total Salaries and Employee Benefits, where it identifies 10 full-time equivalents. The footnote reads: "Increase of 2 FTEs full-time equivalents for the Making Education Work Research Project recoverable from the Canada

Millennium Scholarship Foundation and one FTE to provide research and statistical support for the Aboriginal Education Directorate Branch."

Madam Acting Chair, the second footnote refers to the total expenditure of \$446,700: "Increase in operating funding for the Making Education Work Research Project recoverable from the Canada Millennium Scholarship Foundation."

Mrs. Stefanson: Is the minister saying that his own Estimates books are somewhat misleading, then, when there is a line in there that says very specifically that his Administration and Finance costs, which to us is back-office administration, are up 9.9 percent?

Mr. Bjornson: The reason the funding from the Canada Millennium Scholarship Foundation does not appear in the Estimates for Education, Citizenship and Youth is that it is in general revenues through the Department of Finance. If you take a look on page 13, the Administration and Finance section, these are all the personnel that are calculated into that figure that you are presenting, the 9.9, which is actually, because of the offsetting revenues from the Canada Millennium Scholarship Foundation, the general salary increases account for a 1.6% increase in administration costs, not 9.9 percent.

Mrs. Stefanson: So is the minister then saying that this 9.9% increase is misleading in his own Estimates books? Why would it not be that this fund, this sum of money, which is, I guess, Madam Acting Chair, somewhere in the Department of Finance, if it is offsetting something in his own department, why would that not be indicated in his Estimates books?

Mr. Bjornson: This is a government policy that has been in place for years that would put the Canada Millennium Scholarship Foundation money into the general revenue and be included in the Estimates for the Department of Finance.

Mrs. Stefanson: So there would be no place in this Estimates book to see where this money—does this money actually flow to the Department of Education, then?

Mr. Bjornson: The money goes into the general revenues for the Province, but we are given permission to expend the money that has been allocated under this program.

Mrs. Stefanson: But, if the money is allocated under this program, why is it not indicated in the Estimates book for Education?

Mr. Bjornson: On page 10 of the Estimates of Revenue, Madam Acting Chair, it is credited to the Department of Education, Citizenship and Youth under Other, section (f).

Mrs. Stefanson: So, in the Manitoba Education, Citizenship and Youth Supplementary Information for Legislative Review, the Estimates books, the Education Estimates books, where would I find that sum?

Mr. Bjornson: Well, as this is the expenditure book, we would have to refer to the revenue book for the Department of Finance.

Mrs. Stefanson: Okay. So I guess the minister is saying that the 9.9% increase in administration costs in here is misleading. It is not right, that it is offset by revenues from another government department, the Department of Finance.

We just feel at a time, certainly, when the minister is looking at school divisions to tighten their belts and cut back on administration costs, that this is a time when the minister should be doing the same. If there is a sum of money that is brought in for this type of a program, we would like to see it, rather than going to administration costs, go to front-line education. So certainly, that would be our priority and clearly is not the priority of this Government.

Mr. Bjornson: Madam Acting Chair, it would appear that the member from Tuxedo is opposed to leveraging outside sources of funding, as the 9.9% increase is, indeed, an increase in expenditures, but in excess of \$5 million is identified in the Department of Finance revenues book.

Mrs. Stefanson: I would like to move on and ask some questions regarding the recent announcement that was made by this Government to do away with the standards tests in Grade 6 and Grade 9. I am just wondering if the minister can explain today why he has made the decision to go this route.

*(15:40)

Mr. Bjornson: When we took a look at the fact that the optional standard tests as had been made optional

under the previous government in 1999, and took a look at the 6 and Senior 1 standard tests with having less than 50% uptake in the field, we decided it was time to look at a model that would provide a cost-effective analysis of the entire system that would be linked to the curriculum and would provide meaningful indicators to students, teachers, parents and the department.

As such, with less than 50 percent of our students writing the standard tests, as I said had been made optional in 1999, we decided that this was not an appropriate route to follow, and that we would be looking at a model that would serve all Manitoba students, parents and teachers.

Mrs. Stefanson: Who was consulted in order for the minister to make this decision?

Mr. Bjornson: This is a government decision, but we intend to engage all of our stakeholders in this process.

Mrs. Stefanson: Were parents ever consulted? I guess not.

Mr. Bjornson: Could the member from Tuxedo clarify, about what?

Mrs. Stefanson: Were parents ever consulted when this minister made his decision to do away with the standard tests in 6 and 9?

Mr. Bjornson: I would like to put on record that MAST is on record for either eliminating or right-across-the-board standard tests. MTS is opposed to the standard tests. The uptake in the school divisions in this province means less than 50 percent of students are writing the standard tests and essentially, through the school divisions as such they are reflected through the uptake in the school divisions.

Mrs. Stefanson: So I gather what you are saying then, is that, basically, there were other organizations and groups that were consulted with respect to this or have come out and been opposed, I guess, to the standardized tests. It seems that there are a number of groups that are mentioned, other than parents. I would suspect that that is because parents are very much in favour of knowing where their children stand with respect to their peers in the school system. But I think for right now, I am going to move on to

another set of questions because I know I do have some colleagues here who would like to ask some questions surrounding this area.

With respect to what is happening with the St. James school division and the Laureate Academy right now, I am wondering if the minister can explain the rules that govern the ability for one school division to expropriate land from another school division.

Mr. Bjornson: Madam Acting Chair, under The Public Schools Amendment Act proclaimed on July 27 of 1993, the Francophone School Governance regulation was registered in December of 1993 and the DSFM has been in operation since September of '94. The right of school divisions to expropriate is a Public Schools Act provision of long standing, at least back to 1954, and DSFM has the right to expropriate because all divisions do. DSFM has no special rights here.

Mr. Chairperson in the Chair

Mrs. Stefanson: Certainly, the minister has been quoted in the past as saying it is a grey area if school divisions should be expropriating from school divisions. That was a quote that he made in a *Winnipeg Free Press* article recently. What did the minister mean by those comments, then, if this is clear-cut? Why would he say that it is a grey area?

Mr. Bjornson: The grey area is, essentially, whether it is the best course of action.

Mrs. Stefanson: Well, it is interesting that the minister should consult with his staff as to, you know, it is a quote that he made with respect to one school division expropriating land from another school division, and if it is a grey area, does the minister feel it is appropriate that school divisions can expropriate buildings from school divisions?

Mr. Bjornson: The expropriation would be the last resort. The grey areas, we are hoping that these things can be resolved before it comes to taking the expropriation route.

Mr. Stuart Murray (Leader of the Official Opposition): To the Minister of Education. I was going through some of the comments that the member from Fort Whyte had asked, I think on Friday, with respect to this issue of the Laureate

Academy. I do not want to necessarily revisit the questions, for the sake of time, but I think for the sake of trying to bring some levity and perhaps some sense of direction from the ministers, I believe that there is a serious issue that is broiling in that area, and it is not an easy one. I do not mean to say that it is easy. It is going to require some leadership. When I say tough decisions, I mean that in the sense that they may not be popular decisions, but not on the basis that children will be displaced or children will be harmed. I think the tough decisions are going to, perhaps, Mr. Chairperson, have to be ruled on the basis that, ultimately, Minister, you, every morning, wake up as you have been appointed by the Premier (Mr. Doer) of the province of Manitoba to be, that is, the Minister of Education for all children in Manitoba.

I can tell you that I have attended the meeting that parents were at in the St. James-Assiniboia School Division, and it was a tough meeting. I met with a number of the parents and teachers out at the Laureate Academy, toured the facility, and I would ask the minister if he would do, I think, the right thing to do in all of this, because I think that there are different groups out there that, from time to time, and in the negotiations, I think that there has been some one-off meetings and people have an understanding after one meeting, only to find out that maybe that may not be the cause. I will be specific. I think the parents of the Laureate met with the DSFM on their own, and DSFM basically said, "Look, our concern is that we do not want to take the children out of Laureate Academy, out of the current school that they are in, and put them in another location. We want to ensure that the school children are being properly looked after." Of course, they would leave that meeting with this sense of saying, "Well, we understand from talking to the minister's office that, in fact, the children are being looked after," only to find out that the opportunities of the buildings that are being discussed for the Laureate, in fact, are not acceptable to the Laureate.

I do not think that people are being intransigent in this issue for any other reason than, I think, that there is an issue about children and education. I noticed from the questions from the member from Fort Whyte that the minister has not been out to the Laureate Academy. I would encourage you, Minister, to go out to the Laureate Academy. Mr. Chairperson, I say that specifically so that if you choose what you believe, and I say that, as a former teacher, you

believe that the best thing is to take those children out of an environment that is going to have some negative impact on them down the road, then that is a decision that you as the minister of the Crown, of the Government, should understand and should be making. I say that, Minister, in all due respect and that this is a tough issue.

But I think the one thing that I would like to ask you to do, which is the right thing, I believe, to do when there is a sense of discomfort, lack of direction. I think that there is a lot of emotion that has been brought to this discussion. I think, Minister, as minister for all the children of Manitoba, it behooves you to sit with all the parties in a very controlled fashion to ensure that resolution to this comes in the best possible way for the children of Manitoba.

To take an attitude where you will meet with one group and then meet separately with another group, I think, is a disservice to what this whole discussion is about, on the basis that it is all about the education of children in Manitoba. So I would ask you, Minister, if you would agree with whatever officials you wanted, but if you would agree to meet with all of the parties at one time.

* (15:50)

Mr. Chairperson: I would like to take a moment here just to remind all honourable members on both sides of the table to please address their questions through the Chair. I ask for the co-operation of all members in this matter.

Mr. Bjornson: I, too, am concerned about the situation and thank you for recognizing that it is indeed a very difficult situation. At this point, I do not feel the need to meet with all three groups together. We have been meeting with them individually. We feel that there are some viable options that have been presented to Laureate Academy. Mr. Chairperson, one of the options that has been presented, I understand—the Laureate Academy representatives have yet to visit the facility. It is a newer facility. It is over 30 000 square feet. In the public school system that would accommodate in excess of 300 students. I understand an arrangement has been made for them to tour that facility. We are continuing to look for options that would provide the least disruption for all students. I feel we have some very good options on the table at this point for Laureate Academy representatives to consider.

Mr. Murray: Through you, to the minister, then, clearly, I would again ask the minister to do the right thing and visit the Laureate Academy, understand the requirements of those students and the importance that they have to ensure that their environment is not one that is high traffic, that is highly impacted, that allows them to do what they do, because they are special children that have special needs.

I think that if the minister would take the time to go and visit and understand what it is that these children require—I know that the minister, as I say, has referenced time and time again in the House that he is a former teacher. I would be shocked that, if he went with that kind of an open mind to see what the situation currently is and what he is asking of the Laureate Academy, then he came back and basically said, "No, we are doing the right thing."

This is not about the legalese; this is not about anything. This has to come down to a fundamental about what is right for the children. I think that the reason that I would ask the minister, the reason I approached the initial process to say to the minister, would he meet with all three groups, which he rejects outright, which, I think, is a mistake, is that if you talk to the teachers and you talk to some of the parents and some of the people on the school board, what they are saying is—and I am going to be very careful, Minister, because this is not something that I say lightly—that there is the opportunity from time to time that one meeting will have a discussion, that another meeting separately will have a discussion, and those two discussions may not necessarily—and I am not suggesting impropriety; I am just suggesting that it can happen that there is a misunderstanding that leaves one of the rooms that goes into another meeting. That is what some of the people are coming forward and suggesting.

By the way, and I say this very openly, Mr. Chair, to the minister, I believe that there is not an element of hostility. There is frustration, absolutely, but it is not a matter of sitting down with a group that is going to be hostile. I think the group is very frustrated, because I think they feel that they are not getting the full ear and understanding of the Minister of Education in the Province of Manitoba. I think that, as long as that persists, it is going to continue to create a very difficult situation, as all of us who are parents of children would have a tremendous amount of interest and emotion in, because any time you see something that is working and working well under

some very tough situations and having somebody come over then and say, "Well, you know, we are going to make another change here," I can understand why those people would stand up and say, "Well, wait a minute. Why would you be doing that to us? Why would you be making that change on the basis that our children are out and learning and doing well and showing self-esteem?"

Mr. Bjornson: First of all, yes, I do come from the public school system. I did spend 13 years in the trenches, per se. I am very much aware of the type of student that would find their needs better served in facilities such as the Laureate Academy. I am very concerned that we have to find a solution that would be least disruptive to those students, as the solution should be least disruptive to all students.

The suggestion that I rejected outright the suggestion to meet with all three groups, I would take exception to that, as I said that there is not a need at this time to meet with all three groups, because we do have some viable alternatives that have been proposed to the representatives from the Laureate Academy. Until such time that they take a look at the other facilities, we will have to see what comes next. These alternatives are very good alternatives. The Laureate Academy has potential for a long-term solution where they can actually become the owners of one of the buildings in question if they were able to make those arrangements. That would provide them with tremendous long-term security.

Mr. Murray: Mr. Chairperson, in the event that the Laureate Academy, for whatever reason—I understand one of the buildings that they looked at, Brooklands, and I stand to be corrected, but I understand that they felt that there was not much life left in that particular building. I am just quoting what they said. In the event, then, that there are other buildings or other solutions that you are looking for, in the event, for whatever reason, and I do not know what that might be, in the event that those buildings or that solution does not work, would the minister give his word today that if that does not work, he would be prepared to sit down with all parties and meet with them all at one table?

Mr. Bjornson: Mr. Chairperson, with respect to one of the schools referenced, Brooklands Collegiate, and the fact that there have been some concerns expressed by Laureate Academy officials, the St. James school division has offered to undertake a

structural analysis of the building. They are suggesting a two-year rent reduction that would realize approximately \$100,000 in savings for Laureate Academy that can be applied to lease or improvements.

The other option is the former St. Boniface School Division office building, which had been—I will check the name of the school, William Russell School—as I said, there will be an opportunity for the representatives of Laureate Academy to tour that facility and at that time consider the option.

As I said, that is a possibility for a long-term solution for Laureate Academy to consider actually purchasing that facility.

* (16:00)

Mr. Murray: Mr. Chairperson, again my question very simply then to the minister is, in the event that for whatever reason there are issues or discussions about that, would the minister agree today to sit down and meet with all parties sitting around the table to ensure that the best resolution to this difficult situation is achieved.

Mr. Bjornson: I believe that we have two or three viable options that have been presented. We would like the Laureate Academy to consider these options before we would proceed any further.

Mr. Murray: Okay, I will just ask it straight up again. I think it is a very simple question. I am just asking the minister, simply, if for whatever reason that those issues are not acceptable, and I am going back to what the minister said earlier, that he has not met with all of the groups at one time, would he agree to meet with all of the groups to ensure that they come to the best resolution, again understanding his role as the Minister of Education for all of the children of Manitoba?

Mr. Bjornson: I do not wish to pre-empt the activity that is going on right now. As I said, Mr. Chairman, the options are on the table. We will wait and see what comes of a review of those options that are presented to Laureate Academy.

Mr. Murray: With respect, Minister, if you look at what you are tasked to do by the Premier of the province of Manitoba, to ensure that all children receive a quality education in Manitoba, I think that it behooves you to do the right thing.

Again, I am not suggesting, and we hope that this thing will not go that route. I find it somewhat fascinating, because by suggesting that you will not—and I am very clear, I am saying that if they explore the options, I am not going to go out of this room, this is not about trying to put the Minister of Education into a more difficult position. I am not asking you to go on record today so that I can go out of this room and make some sort of a comment to the parents of the Laureate. I am simply asking you that if this is not resolved, you as the Minister of Education in Manitoba would give your word to us, this committee, that if it was not resolved, you were not just going to stand up and say, "Well, gosh, we did our best. We tried, and if that is not acceptable, you know, tough luck."

I think that it is a very simple question. With respect to all of the officials here, Minister, this question is directly to you as the minister: Would you not agree if it does not work out that you would agree to have a meeting with all of the groups that are affected in this to ensure that it came to a positive resolution for all groups involved?

Mr. Bjornson: Mr. Chair, my responsibilities under The Education Administration Act with respect to independent schools are very clearly delineated in that act. There is no purview for the minister with respect to independent schools and infrastructure requirements for independent schools.

Having said that, Mr. Chairperson, I recognize the challenge that we have in front of us with respect to accommodations for the Laureate Academy. We are committed to a process and we are in that process right now, where they are taking a look at these facilities. I am not going to comment in a matter that would interfere with that process.

Mr. Murray: I just say then for the record, because the minister will not give any indication of trying to bring this to a positive resolution, in the event that the other issues do not work out, that what he is saying is, no, he will not, because in absence of saying, yes, you will, what is the opposite of that? It is, no, you will not.

I find that very, very interesting, Mr. Chair, from the Minister of Education, who, I believe and I acknowledge, was given awards as a teacher that demonstrated great ability. I just think that first and foremost I make two comments. Number 1 is that I

am surprised that sort of the level of attention that this issue has gotten in the city of Winnipeg that the minister has not visited the Laureate Academy. That surprises me, because I will say that if the Minister of Education, as a teacher, as a parent, would visit the Laureate Academy, I would be very, very surprised if he feels that today he is doing everything that he possibly can as Minister of Education to bring this thing to a positive resolution.

Again, Mr. Chairperson, I will just ask him very simply, if this process that they are embarking on for some unknown reason does not come to a positive resolution, would he do the right thing as the Minister of Education and meet with all parties involved to make sure that this does come to a positive resolution?

Mr. Bjornson: We have been trying to find a positive resolution. We are engaged in a process and we have been instrumental in advancing this process by looking at what other alternatives might be available to the Laureate Academy. Mr. Chair, that is our commitment, to continue to look at what other alternatives are available to the Laureate Academy. As I said, we have options on the table that are quite appropriate options for the Laureate Academy to consider. Until such time that they visit and take a look at what facilities might be available to them, that is how the process is set up and that is how the process will unfold at this time.

Mrs. Stefanson: Clearly, the Minister of Education has to realize that there is no positive resolution on the table with respect to this issue right now. The direction that the minister has chosen to take with respect to this issue is obviously not going in the right direction. Parents are very concerned about their children and their children's education. That is what this is all about.

I find it just absolutely unbelievable that because the current direction that the minister has taken, to meet with the individual groups on an individual basis, not as a group, obviously that has not worked. Mr. Chair, he is now saying that he does not believe that a positive solution, I guess, would come from getting all stakeholders into the same room, which is what they want, to make sure that the situation is resolved for all people involved, for all organizations involved, whether it be the DSFM, the Laureate Academy, the St. James school division, et cetera.

I think it is rather interesting that the Minister of Education at the time just two weeks prior to an election call, back during the last election, was quick to jump to mediation services in the Sunrise School Division to end an embarrassing strike dispute that was taking place in that school division. Mr. Chair, they were quick to jump to that, to offer those mediation services when it comes to ending a labour dispute, but when it comes to helping the education and doing what is best for the education of our children in this province, regardless if it is independent schools or our public school system—this is about children and their education—I find it just deplorable, the fact that the minister is refusing to go this direction to get everyone, all the stakeholders in the same room, so that we can come to some sort of a solution that is in the best interests of all people.

Why is the minister refusing to go that route? Clearly, the current route that has been taken is not working. We have to look to alternative measures to ensure that some sort of a solution comes about.

Mr. Bjornson: As I said before, the Laureate Academy is going to be touring one of the options that have been made available to them. Evidently, the member from Tuxedo already thinks that that is not a suitable option, but I think that would be in the Laureate Academy's purview to decide if that is a suitable option or not. It is a facility that is 30 000 square feet, 8 classrooms, administration space; there is a gymnasium there.

It is an opportunity for them to actually purchase the building and provide long-term sustainability for their program in a building that they own versus one that they rent. We have been very proactive in this regard in trying to find solutions for the situation. I do care very much about the education of our students. I am an educator and I will always be an educator.

With Laureate Academy and the programming that they offer, having a permanent home would be very beneficial for that program. There is no question in my mind. They do have an opportunity to go and see the facility. That is the process that we are engaged in right now.

We are working to find alternatives for the Laureate Academy. As I said before, it does not fall under my purview, but we are taking the steps. It is not part of my responsibilities as minister with

respect to infrastructure for independent schools, but we recognize the situation is a very difficult one. We are trying to find a solution that works for all parties with the least amount of disruption to our students. That is why we have been engaged in this process and that is why there are two or three options on the table that the Laureate Academy can consider.

* (16:10)

Mrs. Stefanson: Clearly, Mr. Chair, the education of all children is under the purview of this Minister of Education, and I would hope that he sees how significantly this will affect these children if they are kicked out onto the street. How are they going to continue their education? These are children with special learning needs that have fallen through the cracks of our public education system in our province.

The Laureate Academy offers a very, very important program for children in our province. I guess what we should do is look at some of the solutions that have come up and see whether or not the minister—I cannot believe that he honestly, if he saw—

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

The committee recessed at 4:11 p.m.

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The committee resumed at 4:29 p.m.

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

Mrs. Stefanson: Mr. Chairperson, we were on a line of questioning with respect to the Laureate Academy and the expropriation of their building. I just wanted to say that I know on a CJOB interview the Premier (Mr. Doer) committed that there would be a solution to this issue. Certainly, I hope that a solution is forthcoming. I am just wondering if the minister could tell us today, as his Premier is committed to finding a solution to this issue, if he, too, is committed to finding a solution.

Mr. Bjornson: Yes, I am committed to finding a solution, and that is why we have engaged in the process that we have engaged in.

Mrs. Stefanson: Well, if the minister is committed to finding ways of coming to a solution, why is he not considering all options of how to come to these solutions? He is not. He has indicated here today that he will not meet with all the parties together, get them all in the same room. He says that he has no intention of doing so, something that I think is just unproductive and certainly not working towards finding a solution to this issue. Again, this is about children with special learning needs, that right now the education of these children is in jeopardy as far as we can see because this minister is refusing to explore all options when it comes to finding a resolution to this issue. I find that very disturbing.

I guess I would like to talk about some of the options. Could the minister actually indicate for us today what the options are with respect to the Laureate Academy?

Mr. Bjornson: Three of the solutions that have been brought forward to this point include sharing of the Spring Valley School with the DSFM from one to two years until such time as a more permanent solution could be found for the Laureate Academy. Having two years would offer them time to explore long-term solutions. Now, the Spring Valley School is built to accommodate over 500 under the public schools spatial allotments. If DSFM and Laureate were to share the facility there would be 140 students, and I appreciate that there are some concerns about how viable that is. But if there is a will, I am sure there will be a way.

There are two other options that have been presented. Mr. Chairperson, I also mentioned the Brooklands Collegiate, a capacity for approximately 300 students. It has been proposed that, after a structural audit of the facility, the St. James school division is entertaining a reduction in rent that would allow almost \$100,000 over two years to be put into lease improvements into that facility. This is the second option that has been presented.

The third option is the former St. Boniface School Division board office. There are eight classrooms; there is a gymnasium and office space that is approximately 30 000 square feet. Mr. Chair, that is something that Laureate Academy representatives

will be touring sometime this week and will be looking at that particular option.

Actually, there were four proposals, one that would include leasing classrooms at different locations but, obviously, Mr. Chairperson, that is a bit problematic for Laureate Academy. These are the options and solutions that have been proposed, and that is the stage that this discussion is at right now.

Mrs. Stefanson: Well, I have to say that I believe the minister indicated on Friday and again for us today that he has yet to visit the facility. I think if he had visited the facility he would realize the special needs within the classroom for these children. The classroom sizes are very small and they are specific to the needs of the children who attend this school.

I believe if he had seen what some of these needs are with respect to these children, as a former teacher, I know that he does care about children and so on in the classroom, but I think he would see if he had the opportunity to visit this facility, which I encourage him to do so, that some of these options are absolutely just not a solution to what is in the best interest of the education of these children. Again, I would encourage the minister, actually I would like to ask him now if he would consider visiting this facility in the very near future.

Mr. Bjornson: Mr. Chairperson, a couple of things. First of all, the enrolment within Laureate Academy is approximately 80 to 85 students. The facility that they are in right now, I believe, is approximately 50 000 square feet. Having said that, the second floor is not being used in the Spring Valley School where Laureate Academy currently resides because it is unusable.

Mr. Chair, the option that is being presented to them is 30 000 square feet. There are eight classrooms. There is an administration room. There is a gymnasium. It seems to be a viable option, and I believe that is for Laureate Academy to decide if that is indeed a viable option. We are waiting for word, upon Laureate Academy having had the opportunity to visit that facility.

Again, this is something that could be a long-term solution. If you were to take into consideration the size of the schools and how it translates to space for students in the public schools versus the special needs schools, 30 000 feet is certainly a considerable

amount of space that would be made available for these 85 students.

Mrs. Stefanson: Well, again, Mr. Chairperson, I would encourage the minister to go and visit the facilities. As I understand, they are in a 10-year lease of which they are into 3 years of the lease so far. They have put a significant amount of their own money into the school, fixing it up so that it has appropriate classrooms and so on to facilitate the education of these children. Again, I would encourage the minister to go and see this. They have put a significant amount of their own money into it and now they are just basically being thrown out. They had a long-term plan to be there and, well, there is no viable option right now.

Let us talk about some of the options that the minister has mentioned. Let us talk about splitting up the school with six classrooms and the space that DSFM will be vacating in Britannia School and the remaining classrooms in another location, I guess, yet to be determined. I know the minister indicated that maybe that is not the best option but it is an option, and perhaps I could just indicate for the minister some of the concerns that the Laureate Academy has and some of the concerns that the parents have with respect to that.

I quote from a document that is a letter to the minister, so I am assuming he has seen this. Just to reiterate some of the concerns that the parents have and the school has, it says, and I am quoting from the document: "Had a proper process for assessing our needs and understanding how the academy operates been attempted, this alternative would not even have been offered. Besides doubling such expenses as office, administrative costs, telephone and fax costs, and some office and administrative personnel costs, this option does not take into account that one physical education teacher, one drama teacher, one art teacher and one computer teacher instruct students at all grade levels and many other teachers teach at multiple-grade levels. More importantly, there is student movement between grades as some students' individualized programs require them to move up to the next grade level for certain subjects. This would not be possible if the next grade was in a different location."

There are many, many other factors that they talk about that would render this what they believe to be impossible. The minister, obviously, has been

presented with these concerns. Does he care to make comments on the concerns that the parents have presented to him?

Mr. Bjornson: The member from Tuxedo was referring to the fourth option that I had mentioned and I also prefaced that fourth option by saying that that particular option was probably the least viable of the options, but, certainly, putting it on the record is indicative of the fact that we have been looking at a number of different possibilities. Certainly, there are viable options that are still before the Laureate Academy to consider. As I said, with the Brooklands school and the anticipated report on the structural integrity of that building, and there are currently students in that school right now, but there is an engineering study being done on that facility.

The other option, as I have said, Mr. Chair, the former school division office, certainly, is something that they will be taking a look at. I find it interesting that the member from Tuxedo would rule that out on behalf of the Laureate Academy, saying it is not a viable option. They have not even had an opportunity to visit that facility and they will be going and taking a look at that facility.

* (16:40)

Mrs. Stefanson: Well, certainly, I have never indicated that it was not viable. But I am specifically talking about one of the options that the minister has talked about and that is splitting up school classrooms between two different locations. I guess I would like to ask the minister: Is he then ruling that out saying that that would not be a viable option or the best option for this facility?

Mr. Bjornson: When I prefaced the fourth option, I said that it is probably the least viable option and the most problematic obviously for Laureate Academy. The reason I put it on the record is to indicate that we are looking at all facets of this issue in trying to find solutions that will work for the partners in question. Mr. Chairman, we are hoping, and I was impressed by all the groups when I met with them, that there is a good will to find a solution that would be the least disruptive to the children in both the independent school and the public school.

Mrs. Stefanson: Would the minister, then, indicate that this is not a viable option and not a solution right

now to what is in the best interest of the education of these children in Laureate Academy?

Mr. Bjornson: That is for the Laureate Academy to decide on the options that are best suited to their needs.

Mrs. Stefanson: They have already indicated that it is not a solution and it would not be in the best interest of the children.

Is the minister, then, saying that when he is talking about four options here, there are all sorts of options and he has quoted in the past saying that all of these are viable options, in the best interests of these kids. Will he then agree today to say to take this off the table, that this is not a viable solution to what is in the best interest of the education of these kids?

Mr. Bjornson: Mr. Chair, I am not in a position to take anything off the table. These are negotiations between the St. James school division and the Laureate Academy and other school divisions that have stepped forward with possible solutions. As I said, the St. Boniface School Division board office being one of those possible solutions.

Mrs. Stefanson: Well, if the minister is agreeing not to take anything off the table, then I would hope he would also not take off the table the fact that he should meet with all of these parties involved, get them all in a room with a mediator, come to some sort of a solution. I hope he would not take that option off the table for coming together with some sort of a solution to this issue.

Would he agree to then keep that option on the table, to meet with all stakeholders involved, get them in the same room to come to some sort of a resolution?

Mr. Bjornson: The options that we have on the table right now are an effort to achieve an outcome, to achieve a solution. Mr. Chairperson, the member from Tuxedo is raising an issue of process. I am concerned with the outcome and the options that are currently available, and awaiting feedback from that parties around the viability of those options.

Mrs. Stefanson: If the minister is truly concerned about the outcome and what is in the best interests of these children, then I would presume that he would

be willing to keep on the table the idea of meeting with all stakeholders involved to come up with what would be the best solution to a very serious issue that is taking place and affecting the education of children in our province.

Mr. Bjornson: I have not said that that option is off the table. What I have said is that we are currently engaged in a process and until such time that we go through that process and we have feedback from the parties involved that is the process that we are engaged in.

Mrs. Stefanson: I am glad that the minister has finally recognized that this could be a viable way of coming to some sort of a resolution to this issue. I am glad that the minister will agree, at some point, to keep this option on the table, to meet with all stakeholders involved in this issue to ensure that some sort of a resolution can be obtained. I guess I would like to just confirm with the minister that this option is still on the table.

Mr. Bjornson: Mr. Chair, nothing is ruled out. We are currently engaged in the process.

Mrs. Stefanson: Yes, we are in engaged in a process here, and clearly what is happening here is that the education of children in this Laureate Academy school is in jeopardy. As of next year, Mr. Chair, they could very well be out of their current facility and, certainly, some of the options, which I would like to get into in more detail over the next little while, but some of those options are just not solutions to what is in the best interest of these children.

As the Minister of Education of our province, Mr. Chairman, I think it is incumbent upon you to ensure that, regardless of independent schools or non-independent schools, you are responsible for the education of all children in Manitoba. I am glad to hear that he will keep this option on the table to potentially, if he deems it appropriate and when he deems it appropriate, which I hope is soon because that is what all people, all stakeholders in this process would like. They would all like to get around a table to come to some sort of a solution that is in the best interest of all stakeholders.

I still do not understand why the minister does not see that that time has come, that, clearly, the direction that things are taking right now, they have come to a standstill. There are not viable alternatives

on the table, and, clearly, what should take place is that everyone should get together in the same room and come to some sort of a resolution to this.

So, again, I am glad the minister will keep that on the table. I hope that he realizes sooner than later that the current process that has taken place has not worked, and that he will, at some point in the very near future, get everyone together, as we believe that is in the best interest of those people involved.

Getting back to some of the options and again, I am reading from a document, the minister seems to think that some of the options that are given are viable alternatives. Clearly, the parents and the Laureate Academy itself do not see some of these options as viable and do not see them as being in the best interest of the children who attend the school. Again, I would like to talk about another option that the minister mentioned earlier, the option to share the current facility with the DSFM.

I would like to read just from their words what the parents with the Laureate Academy are concerned about with respect to this option. I would like to quote from the letter: "We have spoken with representatives of DSFM regarding this option and we are told that while they are willing to consider sharing in the short term, a year or two, they cannot commit to this until they see the building. Once DSFM sees the use of our facility, it will be clear that this option is not feasible.

We serve students from Grades 1 to 12. While some classrooms are multigraded, most of them are not. Since our program requires us to maintain a low student-teacher ratio, a room that may have accommodated 30 to 40 public school students will only accommodate 8 to 10 of our students. With our projected future enrolment of 120 to 140 students, it is obvious that a facility such as Spring Valley, which may normally accommodate 500-plus public school students, is, in reality, exactly the size facility we need.

Would not common sense prohibit the unnecessary disruption of a school that is functioning well within its current facility? In addition, we understand that DSFM also has plans for growth, both in enrolment and at expanded grade levels. There are numerous other reasons why sharing the facility would not work and that could be discussed as well," and it goes on from there.

So, clearly, that is why the Laureate Academy and the parents believe that this is not a viable solution. Certainly, the minister had indicated before that he is committed to finding a long-term solution for these kids. But, clearly, this would not be a long-term solution to this problem. Does the minister understand these concerns and what would be his comments with respect to where the parents and the administration at Laureate Academy are concerned?

Mr. Bjornson: Yes, I understand the comments, I understand the concerns, and that is why we are engaged in this process. Having the two other options out of the four that I have identified, I did recognize that the one that would involve splitting the school between buildings is the least viable and that it would definitely be problematic. I recognize that. Mr. Chairman, I was just putting that on record, as I said, to indicate we are looking at a number of different possibilities so that we can provide the least disruption to the students of Laureate Academy.

* (16:50)

The two buildings that are available have ample capacity, in excess of 300 students in a public school system domain and, given the enrolment of 80 to 85 in the Laureate Academy, there is certainly ample room for Laureate Academy to offer that programming in those facilities. Those are the two facilities that remain viable options, that remain on the table.

Mrs. Stefanson: Again, I encourage the minister to go and visit the facility because I think, clearly, he would understand that if he understood the needs of the children involved at the Laureate Academy and the facility, if he understood that, I think he would really understand that sharing the current facility is really not the best solution to this problem.

Again, does the minister really see that this is a viable long-term solution which he is committed to making in this process?

Mr. Bjornson: We have never said that sharing would be a long-term solution. Sharing the facility would be short-term until such time that suitable facilities were found in the event that this would be the only option available, but it is not the only option available. There are two viable options on the table.

Mrs. Stefanson: Okay, Mr. Chair, so the minister has just agreed, then, that splitting up the school with

six classrooms in one place and three in another, the first solution that we talked about, is not the best solution of all these. He has now indicated that sharing the current facility with the DSFM is not a long-term solution.

So those are two options, basically, that are off the table because he is committed to finding what is in the best interests of these kids, to finding a long-term solution. So I gather that option is taken off the table then.

What I would like to now ask the minister, then, with respect to Brooklands Collegiate, there were some concerns surrounding the facility, the structural aspect of the facility. There could be some structural problems. As I understand from what the minister mentioned earlier today, some sort of a review will take place with respect to the structure of this building to make sure it is safe. Can the minister indicate when this review will have taken place with respect to Brooklands Collegiate?

Mr. Chairperson: I will just interrupt for a minute. There are supposed to be no cell phones on during our debates here. Thank you.

Mr. Bjornson: The independent engineer's study will be completed by the end of May.

Mrs. Stefanson: Well, I guess we will have to wait until the end of May to see if that is a long-term solution to what is in the best interest of these children and whether or not that is going to be a facility that they could move to.

Certainly, and I would like to again revert back to this option and explain a little bit about why there are concerns about this particular option. Again, Mr. Chairperson, it is sort of primarily around structural problems, that they understand there are some major structural problems but, again, we will wait for the independent engineering report to come out at the end of May to see whether or not it is an option.

I will say that, certainly, the current facility that the Laureate Academy is in, they have put a fairly significant amount of their own money into the school to make sure that the classrooms are set up such that what is in the best interest of the education of these children. As I understand, there were, with respect to Brooklands, if they wanted to take this facility, there would be some sort of a deal on the

table. The St. James school division would not charge them as much because they recognize that there are some, maybe, structural issues with it, or so on.

As I understand it, all parties involved do not really see it as a long-term solution; that, I believe, by 2009, again the Laureate Academy might be looking for another facility and certainly that does not seem to me to be a long-term solution to this problem. Does the minister understand these concerns and how has he responded to the concerns with respect to this option for the Laureate Academy?

Mr. Bjornson: Mr. Chairperson, St. James school division is responding to their concerns by engaging an independent engineer's report on the structure of the facility. Again, that is one of two options for facilities that Laureate Academy can explore. Again, Laureate Academy representatives will be looking at yet another facility.

Mrs. Stefanson: We have talked about basically four options here today. There is one more that I would like to explore as well. That is with respect to Louis Riel School Division, the building over there. But is not a fifth solution for the Laureate Academy to stay where they are right now? Is that completely off the table?

I mean, the way I see it, what is in the best interests of these children is to stay where they are. Moving them from location to location to location is very disruptive to students, particularly with their special learning needs, and so on. Certainly, moving from facility to facility to facility would not in my mind be what is in the best interests of these children and is very disruptive to their educational needs.

Mr. Bjornson: That decision has already been made by the St. James school division with respect to the DSFM and the acquisition of the building.

Mrs. Stefanson: As I understand, Mr. Chairperson, there were discussions between the DSFM and the St. James school division about Allard School. Can the minister explain to us what happened with respect to the school? As I understand, the minister had made some comments at the time that he wanted the police academy to remain within that school. I am wondering why he would say something along those lines for the Allard School and not equally say something about protecting children with special

learning needs and ensuring that they are not uprooted from their current facility and providing a long-term solution for their learning needs.

Mr. Bjornson: What I have consistently said is that we have to find a solution that meets the needs of all parties. That is what I have consistently said, that we need to find solutions for the affected parties that would be least disruptive to all of the parties in question, whether that is at Allard or whether it is at Spring Valley.

Mrs. Stefanson: But if some of these other solutions are okay for the Laureate Academy, why would they not be okay for the DSFM or the police academy?

I guess I am just trying to understand why you would uproot these people while the member from Assiniboia says that it is up to the school division.

Well, yes, Mr. Chairperson, the school division has made a decision here, but what I do not understand is why at one point the minister gets involved and says that he does not want to uproot the police academy from one school, yet he sort of steps back and away from the situation when you start talking about an independent school, the Laureate Academy, that houses special learning needs children.

I am trying to understand the thought process that goes into place where he gets involved in one area in a school division's decision but does not get involved in another area.

Mr. Bjornson: The St. James school division has made this decision. The DSFM has identified Spring Valley School as a facility that meets their needs with respect to there are certainly some geographic issues in question here with respect to the catchment area for the DSFM and the rural areas that will access this program that will be offered through the DSFM in this location.

Mrs. Stefanson: Well, I guess I would ask the minister again. The DSFM had found that Allard School, where the current police academy is located, was appropriate for their needs. I am just wondering what happened so that that option was taken off the table and Laureate Academy or the school where Laureate Academy was currently considered.

*(17:00)

Mr. Bjornson: That was a dialogue between the DSFM and St. James. They are the bodies that made those decisions.

Mr. Leonard Derkach (Russell): Mr. Chairman, this is Estimates. This is not Question Period. The member from Tuxedo asked a question which she did not get an answer to. She asked why the minister saw fit to interfere in the Allard School decision but, then, says that it was up to the St. James school division with regard to the Laureate Academy.

The question is why was the minister involved in the Allard School decision.

Mr. Bjornson: I was not involved in that decision.

Mr. Derkach: It was reported that the minister intervened in the police academy decision and indicated that school was not to be used as a DSFM school. Now, is the minister saying that neither his department nor he had any involvement in the Allard School decision where the police academy is?

Mr. Bjornson: I was not involved in the decision around the Allard School. The DSFM, when they entered into negotiations with St. James school division around Spring Valley School, were assured that there would be some provisions made for the Laureate Academy as part of their dialog with the St. James school division.

Mr. Derkach: Is the minister telling me that the newspaper has lied about him?

Mr. Bjornson: I had hoped that there would have been a solution around Allard that was an alternative to expropriation and I believe that was the only thing that I had expressed at that time, but I was not involved in that decision.

Mr. Derkach: The *Winnipeg Free Press* not only had direct quotes from the department in terms of their involvement in the matter, as a matter of fact, the deputy minister was quoted as saying, and I quote: "There is no resolution to date, there is a sense there is a willingness on both parts to find a solution. At this point, we are looking, we are looking for more concrete proposals to resolve the issues." Now, if that does not tell me that is direct involvement by the department, then nothing does. Can the minister explain that statement to me if he is telling me that there was no involvement from him or his department in this matter?

Mr. Bjornson: Mr. Chair, we had asked the PSFB to look at viable solutions for the DSFM with respect to addressing this issue. Expropriation was last option, and we were asking the PSFB to explore these options for the DSFM.

Mr. Derkach: Well, Mr. Chair, the minister does not answer the question. The question is not whether he asked PSFB to get involved or not. The question is why were they involved in the Allard issue but then did not get involved at all to say no in the Laureate Academy.

I mean, he is using two different standards here, and, Mr. Chair, he has not answered that because, as I said, his own deputy is quoted here as saying at this point, "We are." It does not say the PSFB, does not say the DSFM, does not say St. James school division; it says, "we." It means the department. It means the minister's office is looking for more concrete proposals to resolve these issues.

* (17:10)

So can the minister square that statement with his response in terms of saying that he was not involved in that decision, Mr. Chair?

Mr. Bjornson: In both cases, we asked the PSFB to get involved because of their capital expertise and knowledge. That is why the PSFB was involved in these discussions.

Mr. Derkach: But, Mr. Chair, I asked the minister why the Allard School was not an option according to the minister and that then the Franco-Manitoban Society was directed to go to St. James and find another option, because they had clearly identified the Allard School as their first option. So that was the identification in their first choice. What I am confused about is how it is that they were deflected from their first option to the Laureate Academy. It was in that context that the minister was involved, and it was at that point that he said that the other options would have to be found.

Mr. Bjornson: We had been looking for options as alternatives to expropriation when the St. James School Division had referred the DSFM to Spring Valley School. It was with the proviso that the students of Laureate Academy would be provided for and, as such, that is the process that was undertaken, and the DSFM, for geographical reasons as I said, found Spring Valley to be a desirable location for a

number of reasons. One was because of the accessibility of rural communities to Spring Valley School and the anticipated growth and expansion of the program, given the logistics of the location of the school and the realities of the geography for that school, but we were just hoping to find options that would not include expropriation as part of that dialogue.

Mr. Derkach: Can I ask the minister—we have got to go back a little here—whether or not Allard School was identified first?

Mr. Bjornson: Spring Valley had been the original choice of the DSFM.

Mr. Derkach: Are the reports wrong, then, that in December of 2003 DSFM had launched a campaign to expropriate Allard School?

Mr. Bjornson: Before that, Spring Valley had been identified as the first choice for DSFM.

Mr. Derkach: So why would the DSFM have launched a campaign to expropriate Allard School if in fact Spring Valley was the first choice?

Mr. Bjornson: I cannot speak for the DSFM as to why they would proceed with an expropriation of Allard if Spring Valley was their first choice, but, indeed, Spring Valley was identified as the first choice for the DSFM.

Mr. Derkach: The minister says now that he does not know why, but when he was interviewed by the *Free Press*, he seemed to have more knowledge of these issues than he does now, because he said, and I will quote, "We are in very unusual circumstances here." Then he goes on to say that he has directed the director of the Public Schools Finance Board to meet with the school boards. Now, Mr. Chairperson, if he does not know why, the minister would do well to concentrate on the question, if he does not know why the school division launched a campaign to expropriate Allard School, how is it that he was making comments in that regard first, but now says he does not know why they launched the campaign?

* (17:20)

Mr. Bjornson: We know why they wanted the school. We do not know why Allard School is the issue. As I said before, DSFM had identified Spring Valley School as the priority for their program and their location to develop a school.

Mr. Derkach: As was reported in the newspaper, DSFM launched a campaign to expropriate Allard School. As reported in the newspapers, it appeared, from the minister's point of view, that Allard School was not appropriate because the police academy would have to be evicted. The second choice, as we understood it from the reports in the paper, was that DSFM's second choice was the Laureate Academy.

Now whether it is first or second, I guess is maybe not relevant at this point, but they had launched a campaign to expropriate Allard School. They had not launched any kind of an expropriation against the Laureate Academy. Now, the minister stopped, as we understand, the move to expropriate the Allard School because the police academy would have to be evicted. What we are trying to understand is why, then, the minister seemed to be okay with DSFM launching a campaign to expropriate the Laureate Academy and evict those students out of that school.

Mr. Bjornson: The DSFM had been assured, when they were looking at Spring Valley School or Laureate Academy, by St. James that, in the event that they were successful in acquiring Spring Valley School, St. James school division would provide for the needs of the Laureate Academy.

Mr. Derkach: Then can the minister answer the question, what about the Allard School? Why did the DSFM launch a campaign to expropriate the Allard School, and how did that come to an end?

Mr. Bjornson: When the DSFM was looking at the Allard School, they had been looking at that school as an option because children would not be affected. However, when the DSFM was offered Spring Valley School, they were also offered that school with a caveat that the Laureate Academy would be provided for by the St. James school division.

Mr. Derkach: If there is no viable alternative for the Laureate Academy, Mr. Chair, that means there is no viable option for them to move to because of the work that was done inside Spring Valley School to accommodate the Laureate Academy children. There were significant renovations as I understand it. Mr. Chair, it has been a few years since I visited the Laureate Academy at the school so I do not know if much more has been done since then. I would

assume so, but that was done at the expense of the school and not the school division.

Mr. Chair, if a viable option cannot be found for the Laureate students, and the minister, I think, has heard the concern from the parents of the Laureate children. He has also heard from the people who are involved in providing the programs. Would the minister then ask DSFM to find another option or would he ask St. James school division to find another option since he did involve himself in the Allard situation.

Mr. Bjornson: Again, the St. James school division did provide a proviso saying that they would address the needs or look to provide for the students of Laureate Academy. We do have viable options on the table right now. We do have the Brooklands. We do have the former office of the St. Boniface School Division. These are two very viable options. There is ample room in these facilities. One is awaiting, as you said before, an independent engineer's report and another is scheduled to be visited by the representatives from the Laureate Academy, so we do have some viable options on the table right now and we will have to wait and see the proponents' response to those options.

Mr. Derkach: I would like to ask the minister. In fact, the parents of the Laureate Academy and the personnel involved are expressing some significant concern about the relocation of children who have those types of special needs. Certainly, Mr. Chair, a viable option could have been found for the police academy. Would not the minister agree with that?

Mr. Bjornson: Once again, Mr. Chair, that was a negotiation between the St. James school division and the DSFM with respect to the viability of that school for the DSFM. The DSFM has also indicated, as I said, that Spring Valley was their first choice for their geographic reasons and the draw from rural Manitoba that they anticipated.

Mr. Derkach: Mr. Chairman, the minister cannot slide from under this that quickly because the minister is the one who implicated himself in the Allard situation. The minister is the one who made comments with regard to the Allard situation. DSFM had launched a campaign—

Mr. Chairperson: The hour being 5:30 p.m., committee rise.

CONSERVATION

* (15:00)

Madam Chairperson (Bonnie Korzeniowski): Will the Committee of Supply please come to order. This afternoon this section of the Committee of Supply meeting in Room 255 will be continuing with consideration of the Estimates of the Department of Conservation.

It was previously agreed to by this committee to consider this department globally. The floor is now open for questions.

Mr. Glen Cummings (Ste. Rose): Madam Chair, in closing off the discussion last Friday at noon, the minister was, I believe, and I am reading quickly here, but it was my understanding that the minister said he was amenable to a potential meeting between himself and one of the parties that was put out of business as a result of what is euphemistically known as penned hunting legislation. I would certainly argue that there is a difference between penned hunting and hunt farms, but am I clear that he would be prepared to have a meeting with at least one of the families that was put out of business as a result of the implementation of that legislation and to discuss the difficulties that that implementation of the legislation put them in?

Hon. Stan Struthers (Minister of Conservation): My general approach has been that I meet with as many people, with as many groups as I can. I believe that ministers have to be able to show that they are accessible. I do not want to leave, and I do not want anyone else to leave, the impression that I would be meeting with any group that was put out of business as a result of our penned hunting legislation. I do not want to leave the impression that I am going to have a wallet full of money for compensation. I do not want to leave the impression that I would reconsider my views or our Government's approach to the legislation that we passed, but I am certainly not going to say no to any meetings either.

Mr. Cummings: I thank the minister for that. It seems to me that in this case there certainly was significant financial damage done to the family. Madam Chair, I remember the presentation well during the committee hearings on the bill. As my colleague from Portage pointed out, they have since bought into an outfitting business at the east end of

Riding Mountain, right where the white-tail cull took place this year. There is a high level of concern on their part that that is also going to cause some damage to their business. I certainly understand the reason for the cull and the implications that go with that, but the minister will recall the round of discussion of the legislation that ended their wild boar farm and the hunt that was associated with it.

I think government and policy makers in general have an onus to look at what they are doing when distinct and abrupt changes in generally accepted practices are bequeathed by legislation or ordered by changes to the legislation. Certainly, up until the introduction of the legislation that we are referring to, the operation that they had was considered legal and was, in fact, quite prosperous.

So I would, in fact, be asking the minister to hear the folks out, and I understand that he is not talking about putting a pocketful of cash up front. But I do believe it would be to his advantage to hear from them the concerns that they have. Madam Chairperson, I have a related question, and that is that it is my understanding that we have a rather robust bear population right now, and there are a number of people, including those around Riding Mountain Park and I believe some, at least one constituent of the minister's, who are concerned, or seeking additional bear licences.

Madam Chair, is the department considering, or would they consider, applications for additional licences in around Riding Mountain National Park, for an additional bear licence?

Mr. Struthers: Madam Chairperson, I want to begin by saying that the member referenced a deer cull and its impact on outfitters in our area. I certainly want to note the support that the Member for Ste. Rose (Mr. Cummings) has shown for the steps taken to eradicate the bovine tuberculosis, which he knows is a huge problem in his backyard and my backyard and all around that vicinity of Riding Mountain National Park.

* (15:10)

I think that we, very correctly, embarked on the deer cull program, a program that was a general cull, not just bucks, or not just anything, it was a general cull that we did and we look forward to the results. We look forward to being able to make decisions

with good, solid data. Madam Chair, we did get some inquiries, some phone calls from outfitters in the area, including, I believe, the outfitters which the Member for Ste. Rose is alluding to in his questions. We were, I believe, able to reassure people that this cull, first of all, needed to happen, and that we were going to do it in such a way as to minimize the impact on what I consider the very legitimate profession of outfitting.

I do not want to take actions that negatively impact one legitimate economic activity when we are looking at a big rural economic, a big ecological, a big issue all around for people living and farming near the Riding Mountain National Park.

In terms of the additional bear licences, which the member asks about, my understanding is that, for this particular spring bear hunt, it would be too late this spring to take the member's request. What we want to do, however, is take a good look at the success that hunters have had this spring. We want to be able to re-assess the bear population in our area and then, certainly, at that point we can make some decisions in terms of the number of licences that we would be dealing with. I want to assure the Member for Ste. Rose that his suggestions will be given due consideration. They will be part of the mix when we re-assess the numbers and assess the success of our hunters.

Is it a good time to give the floor back to the member?

An Honourable Member: Incoming information.

Mr. Struthers: He has got me now.

Mr. Cummings: Madam Chair, I would certainly want to go on record as encouraging the minister, and through the department, to take a close look at the population and whether or not there is additional opportunity for bear licences in the area. In light of the fact that outfitting and hunting in general are very much in support of increased tourism opportunities in the area, this might be one of those years when some flexibility would be well-advised because there are certainly other implications for finances in the area that will lead to, I would suggest, very likely an overall drop in total revenue in the area. It is not just BSE, but that is certainly a big part of it. The tourism, anything that we can do to support and improve opportunities for tourism, I would suggest, is important.

I want to ask one quick question. I see Minor Capital is down, and some capital is up for 2004-2005. I am wondering if the minister could indicate where that is likely to be invested, if I am reading this correctly.

Mr. Struthers: It seems the Member for Ste. Rose (Mr. Cummings) has put his finger on an accounting change within the department that we have employed this year. Madam Chair, what he will notice is that to better reflect the real numbers in the department, part of what he has put his finger on is now under the Part B, which is reflected under Capital Investments in the Estimates.

Madam Chair, it shows the Minor Capital deals with some equipment, heritage marshes or parts of Parks capital that are now reflected in another part of the Estimates.

Mr. Cummings: If I heard the minister right, that is the Minor Capital. I am referring to the large figure for Capital Investment. Is that still managed by—the 3,653,000, is that managed by the department?

Mr. Struthers: Yes it is.

Mr. Cummings: For which areas is it expected to be invested in?

Mr. Struthers: In part B Capital Investment, the grand total is 3,653,200; 994,600 of that is under General Assets, Regional Operations Capital Assets and the Parks Capital Assets. The remainder 2.6, 58.6 is infrastructure assets, things such as the water treatment plant at Falcon Lake, town site development at Falcon Lake, Big Whiteshell lagoon and the campground road redevelopment.

Oh, Madam Chair, sorry, Birds Hill campground road redevelopment. So that is the total for part B Capital Investment, and that is the breakdown into General Assets and Infrastructure Assets. I hope that helps the member.

* (15:20)

Mr. Cummings: Madam Chair, the Premier (Mr. Doer) has made some loud and proud statements about additional cottaging sites. Is there money in there for investment and infrastructure to service additional cottaging areas?

Mr. Struthers: The numbers that I gave the member reflect an increase last year over this year. The specific ones that he talks about now under the cottage and camping initiative that our Premier has made a commitment to and that we are working on, as we speak, are 1.1 million all together, which in this year's Budget has a \$350,000 increase reflected in the Estimates of the Budget.

Mr. Cummings: That would be for infrastructure to service—the minister included cottaging and camping. Campgrounds require some additional ongoing upgrade. Madam Chair, is he talking about expansion of some campgrounds as well?

Mr. Struthers: Madam Chair, the \$1.1 million that I referred to, the \$350,000 extra that I referred to this year, deals with the development of new cottage sites, new camping sites. It may include surveying that needs to be done, hydro that needs to be done, roads, depending on the access to the cottages that are part of the program.

On the campground side, Madam Chair, there may be some upgrades that need to take place. What we are doing is looking at the complete inventory of what we have got to try to make sure what we can do as a provincial government to make sure that Manitobans, as many Manitobans as we can, can have access to affordable cottage and camping experiences in Manitoba.

So those are some of the things that the money that we have budgeted for in these Estimates are earmarked for.

Mr. Cummings: How many cottage sites are likely to be added?

Mr. Struthers: The Premier has been very clear. It is 1000 cottage spots and 1000 camping sites.

Mr. Cummings: That is the promise. What is the reality?

Mr. Struthers: The Premier has been very clear. It is 1000 cottage lots, 1000 camping sites. As minister, and along with my department, we have been working very hard to make sure that we come through with that commitment.

Madam Chairperson, it is a commitment that, as minister, I have heard a lot of people come to me and

talk about, including some of my colleagues who I sit with in the Legislature every day, with some ideas on where these cottage and camping sites could be.

I am open to all kinds of advice on that issue. I think it is a very positive announcement and I think the Member for Ste. Rose is going to be very impressed when the final rollout does, in fact, occur, and of course, the Member for Lac du Bonnet (Mr. Hawranik) who has given me very sage advice on this very issue.

Mr. Cummings: Well, the minister has nimbly avoided saying how many sites are likely to be available in the near future. Let me ask him again. How many? How soon?

Mr. Struthers: To answer the second question first, very soon. To answer the first question, we are going to have 1000 cottage and 1000 camping sites. We are going to make sure that they are not all clustered up in one region of the province.

We are going to make sure that they are around the province so that all Manitobans have a legitimate shot at participating in, I think, what will be a very good announcement, and of course, you do not want to put a whole lot of stress on Mother Nature by putting a whole lot of cottages on a few lakes.

We want to make sure that the footprint we leave with this announcement is as minimal as we can and includes all parts of the province, and we want to make sure that these are affordable so that many Manitobans have a chance at participating in our great outdoors here in Manitoba.

Mr. Cummings: Thank you. If the minister was taking nominations, I do not suppose Park Lake or Lake Irwin are on his list. There is some pretty cheap land that can be had there if he wants to include that in his list, but let me ask another question for which I should know the answer: To whom does Venture Tours report now?

Mr. Struthers: Madam Chair, that is actually one of the easier questions I have been asked in Estimates, and that is Culture, Heritage, Tourism and Sport. My colleague the minister would be very happy to answer questions on that particular issue.

Mr. Cummings: Well, I am noticing the Pineland nursery is still reported here and that is why I asked

about Venture. The minister and the Government were gung-ho on special operating agencies, and I see they offered Gull Harbour for sale. What about the Pineland nursery?

Mr. Struthers: I just wanted to make completely sure that I had a full, complete answer for the Member for Ste. Rose. We are very happy with the way that the Pineland Forest Nursery has been doing business. We depend on the Pineland Forest Nursery for much stock in this province. We have no intentions of selling off the Pineland Forest Nursery.

* (15:30)

Mr. Cummings: Madam Chair, I am going to do a U-turn on the minister. This is more of a comment than it is a question. But, when we were talking earlier, the families that were put out of business with the change in penned hunting legislation, there is precedent that, actually it was in the Swan River Valley I believe that people who were put out of business because the change in government policy, and they were in the elk business, were given some recompense for their losses under a previous NDP administration, I believe.

Madam Chair, I just hope the minister will keep that in mind as we go down the road toward dealing with the significant changes that have occurred in those who were engaged in penned hunting or hunt farms depending on the definition. Does the minister see a difference between a penned hunt and a hunt farm?

Mr. Struthers: Madam Chair, whatever the minister wants to call these operations, my understanding is that the legislation covered the wide, broad spectrum of releasing an animal into an enclosed area and receiving money to shoot the animal. Our legislation dealt in a broad way with all those who the member now talks about. He has received my answer earlier saying that I want to be accessible as a minister but not build up any expectations in terms of an answer that they may get when a meeting is arranged.

Mr. Gerald Hawranik (Lac du Bonnet): I have just a couple of brief concerns that constituents have mentioned to me over the last few months, one of which is a Crown land permit that was given to one of my constituents.

It is a yearly permit given to an Orest Kalinski just north of Manigotagan, and it is issued by

Manitoba Conservation. The permit has dual use. First of all, he is entitled to use part of the property for commercial purposes, and he has land behind there, in fact, that is being leased for the purposes of an airstrip. His question is not with regard to the commercial use; it is with the airstrip.

Apparently, now Conservation is requiring that he get liability insurance and that liability insurance for the airstrip costs him a premium of about \$3,000 a year. He has never had to do that before. This year they are insisting on insurance for that airstrip in spite of the fact that the airstrip is not registered. It has never been registered with the Transport Board, and it has never been used as well. He has been maintaining that airstrip all the while that he has had this Crown permit even though he is not required to do so.

I am wondering whether the minister can look into whether or not in fact this is a fair requirement to carry liability insurance considering the amount of the insurance that he has to carry and the premium that he has to pay and the fact that it has never been used other than in 1999. He tells me that Natural Resources used the airstrip to fight forest fires at that time. So I am wondering if the minister can look into that for me on behalf of my constituent.

Mr. Struthers: Madam Chair, I want to thank the Member for Lac du Bonnet for bringing that specific case forward. We will look into Mr. Kalinski's request to the member and get back to the member as quickly as we can.

This might be a good chance for me to get off on a rant about insurance costs since the 9-11 disaster in New York City and all of the concerns that nations have in terms of terrorism along with a number of natural disasters we have had. But insurance costs, not just for individuals and corporations but governments as well and our department, are no different than others. We felt one of the pressures on our Budget is the increased amount of money that we have had to put forward in terms of insurance. So we know that everyone out there is feeling the pinch in terms of the hiking-up of insurance costs, and we know that because it is pinching our budgets too, just like other governments around the country. I will undertake with the member to follow up on his constituent's request. If he can get all of the information to folks in my department, that will be done. Thanks.

Mr. Hawranik: Another constituency concern that came forward over the last couple of months is with respect to a very specific request, and that is with respect to the fact that there was a wooden bridge on municipal road 80 north in the Rural Municipality of Brokenhead that was destroyed not this last March but the March before. It is causing quite a lot of concern among residents in that area because they are having to, in fact, travel quite a long distance in order to travel to where they want to go. I would like to ask the minister to look into that for me. It is a provincial drain that it crosses and certainly the responsibility of the Conservation Department to replace either the wood bridge with a culvert or another bridge.

Mr. Struthers: I would be very happy to follow up on that request of the Member for Lac du Bonnet and get back to him as quickly as humanly possible.

Mr. Hawranik: Just one final question with respect to the thousand cottage lots that were brought up. I noted your response on Thursday when I asked the question, but I did not see any further response in Hansard on Friday. But, having said that, one of my concerns with these thousand cottage lots is whether or not the minister in fact has consulted with the Aboriginal communities.

The reason I say that is because the Aboriginal bands of Norway House and Brokenhead reserves have both land claims on the north side of Lake Lac du Bonnet. There are eight or nine miles of waterfront that those two communities are going to be developing into cottage lots, waterfront cottage lots.

When the minister and the Premier (Mr. Doer) come out with a statement that they are going to develop a thousand cottage lots, I would assume that those thousand cottage lots do not include the cottage lots that are going to be developed by the Aboriginal communities. If it is not, has the minister consulted with the Aboriginal communities to determine what impact this is going to have on their development?

Mr. Struthers: Madam Chairperson, I think there are several angles from which to come at this question. One is a process that I very much enjoyed being a part of, along with five other government Cabinet ministers who travelled the east side, meeting with chiefs and councils and community meetings with people living all along the east side of Lake Winnipeg.

Certainly not every community approached us in terms of cottage development, but some of them in fact did. Madam Chair, we very much appreciated hearing from chief and council and community members in terms of either the concerns that they had with where development may take place or with specific proposals that chief and council have put forward in which they make the case that this is part of their own economic development plans and that they would like us to co-operate with them.

Further to that, the director of our Lands branch within Conservation has been visiting communities, has been working with either chief and council, or mayor and council in some cases, to talk about some of the proposals that come forward that we evaluate from our department's perspective and are shopped around from one department to the next. If it is Crown land, it is circulated through a number of departments for their input as well, so that we make sure that we are thorough in our assessment of sales that happen or any kind of transactions dealing with Crown lands.

So I want to make sure that the member knows that any proposal that is brought forward in terms of cottage development will get its due consideration and that any of the concerns that are brought forward by First Nations communities in terms of impact on their area will be considered as well.

* (15:40)

Mr. Hawranik: Madam Chair, this next question is actually related in some ways to the last one because I noticed that a couple of weeks ago the minister had a number of Aboriginal bands in the Legislature signing an agreement, supposedly signing an agreement, for the east side road that is being proposed, east side of Lake Winnipeg. After having brought all the Aboriginal bands in for signature, I noticed that seven of them bailed out, seven of them actually did not sign.

I am wondering what consultation did the minister have with those seven particular bands that did not sign on? Why is it that they would not sign on? Can you enlighten us.

Mr. Struthers: I want to make sure that the member understands that this is not a process simply to talk about a road on the east side. What we have done, the Member for The Pas (Mr. Lathlin), when he was

the Minister of Conservation, embarked on what I think is an historic initiative. People living on the east side of Lake Winnipeg in 16 First Nations communities that are living there have been left out of the Government's decision-making process for far too long. We were told that directly a number of years ago. I remember being, I think, in his seat, when I was a critic for Natural Resources, talking about many of the issues that exist on the east side of Lake Winnipeg.

Madam Chair, my predecessor, the current Minister of Aboriginal and Northern Affairs, kicked off an historic, unique process that you will not find anywhere else in Manitoba. It is a process by which we can work with First Nations in that part of our province and develop a mechanism for chief and council and communities living in that area to have a say in the decisions that are taken and that impact their backyards.

So it is not just about a road, it is not just about individual projects of one sort or another, it is not just about one narrow definition of development. It is about inclusion and it is about bringing people into a process that had been ignored for decades.

About three weeks in March were spent with six ministers travelling to each of these communities I referenced in the answer before, and we met with chiefs and councils and community members in each of these communities. I have to say it was quite a learning experience. I mean, I have a history of living in that part of the world so it was not like I was totally going to somewhere on the moon. It was something that was at least familiar to me, but I was struck by the depth of exclusionary feelings that I picked up talking to people, and I know the other ministers, along with the local MLA for Rupertsland, the Minister of Culture, Heritage and Tourism, and Sport (Mr. Robinson)—and it really reinforced to me that we were doing the right thing, that we were bringing people together, we were talking about a memorandum of understanding, which is a first step along this historic road.

There are 16 communities on the east side that are affected by this. I suppose I would have been the happiest guy in the province if all 16 that day had sat down with us and signed a memorandums of understanding. Contrary to the statement that was made in the *Free Press* by my friend across, a lot of people put a lot of work, homework, into this project.

We brought people together. Eight communities out of the sixteen signed that morning. Four communities, the Island Lake communities, did not have a problem with the content, but they felt they needed a little bit more time for more community consultation within their communities, and that is happening now. I have been in contact with chiefs of that area and they have assured me that they are working toward that. The chief and council at Poplar River, as well, needed some clarification. So they have indicated now a willingness to continue to look at the MOU and I believe at some point will sign.

The other thing that happened was there was a number of chiefs, it was more of a question of timing, I guess, who had changed, new chiefs and new councils put in place, and they told me that they wanted some time to go over this MOU, as well. So I view this as an ongoing discussion. I was very pleased that eight communities signed on to this MOU. It does not in any way lessen my resolve or this Government's resolve or any of the 16 chiefs' and councils' resolve to make for a better process of inclusion on the east side of Lake Winnipeg. We have the East Side Planning Initiative Secretariat that has been working to make sure that First Nations have every opportunity to sit in and to participate.

Madam Chair, I should point out, the member probably will if I do not, the case in terms of Berens River where the chief and council publicly stated they did not want to be part of the East Side Planning Initiative although members of their council and elders have continued to participate in an unofficial capacity at the presentations that we have had. There have been people from the round table that have been into Berens River and have met with community members. The door always remains open to the chief and council at Berens River as well, but we are moving forward and we are going to take the time that is necessary to do a unique, historic process properly.

Mr. Hawranik: There is no denying the importance of the road on the east side of Lake Winnipeg. That is not an issue at all. It is important that we connect those remote communities to the south and in particular coming to the constituency of Lac du Bonnet. The first hospital from the north that is going to be encountered by travelling on that road is going to be a Pine Falls hospital which is in the constituency. So it is important for health care, important for economic development. Not only to the Aboriginal

communities, but of course to the constituency of Lac du Bonnet, Pine Falls, Powerview area. So I have no argument with the importance of the road. I think the road is extremely important, not only to those communities but to my constituency.

My concern with the process is, why would the minister bring in 16 Aboriginal groups into the Legislature when he has not done his homework? He certainly must have known when he did that, that eight of them were not going to sign and eight were. Is the reason that he brought them in was to pressure them to sign in front of all the camera, in front of the media, in front of the Legislature? Is that why he brought them in? From what I can tell in the media report is that he is going ahead anyway in spite of the fact that they have not signed on.

The other concern I have, is this the process that he is going to use when it comes time to developing a thousand cottage lots? Certainly Aboriginal communities who have a vested interest in building up the economic base of their community will be developing cottage lots in Lac du Bonnet on Lake Lac du Bonnet. Hundreds of them. There are hundreds of cottage lots that can be developed on the north side.

Madam Chair, is he going to follow that same process by ignoring the wishes of those who are in fact going to be developing lots on the north side and continuing on with the process of a thousand cottage lots just to fulfil the promise of the Premier (Mr. Doer)?

Those are the questions I have. Thank you.

* (15:50)

Mr. Struthers: First of all, let me caution the Member for Lac du Bonnet. For at least a century there have been a lot of us elected into this very Legislature who have sat around and discussed the pros and the cons of whether a road should go up the east side of Lake Winnipeg, and quite frankly that is the problem. He is from Lac du Bonnet. I am from Dauphin. We can sit here and we can talk all we like about whether there should be a road or not, but who is finally going to talk to the people who live there, whether they think a road is a good idea or not?

That is what this process is all about. It is not for me or the Member for Lac du Bonnet to sit here as

our communities are all connected with roads, our communities have sewers. I would recommend that the Member for Lac du Bonnet (Mr. Hawranik) should take the time to go up to Island Lakes. The Island Lakes communities, when you combine the population of the four communities at the Island Lakes, exceed the 10 000 mark. Those folks do not have a hospital, let alone a road. They have got an inadequate airstrip. They live in conditions much different than what the Member for Lac du Bonnet and I live in.

So it is fine for us to sit here and have our ivory tower conversations about whether or not we should build a road or not, but somebody has to include the people that live there. That is what we are doing. This is above politics, this is above seeing our names in papers and getting our little shots in, in the *Free Press* and making statements about whether we have got our homework done or not.

This is fundamental, Madam Chair, this is historic, this is unique. Nowhere else in Canada is it happening, and you bet we are going to see it through. We are going to see it through because eight chiefs and councils showed up that day to sign on to a memorandum of understanding that is historic in our province. Something that should have taken place decades ago we are finally, finally doing. It is nothing for the Member for Lac du Bonnet and I to sit here and spend a whole lot of this time discussing things that we should be including the chiefs and councils and their communities on. You know, it should have happened years ago, but better late than never, I guess.

Mr. Rob Altemeyer, Acting Chairperson, in the Chair

The idea to get the chiefs and councils together was something that we talked about with the chiefs and councils. We had talked about getting together at the Legislature to have whoever wanted to sign, sign the document. Those who did not want to sign did not show up, so they missed out on my little pressure tactic, I guess, of getting the bright lights and the media in front of them, because they were not here. The people who wanted to sign on, who were ready to sign on, who had a level of comfort in signing on the MOU, were here and we did that.

My commitment is that we are going to work with chiefs and councils who have not signed on to make sure that they have a level of comfort with that

as well. This is too important an opportunity for all of us in this Legislature to have subjected to little petty, put pressure on, little games, little political games and those sorts of things. This is historic and it is unique.

Are we going ahead anyway? Well, Mr. Acting Chair, we have eight signed on; we have five more that simply want to consult the folks back home, which is understandable. We have two, they are transitioning from one chief and council to a new chief and council, and we have Berens River who are officially not taking part but unofficially keeping a pretty close eye on what we are up to, because they do not want to be totally left out either.

My advice that was given to me from chief and council and from elders was to make sure that people are comfortable with what they are signing, because it is historic. We do not want to mess up something that is this important. So I am going to have the patience to make sure that everything is clear. I am going to have the foresight to know that just because we did not get all 16 signatures on one day that we are going to shut down the process, because all the communities are still participating in that process. Mr. Acting Chair, we are still working our way through so that we can get to a point if the level of comfort is there from the First Nations to have more communities and, hopefully, all communities sign on.

Mr. Acting Chair, the other thing that I want to make sure of with the Member for Lac du Bonnet is that this is an ongoing process. This process is not going to come to a crashing halt based on what is said at this committee table or the Legislature. I mean, this is an important process that chief and council have bought into and elders have advised is a good process. They said, "You know, this is the first time that a government has come to us and treated us like a government." That is one of the fundamental principles that we, as legislators here throughout the province, have to get through our heads. We need to deal in a government-to-government relationship. We have to do that. Anything less will not work.

Mr. Acting Chair, the problem is that too many of us have not approached the First Nations of this province in that way. We have simply seen them as some subordinate group, some stakeholder, and that reflects in the decisions that we have made. We think we can make decisions on their behalf and there are

chief, councillors and elders whose wisdom we never get the full benefit of.

I do not want to make the mistakes of the past and I want the process to move ahead in a fair manner.

Mr. David Faurshou (Portage la Prairie): Well, Mr. Acting Chairperson, I would suggest then on this point that the honourable minister go and have a chat with a colleague of his who is responsible for The Planning Act coming forward because I pointed out to her the other day that there is no clause within that new Planning Act to involve the First Nations in the province of Manitoba, and that act is laying down the planning of development and any activities within that development without any consultation with the First Nations. There are no provisions within that act to involve First Nations in the development stages of the planning.

I ask the minister because we in Portage la Prairie did development planning. We formed planning districts between the R.M. and City of Portage la Prairie, and within the jurisdiction, within the area of that planning district is an island of Long Plain First Nation. I asked all the parties, and there was no provision to include Long Plain in the discussion. I believe that that is a glaring oversight and should be addressed at this juncture in time.

Please, Mr. Minister, before you make further statements, there are other departments that are moving ahead without the involvement of First Nations, and I believe in what he says. I just want to make certain that it happens.

Mr. Minister, on to finishing some of the comments that ran us out of time on Friday. You have made mention of your own concerns about preserve hunting here in the province of Manitoba and made an illustration in which it was obvious he had not attended any of the three to which I was referring, because they were wild boar hunting. If you wanted to go out and try and find a wild boar within these preserves, you would be challenged, sir. No question of that. In many cases, persons that had paid to have that opportunity to hunt within the preserve went away wanting. They never even had the opportunity to have a successful hunt, because they never saw a wild boar after very strenuous hours spent trying to search out a wild boar. It is not an easy sit at the corner of the fence as the animals to which he referred to came into sight. It is not that way at all.

I want to leave it with the minister. Mr. Acting Chair, I really truly believe that the legislation that was passed by his predecessor that outlawed—although I will not say that I totally disagree with the intent of the legislation, I disagree, and disagree vehemently, at the implementation. Effectively, we expropriated the livelihood of these three individuals that effectively walked away and declared bankruptcy. In one case I know that did take place because there was no inherent value left in the properties because, by legislation, the properties and all the value, there was none.

I welcome the minister's response in saying that he will consider meeting with the individuals that were affected, but it is a real concern and when a government expropriates, which in essence it did, it should be willing to look at some compensation, which, I believe, is fair.

* (16:00)

Now I am pleased to see the Minister of Agriculture (Ms. Wowchuk) here this afternoon. Conservation and Agriculture are very much related, and in her capacity as Deputy Premier she does lead the Province in policy and direction.

Mr. Acting Chairperson, I would like to ask the minister in regard to the significant decrease in wildlife damage compensation afforded in this new budget. I am wondering whether the minister is saying that half our wildlife are disappearing over the next year. Or what is the case where the minister can effectively slash compensation to, let us be very straightforward, the farming community within the province of Manitoba in regard to wildlife damage?

Mr. Struthers: Just to make sure that the Member for Portage understands, he began his question with some advice to me about including First Nations communities in development plans that have to do with Bill 40.

Mr. Acting Chair, I want him to absolutely understand, though, the difference between a rural municipality and a First Nation. All governments have a constitutional obligation to consult in a meaningful way to First Nations, whether they be in Manitoba or British Columbia or wherever. That is fundamentally different—that is legally, constitutionally different than an obligation that we have to a municipality in this province. I can say, whether it is myself or the Minister of Agriculture or the Minister

of Intergovernmental Affairs and Trade (Ms. Mihychuk), that we take that consultation with the local R.M.s very seriously and we work with processes to make sure that they have access to decision making.

One of the strengths, quite frankly, I think of Bill 40, The Planning Amendment Act, is that it does include local decision-makers. It does leave in the hands of R.M.s the ability to say yes or no to projects. It does leave the door open to co-operation with my department, for example.

I think it is great that a local reeve and an R.M. who has a proposal before him or her can turn to my department, can turn to my staff and work together to make sure that scientifically, that technically we are making good decisions when it comes to intensive livestock operations. So I want to make sure that the Member for Portage understands some of the basic differences.

Having said that, though I always, always take into consideration the advice of the Member for Portage because he is so friendly in giving it to me and does not charge me money for it. So that is good. But I just want to make sure he understands that basic, fundamental difference.

Mr. Acting Chairperson, in terms of his question having to do with compensation, wildlife damage, on page 49 of the Estimates—what section would that be, what is the big number?

On 12.4.(g)(5) Canada-Manitoba Waterfowl Damage Prevention Agreement, he will notice that that has not been reduced as he has suggested. It has, in fact, stayed the same, and if he goes up the page a little bit, quite frankly, the approach needs to be what can we do as government to prevent the damage from occurring in the first place.

I would cite the very real situations around Riding Mountain National Park where we are trying to eradicate bovine tuberculosis. My department and the Department of Agriculture, along with federal officials and park officials, I think, have been working in a very good way on a working group and one of the things we are doing is helping farmers; working with farmers in the area to fence off hay that they have that is open, that is attracting animals from out of the park. We have to take that prevention approach. We have to be able to take some action so

that we are not into a big discussion about compensation down the road. So, as much as we can, we want to work in a way, interdepartmental and intergovernmental co-operative way to make sure that those kinds of things happen.

Having said that, Mr. Acting Chair, he will also notice on page 49 of the Estimates that there has actually been a little bit of an increase in terms of the Game, Fur and Problem Wildlife Management section of my Estimates. I suppose he can tell me it has not increased enough, but it has not decreased, as he asserted in his question. There has been a slight increase there I think to reflect this department's commitment to making sure that we are working with other departments and working with producers to minimize the number of problem wildlife instances that we have to deal with.

I would also direct him to page 45 under 12.3. Regional Operations (a) Regional Support Services, the third bullet point there, he will see it entitled Problem Wildlife Control, and he will see the exact same amount of money this year and last year. So where the decreases are coming from I fail to understand.

Mr. Faurschou: Mr. Acting Chair, I was referring to where the Department of Agriculture has reduced wildlife damage compensation support for Manitoba producers from \$1,144,000 to \$749,000, a substantive reduction. I just wanted to ask the Minister of Conservation responsible for wildlife: Is potentially this being an indication that there is less wildlife damage expected here in the province of Manitoba?

Madam Chairperson in the Chair

I know within his own department he is not expecting any less, but obviously the Minister of Agriculture (Ms. Wowchuk) expects significantly less wildlife damage. So I was looking to the minister to show the committee here, being that you are not expecting any less damage but that she is.

Anyway, we will leave it at that and move on to another topic. I just want to assure the producers that they will receive 100% compensation for the determined wildlife damage as assessed by the Manitoba Crop Insurance Corporation this year as they did last. The minister has some concluding remarks available?

Mr. Struthers: Madam Chair, I can say with a great deal of confidence that the people working on wildlife damage problems in my department, in the Department of Agriculture, within Crop Insurance, those we work with at the federal level, will all remain very committed to working with and on behalf of producers right across this province to make sure that their claims are investigated and the criteria by which we judge these investigations will be fair and will be fairly implemented as has been done up to this point.

* (16:10)

Mr. Faurschou: I appreciate the minister's response and I just hope that the relationship between Conservation and Agriculture continues. I would like to ask at this time for further definition of this 10% odour tax which was announced in the Budget and the specifics of who and when and where and of what magnitude a voter is going to receive this 10 percent and 10 percent of what?

Mr. Struthers: The member may be trying too hard to score political points by calling it an odour tax. It might suit his short-term, political spin on our Budget, but am I to take from that, that members across the way do not want this Government to work with producers to try and control the amount of smell produced by intensive livestock operations.

What we are doing is recognizing through an incentive the good work that many producers and many entrepreneurs are doing out there in the landscape to try to control odour that is being produced through intensive livestock operations. I have been made aware of a number of processes that have been used and some of them very simple procedures that have been used by farmers to control the amount of odour being produced at their farm sites. I think we should be encouraging—

Madam Chairperson: This committee is recessed for a recorded vote in the Chamber.

The committee recessed at 4:14 p.m.

The committee resumed at 4:30 p.m.

Madam Chairperson: The Member for Portage la Prairie.

Mr. Faurschou: Madam Chair, I appreciate the Minister of Agriculture (Ms. Wowchuk) and the Minister of Conservation's concern they had with my last question in regard to the odour control tax. I was just trying to see whether the ministers were on their toes. It was a tax credit that I was referring to, 10 percent based upon what figure and how they intend to implement this, whether by regulation or actual legislation.

Mr. Struthers: Madam Chairperson, I appreciate the member doing his homework. Better late than never, I suppose. The Odour Control Tax Credit is something that the Minister of Finance (Mr. Selinger) has brought forward and that the Minister of Finance will be looking toward in terms of decision making.

Madam Chairperson, I would simply want to say that it is a very good program that I think will encourage Manitobans to look at preventing, you know, all those phone calls we all get as MLAs when there is a proposal put forward in terms of intensive livestock operations, and I do not think it has to just necessarily be intensive livestock operations, but in terms of taking a preventative approach to a very contentious issue around rural Manitoba and trying to employ technology to mitigate in a preventative way problems that have occurred from time to time on the rural landscape.

So it is a good tax credit program, and the Minister of Finance, I am sure, would love to answer the detailed questions that the Member for Portage has put forward.

Mr. Faurschou: That was the longest response to "I do not know" that I have heard. I will ask the Finance Minister, when I have the opportunity, as to what the tax credit is.

Madam Chairperson, I appreciate the minister and some initiatives that he is putting forward within the department, especially a clarification which has been long outstanding, and that is enforcement of environmental concerns and issues in regard to federal lands, whether they be park or reserved First Nations designated areas and that his department will effectively be regulating environmental issues within all jurisdictions to safeguard.

I applaud the minister that this is an important initiative because it is protecting and safeguarding the environment for future generations regardless of

who is the presiding body and/or elected official at the time. So I will leave that.

As well now, Madam Chair, moving on, I would like to come up onto a topic that—unless the minister wants to comment, I would leave it like that. Now the topic of intergovernmental relations as it pertains to Conservation, the federal Fisheries and Oceans, an agency that I have had a great deal of difficulty with over the past little while.

My constituents have run into concerns with the Department of Fisheries and Oceans in the past year or so, and some very distinguished constituents. I speak very specifically of Dr. Gordon Goldsborough, who is the director of environmental studies and in charge of the Delta Field Station of the University of Manitoba, put forward a proposal for fish habitat improvement.

Madam Chair, the proposal, after two or more years, was still waiting for approval. The proposal itself was extraordinarily well-researched from an individual who has a reputation of an environmentalist and someone that I think has the respect or should have the respect of the Department of Fisheries and Oceans.

The way his proposal and he himself had been treated I have a lot of difficulty with, because this is something that I speak of as far as common sense goes. The minister responded to that on Friday. But this department is one that, as I say, I have a great deal of difficulty with. I have another couple of situations I would like to leave with the minister, but if the minister has a response to this, I feel that it is absolutely vital that the Department of Conservation take forward the common sense approach and instil it in our friends from the federal government.

Mr. Struthers: Madam Chair, I want the Member for Portage la Prairie to understand that every chance we get to use common sense in our department we will take it. Every chance we get to influence other governments, whether they be provincial neighbours or whether they be the federal government and their departments, we will insist that they use common sense as well.

Water flows over boundaries, whether they be federal or provincial or municipal. Air moves from one jurisdiction to the next. It does not read legislation. Wildlife moves. The days are gone when

we can draw something on a map and say this is the jurisdiction we are involved with, this is the only jurisdiction we are going to think about, we are somehow separate from the water cycle, we are separate from the ecological cycles that we deal with. Those days are gone. I want to say that this Government, and, to its credit, the government before us, understood that and undertook in one area, at least, in terms of conservation districts, where you treat Mother Nature not as a compartment, where you understand that common sense tells you that you need to treat Mother Nature for what she is, not for what we would administratively like her to fit into.

* (16:40)

Madam Chairperson, we have a lot of dealings with the Department of Fisheries and Oceans. We have opportunities to interact with not only DFO but the federal government in a number of different ways, including councils of ministers that get together and talk about these very issues. So I want the Member for Portage to know that both myself, as a Minister of Conservation, and the Minister in charge of Water Stewardship in this province can deal with the problems that the member has put forward.

The Minister of Water Stewardship (Mr. Ashton) is in a very unique position in this country as being the only minister in the whole country who is simply a minister in charge of water stewardship. I know that the minister in charge of that department will undertake to talk with his people in the federal government, people he works with in conjunction with the Department of Fisheries and Oceans, and make sure that the principles upon which the Member for Portage la Prairie (Mr. Faurchou) has spoken of today are calculated into the decisions that we make here in conjunction with other levels of government.

Mr. Faurchou: Madam Chair, I appreciate the minister's response. Perhaps it is out of place to ask the Conservation Minister what the rationale behind this was. The lands are leased from the Department of Conservation to the University of Manitoba. Dr. Gordon Goldsborough was proposing a plan to enhance the Delta Marsh and the aquatic life that was there. This type of delay and bureaucratic runaround that our foremost environmentalist in the province is receiving from the Department of Fisheries and Oceans should not be tolerated.

Madam Chair, I want to give another example. Maybe I should also leave it, but it is the Department of Transportation and how ludicrous situations come about with regulations, the improvement to a provincial drain, which you are responsible for in co-operation with municipalities and—[interjection] I have just been informed that the drainage system within the province is no longer within the Department of Conservation but is with Water Stewardship. So I will reserve my comments.

Just to enlighten the ministers, the Department of Fisheries and Oceans demanded a bridge because that was more conducive to fish, on either side of this bridge at the mile roads with culverts. This bridge needed to be replaced, and they demanded that it be a bridge. Even though the water flowed through culverts under the bridge and through culverts again, the municipality could not put culverts in there. Madam Chair, we are talking a very, very substantial investment between the two.

Madam Chair, the honourable Member for River Heights (Mr. Gerrard) wants to ask a few questions, but I do have two more that were interrupted with the vote committed by another committee, and those are in regard to continued environmental regulation enhancement, improvement. Use the term that best suits, but, in other words, changes made to environmental regulations that govern—let us use the example of septic field operation, design.

Madam Chairperson, it is expected that we use technology and new installations by all means do take on the new technologies available, but again, common sense. I will be specific of a situation in our Falcon Lake park and persons that have been granted septic fields at their cottage developments. They are now looking to repair this particular septic field and have been informed of a situation, being that the repair, which was estimated at \$2,500, is now, by order of your department, Mr. Minister, to be replaced so as to incorporate the new design and the new technology in septic field operation.

A \$2,500 repair bill is now, by your department's decree, that the cottage owner is looking at, and a \$25,000 full replacement. If the septic field was in operation, which his neighbours are operating under the original installation, and if those rules and regulations were satisfactory to the department at that time, I am leaning back to the common sense side of things.

Madam Chair, if the septic field is in operation in compliance with the rules and regulations afforded at the time of installation, why are we forcing one individual, effectively, to upgrade at significant cost when the existing development of all which the neighbours are still in operation are remaining under the old rules and regulations?

Mr. Struthers: I want to first of all say that I would enjoy getting the specifics of the case from the Member for Portage la Prairie. If he could pass it along to our department, I would like to follow up with that. In a general way I want to explain that a lot of things change over the years. In this particular instance at Falcon Lake, the capacity of the lake to absorb the activity that we have allowed to develop on that lake puts a huge amount of pressure on the quality of the water and of the environment around that area. I want this member to be assured that the constituent who he is going to bat for here today is not alone in this. As people look to upgrade, they will all be leaving the realm of septic fields into something that offers more protection for the water at Falcon Lake.

I understand what the member means by using common sense but I also understand that, as a Minister of Conservation, first and foremost I need to worry about the quality of the water at Falcon Lake, as any of the lakes within our province, especially within provincial parks. We have been serious about. We have built the water treatment facility out there to make sure that we have clean water.

I also want to point out that Falcon Lake is part of the system that supplies the city of Winnipeg with its drinking water. That is a huge portion of our Manitoba population that depends on us in our department to make the right decisions in terms of water quality. I want the member to know that this has to do with the sensitivity of that particular lake and that we are obliged, I believe, to make decisions that are good for the community out there and to make sure that we protect that valuable resource. We need to be concerned about nutrient levels and I am informed that they are close to the threshold levels that we deal with, so that we cannot make decisions that compound that problem. That would not make common sense either. As I said, the overall goal is to protect the quality of that lake so that it is there for more people to enjoy further off into the future.

*(16:50)

Mr. Faurschou: Madam Chairperson, I know the time is limited and I will take the minister up on his offer to discuss this further. I do appreciate what he is saying, as it is all of our responsibility to safeguard the environment and to do what we can. However, we do want to balance that with common sense as we described Provincial Road 430.

Madam Chair, I want to ask the minister the final area, because I believe that we want to move on to Water Stewardship yet today to provide the minister with opportunity to put down opening remarks, is the area of Sustainable Development Innovations Fund. Now, that is the fund that receives all proceeds from the environmental taxes that are identified on numerous products when one purchases them. I want to ask the minister: Are all of the proceeds from this tax clearly funnelled back into this particular fund, which has the mandate to run the recycling and other activities in the province?

Mr. Struthers: Yes. Any of the money that is collected from those levies is ultimately expended through that fund.

Mr. Faurschou: Can the minister assure me that the Finance Minister does not keep some in the Treasury and it is 100% flowthrough?

Mr. Struthers: As far as I know the Minister of Finance flows it into this Sustainable Development Innovations Fund.

Mr. Faurschou: Is the minister considering any other green taxes? I know the Minister of Finance did have that in his questionnaire that he employed when the public consultation process took place earlier this year. Is this motivated by the Minister of Conservation?

Mr. Struthers: We are not looking at environmental taxes, unless, of course, the member is referring to the odour control tax credit, which he mistakenly saw as an odour tax but it is not a tax. It is a credit and we are not looking at any other taxation.

Mr. Faurschou: In regard to the continued expansion of our recycling here in the province of Manitoba, is the minister aware of the information technology sector approaching the department for consideration as it pertains to recycling of hardware that is now obsolete, whether it be old disc drives, or printers, or fax machines, or others?

Mr. Struthers: I want to say that the minister, sorry the member, I was promoting the Member for Lakeside (Mr. Eichler) the other day too. The Member for Portage has put his finger on a field that is growing, growing in interest and, I think, growing in support from a number of different angles. We participated in a stakeholder committee that is made up of Government, our department, the industry and municipalities. We are looking at ways in which we can improve the collection of electronic materials that can be recycled. I have been the minister now for six months. I have been able, in that time, to attend one Canadian Council of Ministers of the Environment meeting and that was one of the discussions that took place with us, the federal Minister Anderson and all of the ministers involved, to talk about a broader approach than just a provincial one. I thought those meetings went very well.

We also ran a pilot project in which depots were set up to collect electronic materials for recycling and we thought that was a very successful pilot. So I would ask the Member for Portage la Prairie to stay tuned and stay interested, and his advice on this would be greatly appreciated.

Mr. Faursehou: I appreciate the minister's response. The recycling that does take place in my community is one that is exemplary in the industry and I would like to commend all those that have worked very hard to see that operation as we see it today.

One last question, Mr. Minister, and that is that there is a conference being held in Toronto. It is called Conference of the Reducers. It prominently advertised that Manitoba, the Government of Manitoba, is a sponsor of this meeting, and that there will be a number of featured speakers. My understanding of the conference is that it is one to, basically, put a little oomph back into the Kyoto accord movement within not only the province of Manitoba, but within the country of Canada, because Ottawa is partnering with Ontario as well as Manitoba, the City of Toronto and the David Suzuki Foundation. Those are the primary sponsors.

Madam Chair, I would like to ask the minister, very specifically, where in the line budget would something like this be accounted for. If he can be very specific, how much money are we sending to Toronto to basically do public relations in a public relations effort to promote this accord, which I

personally think should be supported, but also, though, we are doing our part as individuals already in Manitoba? I am wondering why we are sending money to Toronto to have this conference take place.

Mr. Struthers: I do not believe that our department is sending money to Toronto. My information is that you will not find that in the Estimates that I am presenting here today. My thinking is that in this province we have a lot of very good, positive examples of reducing and recycling and re-using.

* (17:00)

I would recommend to the member, for example, to arrange a tour out at the Brandon recycling depot. They have an excellent facility. They have very committed people working at that. When they built the facility they installed geothermal heating and cooling within the building. They understand, they grasp the whole big picture when it comes to the environment.

I would recommend the MLA for Portage la Prairie contact a company called Rocky Road Recycling out in the east end of Winnipeg that recycles huge chunks of cement. They have a simple little system that they use to crush up the cement and take the rebar and all of the metal out. Then they take that gravel and they crush it up and they use it for A base and C base and they put it back into the roads in this province.

So, Madam Chair, there are some very good examples in Manitoba, right across our province, of people working very hard and in a very innovative way to accomplish Kyoto targets; to accomplish all the goals that we know in recycling that are so important. So I do not need to go to Toronto to find out about good, positive approaches. I know in Manitoba there are a lot. I know that our department is involved with a lot of those worthwhile efforts. Thank you.

Mr. Faursehou: Well, Madam Chair, I appreciate the minister and he is looking after his own department. But it was prominently featured in the advertisements of this conference that the Government of Manitoba was a primary sponsor of it. I think that if we are looking to do this national effort to boost the Kyoto accord and some of the initiatives that I think other provinces are, or we will just leave it to the federal government. I know that Ontario is a sponsor,

but they are deriving immediate economic benefits from it because it is being hosted by Ontario. So I leave that question mark and I suggest that we could make better use of our dollars right here in perhaps promoting something here in our own province.

I will turn the mike to the honourable Member for River Heights (Mr. Gerrard). Just in closing though, I am concerned about the overall department and the mandate to which they are afforded, and seeing that the numbers of individuals are being reduced in the operations department and in the program department. When they took mandate over in 2000, the Conservation Department had 495 individuals; now they have 409. Perhaps the minister will say that some individuals were lost to another department with Water Stewardship, but Water Stewardship did not exist in 2001 and 2002 and yet departmental personnel were reduced from 495 to 436 to 425 in the program component of the department.

Yet, Madam Chair, the minister is responsible for the administration of the budget. Ultimately, the buck stops in your office, sir. You left on the table to head back to Treasury \$11 million in 2001. You left on the table \$8 million in 2002, and just last year \$6 million. We all know, if we just travel to our parks and in and about the area of Manitoba, there is significant need for improvements.

Madam Chair, our wayside park, the washroom burned down two years ago and it still has not been replaced. Yet there are significant dollars heading back to the Treasury. I would suggest that those budgeted dollars are requested with good intentions and there is need of these dollars to be expended within your department. I would look very much forward to seeing a greater expenditure of budgeted dollars in this department rather than the Minister of Finance (Mr. Selinger) looking to Conservation to pick up the slack when another department overspends.

I would suggest that our environment and the responsibility in Conservation needs those dollars just as much as any other department, and when they are budgeted for they should remain. I would suggest if the minister is so bold, he should go back to the Minister of Finance and say that he has this amount of money in reserve, and you can go ahead and make the purchase of an item which is near and dear to my

heart out in Portage la Prairie. I believe that the minister is well aware of what I speak.

Mr. Struthers: Those days when on the one hand you can say spend, spend, spend and the other hand you can say do to spend, do not spend, do not spend. I think though that I would rather be in the seat that I am and be able to inform the Member for Portage la Prairie that if he would look at Regional Operations 2000-2001, the total is \$39,840,000 increased all through the tenure of our term in government to the '04-05 estimates of \$42,747,000. Now my math is not the greatest in the world, Madam Chair, but that is an increase over the four years. Conservation programs, \$38,867,000, has increased to \$39,161,000.

I just want to say that the commitment on this minister's part matches the commitment made on the previous minister's part which is governed by our overall provincial government's commitment to the environment and to natural resources and to the programs that we put forward in Conservation.

The last thing I want to say on that is that the Member for Portage la Prairie should not leave on the record unchallenged his statement that individuals are being asked to leave when it is vacancies that we are trying to manage within the department.

Hon. Jon Gerrard (River Heights): I note in the Estimates as they relate to the Manitoba Sustainable Development Innovations Fund that the minister is still claiming responsibility for a lot of water legislation. I suspect that that may be a typo that the minister wants to make sure is corrected.

Madam Chair, my first question to the minister relates to protected areas, and I would ask the minister how many new protected areas he intends to establish this year.

Mr. Struthers: The Member for River Heights has put his finger on an area that this minister sees as a priority. We have made some strides over the last four years in terms of protected area. We intend to take that part of this department very seriously.

The member knows there are a number of different categories in terms of protected areas. We have entered into, for example, a memorandum of understanding with the federal government on the Lowlands National Park. There is a huge amount of work with chiefs and councils locally and with the

mayor and council at Grand Rapids that has to be done before we can actually cut the ribbon on that particular park, but that is something that is a priority for us. So we are going to work hard to make sure we are in a position to announce down the road.

* (17:10)

Madam Chairperson, we have established the Criddle/Vane Homestead Park out near Spruce Woods Provincial Park between Spruce Woods and Brandon, a provincial park, heritage park, which I am quite proud of. We have been moving in terms of some ecological reserves, Little George Island, for example, out in the middle of Lake Winnipeg, where a number of different bird species have their nesting grounds, which we have provided protection for.

We are working up in the Parkland area toward the Bell-Steep Rock canyons, an announcement there. What is very, I think, significant about some of these, you know, we are working on areas in the southeast part of the province too where we have brought in industry, we have brought in environmental groups, we have brought in First Nations of the area and have worked through to make sure that we protect significant characteristics of our province and balance that with the very real needs of the people who live and work in those areas.

In this Budget we have dedicated an extra \$100,000 toward this as a priority in the Department of Conservation, and we intend to keep adding to our family of protected areas. I am told that since 1989 protected areas have increased 350 000 hectares to 5.4 million hectares here in 2004. That represents about 8.4 percent of Manitoba's land that is now protected. So I invite the Member for River Heights to keep tuned and keep interested, and we will look for more.

Mr. Gerrard: Madam Chair, my second question is on The Sustainable Development Act. Is the Government in full compliance with the act at the moment?

Mr. Struthers: Madam Chairperson, we are in compliance. We have been very careful to make sure dates and time lines and those sort of things have been respected. I know this is an interest of the member because he has brought this up in the House on previous occasions.

To the best of my ability, I do not want him to bring it up in the House and catch me flat-footed, so

I am going to be working very hard to make sure that we comply with The Sustainable Development Act.

Mr. Gerrard: What are the minister's plans for the sustainable development round table?

Mr. Struthers: The Manitoba Round Table is at an interesting juncture in its history. It has got a very proud, very active past. It has brought forward a number of recommendations, a whole long list.

Madam Chair, I was quite impressed when I saw the complete list of projects that they have worked on, papers that they have produced, reports that they have submitted, reports that they have submitted to previous ministers. Things like the Lake Winnipeg Stewardship Board, which is always going to be of interest to members around this table, the water strategy steering committee there, the East Side Round Table which, with another member earlier this afternoon, we had a discussion about.

So the stage that we are at right now is taking the work that this round table has done and making sure that we as a government implement the advice that we have got from that round table. A number of the membership on the round table have lapsed, so what I as the minister am doing is consulting.

As a matter of fact, the last time I met with the Manitoba Round Table was to get some advice from the very people involved with this as to where they would see the Manitoba Round Table heading. So, I want to be very up front and open that it is at a point where some decisions need to be taken and I am open to advice from members around the table as well.

Mr. Gerrard: Madam Chairperson, my next question has to do with the heritage marshes for which the minister is responsible. How many are there and what are the minister's plans?

Mr. Struthers: I do not have available to me right now a list of all of the marshes. I will undertake to get that for the Member for River Heights. We have people dedicated within the Wildlife Branch that work on these marshes and I think of particular note is back in October of 2003, our Government re-committed itself to the five-year agreement with Oak Hammock Marsh, I believe a \$1 million agreement, \$200,000 in each of the five years that we signed on for that.

Also, Madam Chairperson, I think the member would notice within our Estimates this year under the Critical Heritage Marshes is \$120,000 that we have dedicated specifically to that file within my department. Anything more specific in terms of a list, I will endeavour to get for the member.

Mr. Gerrard: Madam Chair, just so that I can clarify what the minister's objective is with the heritage marshes, can the minister explain why they are under Conservation and not Water Stewardship, and what the minister's plans are in terms of the future of these marshes?

Mr. Struthers: Madam Chair, I think the Member for River Heights will understand this given his background. I believe marshes have been underestimated for many years throughout Manitoba. I do not think people understood enough about how valuable a marsh is to the ecosystem. A marsh is not just about water or just about birds, or animals or fish or just about everything that lives off them. It is an ecosystem itself, and I think that lends itself perfectly to an approach from Conservation as opposed to any other department.

I think it reflects best the real value of marshes. I want the member to know that I think I have a bit of an understanding of marshes and their importance, and that it is something that I want to make sure we highlight in the programs that we put forward as a department. I think that is reflected in the \$120,000 that is part of these Estimates here.

* (17:20)

Mr. Gerrard: My time is up. I am going to pass it over to the MLA for Pembina, but I would just comment that, in view of the minister's statements and the importance which I attribute to heritage marshes and which he seems to, I am surprised that he does not have at his fingertips that list of the heritage marshes and a clearer statement of what the goals are under his stewardship. Thank you.

Mr. Peter Dyck (Pembina): I just had a few questions of the minister. Just going back to 1995, and I want to give a little bit of history here, and this is specific to the Pembina Valley Park that was opened up. A constituent of mine, who is Henry Martens, approached me and, anyway, to make a long story short, we worked out an agreement where the park was the property that he owned was given to the Province, and the Province undertook the

operations of it. It was, I think, officially opened in the fall of 1999.

My question to you is, in my discussion with the people who are involved with the park, that they are concerned, I think that is putting it the right way, that the upkeep of the park is not there, that the resources are not being given to the people involved with it so that they continue to maintain this park in a substantial way. I am just wondering if the minister has heard anything or if the department is working at it or what the long range plan is. It is a beautiful park, and certainly we want to see it sustained.

Mr. Struthers: We will follow up for sure on what the member has brought forward. I have not received complaints along the nature that he has brought forward and I think maybe one of the reasons why we have not is that the park was built in the first place to be user friendly and as low-maintenance as we could have it. We have not received a number of calls on that park in particular, but we will definitely follow up on what the member has brought forward. Generally speaking, upkeep of our parks, I think, is something that is important and Manitobans expect us to be keeping abreast of, so we will follow up with what the member has brought forward.

Mr. Dyck: I appreciate those comments.

I think, again, because it is low maintenance, maybe what can happen is we sort of put it to the side and forget. Again, if you could look into it I would appreciate that. Again, it is not that it is major issues, however, I do think, though, that as in anything it has to be maintained in a proper fashion so that it can be used by the public. That is what it was designed to do. I appreciate that comment.

The other question that I have, and, of course, this is my favourite one every year of every minister, but the Pembina Dam. It has been, several times along the road starting in 1965, I think, where it was looked at. I still maintain that that would be the way to go even to alleviate some of the flooding problems that we have like the 1997 flood. It added to and contributed to about a foot of water on the Z-dike at the north end here, so my position has always been one of water retention. I know any of the tributaries, if we could retain some of the water, that would be the best way to go. If this dam were put in place it would give something like 400 000 acre-feet of water for irrigation purposes and also for domestic uses, so I think it is a tremendous opportunity. We

are going to be spending millions of dollars in developing a way to move the water from the south to the north faster. I would like us to see us retain some of that water.

Mr. Struthers: First of all, I commend the Member for Pembina on his determination and his stick-to-it-iveness on this issue. I am recommending that he continue to persevere and speak with the minister in charge of water stewardship and I am sure he will have a fair hearing, and I want him to know that there are some real benefits to water retention and slowing down that flow and being able to use it along the water system, so I wish him well in his endeavour.

Madam Chairperson: Resolution 12.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,461,300 for Conservation, Support Services, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 12.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$42,773,900 for Conservation, Regional Operations, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 12.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$39,161,800 for Conservation, Conservation Programs, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 12.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,964,000 for Conservation, Environmental Stewardship, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 12.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,145,900 for Conservation, International Institute for Sustainable Development, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 12.7: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,224,900 for Conservation, Minor Capital Projects, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 12.8: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,905,200 for Conservation, Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

The last item to be considered for the Estimates of the Department of Conservation is item 1.(a) Minister's Salary \$29,400, contained in Resolution 12.1.

At this point we request that the minister's staff leave the table for the consideration of this item.

Mr. Faurshou: At this juncture in time, I just want to emphasize once again to the minister that I would like him to stand his ground, so to speak, in regard to the budget that we have prepared to pass, that the monies that have been budgeted are expended for the best interests of all Manitobans in his department.

Madam Chairperson: Resolution 12.1. RESOLVED that there be granted to Her Majesty a sum not exceeding \$6,871,500 for Conservation, Administration and Finance, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

This concludes the Estimates of the Department of Conservation. The next department for consideration is Water Stewardship. What is the will of the committee? Committee rise?

The hour being 5:30 p.m., committee rise.

FINANCE

*(15:00)

Mr. Chairperson (Conrad Santos): Will the Committee of Supply come to order, please. This section of Committee of Supply will be dealing with the Estimates of the Department of Finance. Would the minister's staff please enter the Chamber.

We are on page 83 of the Estimates book. Ready for questions.

Mr. John Loewen (Fort Whyte): I give the minister the opportunity to introduce his staff as they have not been with us before.

Mr. Chairperson: May the minister please introduce his staff.

Hon. Greg Selinger (Minister of Finance): I have with me the Secretary of the Treasury Board, Tannis Mindell; the Associate Secretary, David Woodbury; Executive Director, Bruce Gray; and the Director of the Labour Relations Secretariat, Gerry Irving.

Mr. Chairperson: We are on page 83 of the Estimates book.

Mr. Loewen: Well, with regard to sub-appropriation 7.7, could the minister describe the activities that are undertaken by Mr. Lloyd Schreyer.

Mr. Selinger: Mr. Chair, he is the secretary to the Compensation Committee of Cabinet.

Mr. Loewen: Could I ask the minister to expand on that a little bit and give me some more information on exactly what he is responsible for?

Mr. Selinger: The role of the secretary to the Compensation Committee of Cabinet is to be aware of and monitor collective bargaining and labour relations matters in the public sector and to provide advice and assistance to the committee on such matters.

Mr. Loewen: I believe Mr. Schreyer is operating under contract to the Province of Manitoba. Would the minister table that contract?

Mr. Selinger: We have a copy of the contract, but before I table it, I would have to make sure it is FIPPA compliant. So it will take a little time to ensure that it meets the FIPPA requirements before I release it to you.

Mr. Loewen: I would appreciate it if the minister would look into that as quickly as possible and get that contract to us.

With regard to Jean-Guy Bourgeois, can the minister indicate his responsibilities?

Mr. Selinger: Mr. Bourgeois provides policy advice and liaison on Treasury Board and financial matters across government.

Mr. Loewen: Was Mr. Bourgeois a direct appointment, or was there competition for that position?

Mr. Selinger: Mr. Chair, the employment status of Mr. Bourgeois is in transition at the moment, but I do anticipate he will be a direct appointment.

Mr. Loewen: Can the minister indicate whether that will be a direct appointment into a civil service position?

Mr. Selinger: It will be a technical appointment under an Order-in-Council.

Mr. Loewen: Can the minister indicate whether there are any other individuals operating under contract in this sub-appropriation?

Mr. Selinger: There is one other employee in the Labour Relations area who is operating under a contract, and that is Mr. Rick Stevenson.

Mr. Loewen: Can I ask the minister to table that contract as well, please?

Mr. Selinger: I will take that under advisement and make sure it is FIPPA-proof before I table it and see what we can do.

Mr. Loewen: Are these three individuals that we have discussed, Mr. Schreyer, Mr. Bourgeois and Mr. Stevenson, included in the staff complement that is in the Estimates book?

Mr. Selinger: Yes.

Mr. Loewen: Just a clarification: All three, to the full extent of their salaries and contracts?

Mr. Selinger: Can the member just clarify what he is asking? Are you asking are they at the top of their range or what are you asking?

Mr. Loewen: No, I am simply asking if all three have been included in the Estimates of Expenditures in terms of the full-time complements and if their total contracts and salaries have been included in the dollars associated with it?

Mr. Selinger: Yes.

Mr. Loewen: Can the minister indicate if there are any other vacancies in this department?

Mr. Selinger: There are four vacant FTEs at the moment.

Mr. Loewen: Is that four additional vacancies to the four that are already deducted from this department?

Mr. Selinger: These are four additional vacancies in addition to the four that have been removed.

Mrs. Bonnie Mitchelson (River East): If I am not mistaken, Mr. Chair, when we were looking at the detailed Estimates in the Department of Health, and we saw some positions under contract, like the deputy minister and a couple of other positions in the Department of Health that are under contract and they are contract positions from the Winnipeg Regional Health Authority, they were displayed differently from what I am seeing here. It was under, I believe if I am not mistaken, Other Expenditures, Contracts. I do not see in the Treasury Board Secretariat's sub-appropriation on page 93 the same display. Can the minister indicate to me where Lloyd Schreyer's FTE would be located in the detailed Estimates?

Mr. Selinger: Mr. Chair, that would be under the Professional/Technical line there.

Mrs. Mitchelson: So one of the 39 FTEs would be. Can I ask then if in fact his FTE is included in there? When we look at the Public Accounts book, we do not see a salary for Lloyd Schreyer.

Mr. Selinger: In last year's circumstances, which would have been in Public Accounts, he was on secondment from the University of Manitoba at that time.

Mrs. Mitchelson: So the minister is indicating now that that has changed. He is no longer on secondment; he is a full-time employee of the Province of Manitoba. Could the minister then indicate what his salary is?

Mr. Selinger: We usually respond to those questions by giving the salary range for the person in question. In this case it is from \$124,348 to \$139,606, and that includes 9 percent of lieu of benefits and pension.

* (15:10)

Mr. Loewen: I would just ask the minister for clarification because I understood him to say a few minutes ago that Mr. Schreyer was under contract to the Province of Manitoba, and now I believe he has indicated that he is a member of the civil service. Could we just get a clarification?

Mr. Selinger: Just to reconfirm he is a contract employee, but he occupies an FTE as indicated in my previous answers.

Mr. Loewen: Can the minister indicate when the decision was taken to exclude the \$74.8 million worth of expenses from last year's financial statement?

Mr. Selinger: The quarterly report was issued on March 26, and the decision was taken just prior to that.

Mr. Loewen: Can the minister indicate how much money was spent on the BSE crisis and the forest fire situation over and above last year's Budget?

Mr. Chairperson: Does the member want the last comment to be on the record?

Mr. Loewen: "And how much was budgeted for" was the end of the comment.

Mr. Chairperson: How much was it budgeted for?

Mr. Selinger: Mr. Chair, the amount budgeted for was \$25 million, which last year was \$5 million up from the year prior to that, and it is the same amount we have budgeted for this year. Based on third-quarter estimates, these are not the final numbers yet. Emergency expenditures are expected to exceed the Budget of \$25 million by \$74.8 million, including \$46 million related to the BSE compensation, \$27 million related to fire suppression, and \$1 million related to other disaster financial assistance requirements.

Mr. Loewen: Can the minister indicate how much has been taken from the Fiscal Stabilization Fund to deal with those issues?

Mr. Selinger: The global projected transfer for '03-04 is \$137.942 million net after allowing for the year-end surplus of \$4.758 million.

Mr. Loewen: Just to clarify, I was asking how much money is going to be taken from the Fiscal Stabilization Fund to deal with BSE and forest fires.

Mr. Selinger: The only thing I can do is repeat my last answer for the member. We have, on a global basis, transferred 137.9 million. As per provisions in the balanced budget legislation, this 74.8 million was allowed to be written off due to the extraordinary circumstances that we faced last year. The 25 million was the highest base amount in the Budget that we have had in several years.

Mr. Loewen: Is the minister saying that the cost of the BSE support and forest fires was a total of those two numbers he just gave then, at roughly a hundred million?

Could the minister indicate how much was spent on forest fires and how much was spent on BSE?

Mr. Selinger: In addition to the base amount of 25 million for all disaster relief, we spent \$46 million related to BSE; \$27 million additional related to fire suppression; and \$1 million related to other, for a total of \$74.8 million.

Mr. Loewen: So the minister is indicating that the 74.8 million as indicated in the third-quarter report for forest fire and BSE is the amount that is not being expended results from the amounts he has just read into the record, the 46 million and the 1 million?

Mr. Selinger: Mr. Chair, I am not exactly clear what the member is asking. I am saying the 74.8 million was not included in determining whether there is a positive or negative balance for a fiscal year related to an expenditure required in the fiscal year as a result of natural or other disasters in Manitoba that could not have been anticipated and affects the province or a region of the province in a manner that is of urgent public concern. And that is really following the legislation section 3(2) of the balanced budget legislation. I am quoting just about verbatim from the legislation.

Mr. Loewen: I am aware of the legislation and appreciate the fact that for the first time in history this minister has chosen to use it. What I am trying to understand, he has indicated that there is extra monies required for these emergencies. He has chosen to recognize that there are 74.8 million that he is not recognizing in the financial statements. What I am wondering is if there is any more money taken out of the Fiscal Stabilization Fund over and above the 75 million that he has not recognized.

Mr. Selinger: The expenditure we have made on disasters is the 25 million in the base budget plus the 74.8 million that I have broken down as 46 million for BSE, 27 million for fire suppression and 1 million for other. That is the third-quarter estimate of what disasters are going to cost in this province this year.

* (15:20)

Mr. Loewen: So the minister is saying there are no other funds taken from the Fiscal Stabilization Fund to deal with any of these three issues.

Mr. Selinger: I have given the member my answer what the cost is and where the money is being sourced from.

Mr. Loewen: Well, I am just trying to put the pieces of the puzzle together, because, Mr. Chairperson, this Finance Minister, I think, has to account for where the money has come from and where it has gone.

In Estimates in the fall, he indicated, and I quote directly from Hansard, "We have taken additional money from the Fiscal Stabilization Fund to address that concern in addition to the \$48 million budgeted for." And that concern, just for clarification, was for BSE. So the minister said in the fall he would take an additional \$48 million out of the Fiscal Stabilization Fund; now he is saying that he has also included \$46 million that he did not account for. I would just like him to properly account to the people of Manitoba for the source and application of these funds.

Mr. Selinger: The member quotes the plans of the Government early on in the year, but subsequent to that information being provided, there was a significant downward adjustment in equalization in the third quarter from the federal government. The extent of the total cost of disasters grew to the tune of \$74.8 million in excess of the \$25 million in the base budget.

So, to reiterate, the money, to date, sourced for emergency expenditures is \$25 million in the base budget, plus the \$74.8 million, as I have indicated, broken down here, that have been excluded for the purposes of balancing the Budget as per section 3.2 in the legislation.

Mr. Loewen: So what the minister is saying is that he was perfectly prepared, as he was in the fall, to

dip into the Fiscal Stabilization Fund to cover these emergency expenditures until he got the bad news from the federal government that transfer payments were going to be down.

Mr. Selinger: The transfer payment reduction was a very significant factor bearing on our third-quarter announcement about how we were going to pay for the disaster costs this year.

Mr. Loewen: Well, the minister is, then, admitting that, really, he had intended to pay for the disasters out of the rainy day fund, which is the intent of the rainy day fund, and then he found out late in the year that he was not going to get as much money from the federal government as he had hoped for, and so he decided, at that point, that was the reason to exclude these expenses from the operating statement so that he could declare, and I use that word liberally, a budget.

Mr. Selinger: Mr. Chair, the member will also know that there was an exercise in end-of-year expenditure management, as well, that unfolded, really, from late summer forward, once we realized that the disaster costs were going to be quite extraordinary, prior to hearing about the downward adjustment in equalization. There were ongoing efforts to manage total expenditure to create room, in effect, for additional disaster-related costs that had not been anticipated in the Budget and were significantly above ongoing averages in relatively normal years, so there were a number of measures that were taken to manage the total expenditure envelope while recognizing that these disaster costs were real and necessary.

Mr. Loewen: When referring to this process, I assume the minister is referring to the process that saw the actual expenditures in his own department go from \$42.8 million in 2002 to what looks like \$48.2 million in 2004, so he has managed to increase expenses only \$6 million because of the excellent work he has put forward at cost reduction. Is that what he is asking Manitobans to believe?

Mr. Selinger: We are just going to check those numbers for the member to identify the source of any changes, year over year.

An Honourable Member: Page 127.

Mr. Selinger: Page 127? I thought that is what you were doing.

I have a more detailed breakout for the member. I think this really relates back to an earlier question about why he asked, there is an increase in this line as well. I have a note on that now: \$3.27 million relates to the general salary increases due to the contractual settlements and this includes \$311,000 for employee benefits.

Another \$3.2 million is with respect to interest and amortization costs related to capital assets for the Residential Tenancies Branch re-engineering project and the integrated taxation system, the integrated taxation system being the largest part of that, and a reduction in desktop of \$486,000. So the re-engineering project went up \$106,000, the integrated taxation went up \$3.58 million and desktop went down \$486,000.

Of \$1.43 million, Mr. Chairperson, relates to new initiatives, expanded services in the French Language Services Secretariat of which of that \$1.4 million, \$491,000 is for French Language Services, a claim and adviser office which is a new bill in front of the Legislature to provide advisory and advocacy support for people with a concern under the Automobile Injury Compensation Appeal Commission, \$465,000; and the Automobile Injury Compensation Appeal Commission itself which has seen an escalation in demand and caseload requiring some more resources for \$476,000. I spent some time with the member from Portage la Prairie going over the detail of that, the member might recall. I think it was the last meeting.

Then there was a net decrease of \$514,000 due to rationalization of departmental expenditures. So, Mr. Chairperson, you have some expanded services here in the Automobile Injury Compensation Appeal Commission, the claim and adviser office, which is a new support to citizens of Manitoba; some costs in French Language Services, many of them relating to agreements between New Brunswick, Québec and the region of Bas-Rhin in France; and then capital costs, amortization and interest costs related to new services in taxation and rent review; and, then, salary increases. So that is the explanation for the rise in costs within the department.

* (15:30)

Mr. Loewen: Well, thanks. Mr. Chair, I will leave the justification of the \$7.4 million up to the minister and his Premier (Mr. Doer) and his Cabinet. Again,

my point being, at a time when the minister has repeatedly said before this House and other places that he is going through a cost-containment exercise, once again he has just indicated that he is unwilling to do so himself.

Can the minister give me an approximate cost, total cost of the services of the three employees, Lloyd Schreyer, Jean-Guy Bourgeois and Rick Stevenson? I am not looking at an exact number. I just have to have a ballpark figure of the costs associated with those three individuals.

Mr. Selinger: We are doing some estimates. We will get a ballpark number for the member.

Mr. Loewen: Thanks. I would appreciate getting that as soon as possible.

Can the minister indicate who in Treasury Board—and what was the logic behind the doubling of the water rental rates which took place in 2001?

Mr. Selinger: Mr. Chair, I am not sure that is an appropriate question. Those are decisions that are made by Lieutenant-Governor or council or Cabinet. We have the principle of ministerial responsibility for decisions made and Cabinet responsibility for government-wide decisions.

Mr. Loewen: Well, can the minister indicate how much money he expects to receive in 2003-2004 from Manitoba Hydro with regard to water rental rate?

Mr. Selinger: Just while we dig up that number, the member on a previous occasion asked for the general salary increases. I just want to read them into the record, if I could, while we are getting that number.

In 2001, March 24, it was a 2.3% salary increase; and March 23, 2002, it was a 2.3% salary increase; and March 22, 2003, it was a 3% salary increase; and March 20, 2004, it was a 3% salary increase.

On page B9, Mr. Chair, the water power rentals this year are pegged at about \$100 million, B9 in the budget papers. That compares to last year's forecast of \$75 million actual and it compares to the budget amount last year of \$93.8 million which was what was budgeted for, but because of the dry year, we actually underperformed relative to our budget forecast by about \$18 million, \$19 million.

So, really, they are forecasting a return, more or less, to what they consider to be normal.

Mr. Loewen: I thank the minister for that. The reason for the question is, I have the last update from Manitoba Hydro that projects in 2003-2004 that they will pay \$92 million in water rental rates to the Province of Manitoba. This was updated, according to the sheet I have got, January 15, 2004. So by then they surely knew what the situation was in terms of their own ability to generate power and flow water.

Mr. Chair, can the minister give me, are there any indications as to why there would be such a large discrepancy between Hydro's forecasts and the third-quarter estimate. If he cannot do that, can he at least assure me that the number that we see in terms of the third-quarter estimate he is comfortable will be accurate?

Mr. Selinger: My officials inform me they think the \$75 million will be accurate. They see no reason why that will have a dramatic change at this stage of the game, but we will report on it in the fourth quarter what the actual is, but that is the best information we have right now. I cannot think of any reason why I would want to under-report revenue.

Mr. Loewen: I cannot think of any reason the minister would want to under-report revenue either, other than, you know, the cynic in me might say that he is trying to hide something to make the picture look good when he makes his announcement when he releases his year-end, but we will leave that until we see the numbers. I am just looking for assurance that he is comfortable with the numbers that are in the Budget, even though they were some \$20 million off the estimate given by Hydro on January 15.

With the reduction in interest rates, and given that in 2001 the Province decided arbitrarily to increase substantially the provincial guarantee fee, I would ask the minister if he is contemplating reducing the provincial guarantee fee as a result of a continued lowering of interest rates.

Mr. Selinger: I do not believe there are any plans to do that. I mean, the guarantee is on the total debt of the corporation, not on the specific short-term interest rates. It allows the borrowing for Manitoba Hydro to proceed at a lower rate, so it does not really matter what the interest rate is, because the guarantee

allows Manitoba Hydro, through our Treasury operation in Finance, to access capital at a cheaper rate, regardless of what is the current interest rate.

It would always be some basis points higher if they were borrowing on their own. So the guarantee fee really is recognition that with the guarantee of the Province of Manitoba, their access to capital is cheaper under any given scenario.

Mr. Loewen: Can the minister assure us, I mean, one premise would be as interest rates fall and Hydro certainly would be able to go out and borrow money at a lesser rate, and presumably the spread would be reduced as well. I just want to make absolutely sure that in fact—this is an arbitrary number set by the Province. Is the minister willing to give us total assurance today that the spread, the cost to Hydro of what is estimated at \$61 million for '03-04, is less than what Hydro would have had to pay if they had gone to the market?

Mr. Selinger: I have just asked my Deputy Minister of Finance to come down here, because this really is not the Treasury Board that does the analysis of this. This is on the Finance side. Usually I think the member's assertions would be correct, that it would be more cost-effective to do it through us, including the cost of the guarantee fee than to go to the market themselves. It is not just short term; it is long term as well that they get that benefit.

Mr. Loewen: I appreciate that. Mr. Chair, my only concern is that from 1996 until 2004, the cost to Manitoba Hydro has increased by some \$36 million for doing that. Given rates these days, that is a very, very high cost. The minister indicated himself that for the over \$6 billion that the Province of Manitoba is indebted for, a one-point raise is only worth \$17 million or \$18 million.

So here we are talking about the close to a 2% premium that he is claiming Hydro would have to pay in the open market. Is he willing to stand by that number?

* (15:40)

Mr. Selinger: I am just going to wait for my Deputy Minister of Finance to enter the room. But, when the guarantee fee was set, it was done on a market basis. The member indicates that it was arbitrary. I do not believe that is the case. It is not arbitrary; you should

be corrected on that. The officials in Finance do it on an analytical basis, they do not just pick the number out of thin air.

I just want to introduce Pat Gannon, the Deputy Minister of Finance. He is entering the room. I will just get a little advice from him on how they set the rate and give you some information.

My Deputy Minister of Finance assures me that he believes from his analysis, and he does this in consultation with the Treasury Division, that the guarantee fee still beats a market test of borrowing in the alternative without the guarantee through the Government. He still thinks it is on his analysis with the Treasury Division a more cost-effective way to borrow money.

Mr. Loewen: Would the minister be willing to table that analysis, please?

Mr. Selinger: I will take the specifics of that under advisement. But there is another dimension that suggests that we should use a market test on that, that when we have access to our customers in the United States, we want to avoid the charge that there are indirect subsidies for that product through highly favourable interest rates. So they try to follow a market test for a variety of reasons in the way they structure the guarantee fee.

Mr. Loewen: Just to refer back to a previous point, and I will trust the minister will get back to me on that information. Just for clarification the rate is set arbitrarily by the Province of Manitoba. There may be work behind the case that the minister is satisfied with, but it is not like Hydro has room to negotiate. That rate is set by the Province of Manitoba.

On Friday, the minister indicated that when the staff from Treasury Board was here he would be able to give me a little more information on some of the revenue estimates, particularly the Escheats to the Crown, and the revenue from the Sale of Government Assets. Does he have that information now?

Mr. Selinger: I just want to make sure that we do not use that word "arbitrarily", arbitrarily. The word is they set a rate based on a market test for what the alternative cost of capital would be and they believe it meets that market test when they set the guarantee fee. Mr. Chair, that is not arbitrary, that is analyzed by our officials.

I think the first question the member is asking me to come back to him on was the amount the Sale of Government Assets is projected to generate this year. It is on page 9 of the Revenue Estimates, 4.4 million.

Mr. Loewen: Mr. Chair, I had that on Friday. We were discussing whether Hecla Island was included in that. The minister indicated that he needed his Treasury Board staff at the table to answer the question.

Mr. Selinger: No. Hecla Island is not included in that number.

Mr. Loewen: Could the minister indicate what is included in that number, if there are any specific assets?

Mr. Selinger: When a transaction occurs we will report it, but we are trying not to put information on the record which might prejudice the outcome of any negotiations that are currently going on in the marketplace.

Mr. Loewen: Well, I am not asking the minister to give me a price. I am just asking him to indicate which assets. I mean, if something is for sale, it is for sale. The price is to be negotiated. I do not think he gives away any confidentiality by indicating which particular assets are for sale. If he is in negotiation, he is in negotiation. Maybe it would in fact increase the price because it might spur somebody else to enter the negotiation and up the price. So it would probably be in his best interest to make this as public as possible.

Mr. Selinger: It is a little awkward. I take the member's point. I have thought of it myself. The one asset that is publicly listed on the market as being for sale by the Government of Manitoba is 599 Empress.

Mr. Loewen: If the minister could confirm, is that the Lotteries building? Is that 599 Empress? Is that the Lotteries building or is that the old Health building?

Mr. Selinger: It is the old Manitoba Health Services Commission building.

Mr. Loewen: Well, it is disconcerting that the minister will not share that information with the public. It, I guess, leaves again one to conclude that

it is not really a planned process. The minister is just determined to raise some revenue to give the appearance of balancing his Budget once again and he is going to, you know, select whatever he can sell and hopefully raise \$4.5 million.

Just for clarification, the minister is indicating that other than that one property at 599 Empress, no decision has been made on which assets are going to be put up for sale by the Crown? He is just expecting to receive \$4.4 million, which is roughly \$4.25 million more than he is estimating for '03-04. It is a significant number. I think the public deserves to know what is behind it, what the process is and what the expectations are.

Mr. Selinger: Mr. Chair, I indicated 599 Empress because it is in the public domain. There are some other properties that are working their way through the system. As soon as they become publicly listed I am happy to report them to the member.

* (15:50)

Mr. Loewen: So what the minister is saying then is that he does have a list, and he does have an expected value that he will receive for each of those assets, and he believes that it is realistic to expect that they will arrive somewhere close to \$4.5 million.

Mr. Selinger: Yes, there is a list of proposed properties recommended to us as not being required for government purposes and that information comes to us from the Department of Government Services who look after those assets.

Mr. Loewen: Will it be that department that has put a price on them as well?

Mr. Selinger: Yes. Mr. Chair, they usually get the appropriate market value appraisals and they price them accordingly.

Mr. Loewen: In regard to the other revenue under Justice, item (d) Escheats to the Crown going to \$21.4 million, I believe the minister thought he, with the assistance of his Treasury Board staff, would be able to give me more detail as to that behind the increase in \$10 million projected there.

Mr. Selinger: Normally the detail that would be available through the Justice estimates, but just to give an indication, there is about a \$10-million

increase here and that \$10 million is composed mostly of the Justice service fee, as well as some increases to fines for speeding in excess of 20 kilometres an hour, seatbelt offences and default conviction penalties. Mr. Chair, those would be the main elements of about \$8 million in the explanation of the increase. A million relates to what they call other and the detail of that would be available in Justice increases to fines, fees and recovery of other costs, and about \$1.24 million is related to photo radar and the costs of servicing them through the courts.

Mr. Loewen: Could the minister indicate how much the Justice service fee is in that total?

Mr. Selinger: The Justice service fee, we have an increase of about \$6.3 million here.

Mr. Loewen: With regard to Crown corporation revenue, Mr. Chair, and I am on page 9, the Crown corporations, Manitoba Liquor Control Commission, it is estimated that revenue will go up roughly \$14 million. Can the minister indicate whether that is all expected to come from price hikes or whether there are volume increases as well?

Mr. Selinger: The member will see on page B9 that the estimate last year was 173.3 million. The forecast is 175 million. This year's estimate is \$187 million. We think about \$10 million of that will come through rate adjustments, mark-up adjustments, and the rest through growth in volume.

Mrs. Mitchelson: Can I just ask the minister when do the price increases kick in. I believe it is July 1 or sooner. I think an announcement was made.

Mr. Selinger: I will have to get the specifics on that for the member. I do not have them in front of me, and my staff does not have them.

Mrs. Mitchelson: The minister has indicated that they want an additional \$10 million from liquor revenue, and that would be a partial year. They are asking for \$10 million this year and an incremental \$10 million every year subsequently?

Mr. Selinger: The projection is for an additional \$10 million this year. I cannot project beyond that. We have not prepared the Budget for subsequent years. As the member knows, a lot of variables go into the estimates for liquor consumption, including the weather.

Mr. Loewen: The Fiscal Stabilization Act suggests a minimum level of that fund at roughly 5 percent of expenditures, which would take it to about roughly a little over \$350 million. We are down to a little over \$100 million at the end of this year. Can the minister indicate when it could be expected that that fund will reach its suggested level of \$350 million?

Mr. Selinger: As I understand it, that is a target number, it is not a required number. In subsequent budgets we will indicate what direction we will take with the Fiscal Stabilization Fund. I can just report to him what we have in it for this year, which is tabled in the Estimates.

Mr. Loewen: How much is that?

Mr. Selinger: The member will see on page B15 the fund balance for '04-05 is \$106 million. That is the estimate for the year.

Mr. Loewen: Does the minister have any updated information that he could table with us regarding three issues: the individual income tax; corporate income tax; or transfer payments with regard to this year? Is there any new information that has come to light?

Mr. Selinger: Just a clarification, is the member asking for '03-04 or '04-05?

Mr. Loewen: Yes, '04-05.

Mr. Selinger: No change for Budget at this stage of the game.

* (16:00)

Mr. Loewen: Well, Mr. Chair, subject to receiving the information that the minister has promised, I will take him at his word for that, and hopefully we will get that information sooner than later. I am prepared to pass all of the Estimates on a global basis with the exception of, I believe, 7.1.(a) Minister's Salary.

Mr. Chairperson: Resolution 7.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,686,500 for Finance, Treasury, \$1,686,500 for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 7.3: RESOLVED that there be granted to Her Majesty a sum not exceeding

\$6,420,300 for Finance, Comptroller, \$6,420,300 for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 7.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$15,329,400 for Finance, Taxation, \$15,329,400 for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 7.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,620,700 for Finance, Federal-Provincial Relations and Research, \$2,620,700 for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 7.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$385,400 for Finance, Insurance and Risk Management, \$385,400 for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 7.7: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,296,000 for Finance, Treasury Board Secretariat, \$5,296,000 for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 7.8: RESOLVED that there be granted to Her Majesty a sum not exceeding \$10,232,700 for Finance, Consumer and Corporate Affairs, \$10,232,700 for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 7.9: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,220,100 for Finance, Costs Related to Capital Costs, \$4,220,100 for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 7.10: RESOLVED that there be granted to Her Majesty a sum not exceeding \$49,733,200 for Finance, Net Tax Credit Payments, \$49,733,200 for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 7.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,996,100 for Finance, Administration and Finance, \$1,996,100 for the fiscal year ending the 31st day of March, 2005.

Mr. Loewen: As much as the members opposite may want to see this pass without comment, it will not be the case.

This Budget is obviously neither prudent nor sustainable, nor, in fact, will this minister be able to meet it. That has been the history of this minister and the history of this Government. We have seen last year that expenses were up \$450 million, \$151 million over budget.

We see that this is a government that has chosen to look for every possible loophole they could find in any piece of legislation regarding financial matters. We see in all indications we have heard from the responses during this Estimates process that expenditures are under forecast, revenues are over forecast. Certainly, the amounts that have been used to justify those increases in revenue are, in my view, overly optimistic.

It has become quite clear that the minister has simply put together a budget without much hope of sustaining it on the hope that the federal government will come to the table either during the election or after the election with substantially more funds in order to give the minister the leeway he is going to need to end up with a balanced budget.

I want to assure him we are going to be following the numbers very, very closely this year. I will not say I am looking forward to it, but I am quite sure that at the end of the year, once again the numbers that we are presented with in terms of the fourth-quarter estimates will be substantially different than the numbers we are seeing today in terms of this Budget. It will be interesting to see to what extent this minister will go in order to use all the loopholes at his avail in order to stand up and explain to Manitobans once again that he has either balanced a budget or whose fault it is that he has not been able to balance a budget.

Last year, there were certainly a number of factors in the economy and a number of emergency

expenditures which did play an important role in terms of the province, its economy, and its finances. For the minister, at the end of March, to indicate for the first time and to admit in the House in committee today that it was only a couple of days before March 24 that he took the decision to not count the \$75 million, it was obvious because he knew and understood full well that if he did count the \$75 million in expenses it would basically deplete the rainy day fund and he would not have any fall-back position this year if there was not an emergency.

On that basis, Mr. Chair, I am going to be moving that the Minister's Salary be reduced to \$75. The significance of \$75 is that we are going to leave him a salary of \$1 for every million that he failed to include in his calculations when projecting that he would actually balance this year's Budget.

So, Mr. Chair, based on that, I move that line 7.1.(a) Minister's Salary be reduced by \$28,325.

Mr. Chairperson: The item before the committee for consideration is the Minister's Salary in line 7.1.(a). We received a motion

THAT line 7.1. (a) Minister's Salary be reduced by \$28,325.

The motion is in order. Is the committee ready for the question?

Some Honourable Members: Question.

Mr. Chairperson: The question before this committee is whether or not to pass this motion, line 7.1.(a) Minister's Salary be reduced by \$28,325.

* (16:10)

Voice Vote

Mr. Chairperson: Those in favour of this motion, please say yea.

Some Honourable Members: Yea.

Mr. Chairperson: Those opposed to this motion, please say nay.

Some Honourable Members: Nay.

Mr. Chairperson: I think the Nays have it.

Formal Vote

Mr. Loewen: Recorded vote.

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

All sections in Chamber for formal vote.

Mr. Chairperson: In the section of the Committee of Supply meeting in the Chamber considering the Estimates of the Department of Finance, a motion was moved by the honourable Member for Fort Whyte (Mr. Loewen). The motion reads:

THAT line item 7.1.(a) Minister's Salary be reduced by \$28,325.

This motion was defeated on a voice vote. Subsequently, two members requested that a formal vote on this matter be taken.

The question before this committee is on the motion of the honourable Member for Fort Whyte (Mr. Loewen).

A COUNT-OUT VOTE was taken, the result being as follows: Yeas 21, Nays 31.

Mr. Chairperson: The motion is accordingly defeated.

* * *

Mr. Chairperson: This section of the Committee of Supply will now continue with the consideration of Resolution 7.1.

Resolution 7.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,996,100 for Finance, Administration and Finance, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

This concludes the Estimates for the Department of Finance. The next set of Estimates that will be considered by this section of the Committee of Supply is the Estimates for the Department of Justice.

Shall we recess briefly to allow the minister and the critic the opportunity to prepare for the

commencement of the next set of Estimates?
[Agreed]

The committee is accordingly recessed.

The committee recessed at 4:28 p.m.

The committee resumed at 4:32 p.m.

Ms. Marilyn Brick, Acting Chairperson, in the Chair

JUSTICE

The Acting Chairperson (Marilyn Brick): Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Justice.

Does the honourable Minister of Justice have an opening statement?

Hon. Gord Mackintosh (Minister of Justice and Attorney General): When we were elected to become the new administration in Manitoba in 1999, the new government faced a number of pressing challenges. We had in my view suffered neglect in many older neighbourhoods over the earlier decade, and I think one of the symptoms of that was an arson crisis that was very serious in the city of Winnipeg.

Mr. Chairperson in the Chair

We also had suffered through the nineties a new epidemic of auto theft and indeed an increase in auto theft of almost 300 percent in the course of the nineties. It posed serious challenges of public safety for a number of agencies, one of which, of course, was the Department of Justice. We had the rapid growth of street gangs in the nineties and then with the moves by the Hells Angels, particularly from the east. By October of '97, there was a higher profile for the challenge of criminal organizations.

We had witnessed challenges around the area of victimization of children. We learned, I think, as Manitobans and as critics at the time a lot from the decision in Bauder, one of Manitoba's early conditional sentences. We had a dire need for action in the area of Aboriginal justice. The new government also saw a need to regain Manitoba's earlier prominence in the battle against impaired

driving, and, as well, to begin to develop stronger initiatives in the area of crime prevention generally.

Victim compensation benefits had in the late nineties been slashed or cut. We did have, of course, a disproportionately high violent crime rate throughout most of that decade. On coming into office, there had to be different approaches to crime, and so began an aggressive criminal justice reform strategy.

The new government talked about the need to be both tough on crime but also tough on the causes of crime. We developed initiatives based on this balanced approach so that there was both meaningful offender accountability taken into consideration, but also much more than simply what I call 9-11 justice, or responding to crime after there has been a victimization.

Mr. Chairperson, over the first mandate my office, working with the Government as a whole and working with many partners, not the least of which is Manitoba Public Insurance, on some initiatives, but most notably law enforcement agencies and community organizations, we embraced five elements: first, back-to-enforcement basics; second, a new development of provincial law; third, partnerships for prevention; fourth, victim-centred justice; and fifth, Aboriginal and community justice.

Just to go through these one at a time, Mr. Chair. With regard to back-to-enforcement basics, we as a government had to face the pressing challenge of arson and auto theft. With regard to the first, we partnered with the City to create the Winnipeg Arson Strike Force. That involved not just the Justice Department, but notably the Office of Fire Commissioner, through the Department of Labour.

On the second challenge, Mr. Chair, new auto theft legislation was introduced into the Legislature and supported, as I recall, by all members. We also introduced a multi-pronged effort in partnership with MPI, police and community organizations focused on prevention.

In the first budget of the new administration, Mr. Chair, funding to police rose significantly, indeed, I think, to historic levels. This funding to the RCMP helped that highly respected force to attain full complement in rural and northern Manitoba for the first time in many, many years. It was also in that

first budget that we approved the funding of what is now an international, award-winning RCMP Gang Awareness Unit.

More recently, Mr. Chairperson, we played a role bringing together the partners providing some funding so that the RCMP, Winnipeg and Brandon Police Services could launch Manitoba's first integrated, organized crime task force for an intelligence-led joint police offensive. This is now operational, I am advised. I just will add that with regard to the issue of law enforcement, we are committed to adding more police officers. The preparatory work on that has begun.

* (16:40)

In the first mandate, Mr. Chairperson, we also established the 32-person Criminal Organization and High Risk Offender Unit to better co-ordinate the efforts of the different divisions within the Justice Department and to bridge Justice Department activities with those of law enforcement and federal corrections.

Very quickly, following being sworn into office, we ordered an independent review of the prosecution service and have now followed that up with a 67% increase to their resources. We established a 10-person prosecution team to deal specifically with criminal organizations, which is, as we all recognize, a very difficult challenge. We are committed to hiring more prosecutors and, indeed, in this current budget year, a new prosecution position is added.

We as a Province have been providing some leadership in pursuing changes to the federal Criminal Code, particularly in the areas of protection for children and women and for police. Manitoba, particularly along with Alberta, has been leading an effort to restrict the availability of conditional sentences in cases of serious violent crimes.

The efforts to reduce violence against women and gang activities in our neighbourhoods have, in no small way, led to Manitoba now being one of the toughest provinces in Canada in which to get bail for violent offences. We have the second highest adult incarceration rate behind Saskatchewan, and, far more than any other province, those we jail are violent offenders. Now this may be a measure of success to some; in my view, it is also seen by others as evidence of our collective failure as a society, as

modern-day communities, to otherwise effectively deal with the challenges of family and street violence as well as deal with our culture of violence.

Now I just want to get on to the other strategies that I think set our agenda apart from earlier or other jurisdictional agendas. The second element is the emergence of provincial law. What we have focussed on is proactive legislation at the provincial level within the constitutional powers given to a province to enhance public safety. Some of the legislation that we have introduced has been used as models by other provinces, and indeed just last week I believe the Province of Saskatchewan has introduced legislation which is modelled, if not based on all fours, on The Safer Communities and Neighbourhoods Act as well as The Fortified Buildings Act, but I know other provinces are looking at the legislation that Manitoba has pioneered.

Aside from Manitoba's reclaimed leadership now in countering impaired driving, we are determined to create a hostile environment for organized crime. So, to supplement the integrated approach by law enforcement and the Justice Department, five new provincial laws have been introduced.

I spoke earlier of The Safer Communities and Neighbourhoods Act, which Saskatchewan has proceeded with. I would say, and I have said this to Saskatchewan, in my estimation, it is our single most effective new public safety law. It is working.

I am advised by the department that over 50 crack houses and drug dens and prostitution and sniff houses have been shut down. These properties, these houses have been identified as problems by communities themselves. Mr. Chairperson, I am regularly getting very positive feedback from the community on that legislation.

Other laws deal with biker bunkers, businesses operated as fronts for organized crime, wearing gang colours in licensed establishments, profits from crime and cross-border policing which is, of course, now before the Legislature. Manitoba is being recognized for having the toughest preventative anti-gang legislation in the country, and we are determined that we are not done yet.

The third element of our approach is prevention partnerships, as I call them. We have, through the leadership of other ministers, Neighbourhoods Alive!

and Healthy Child Manitoba. I believe that these are very important crime prevention initiatives. In particular, Neighbourhoods Alive! has helped to build communities, has targeted investments in safety and safety initiatives, and, with regard to Healthy Child Manitoba, there is a focus on getting to the very early beginnings of anti-social behaviour and helping to strengthen families.

On top of those initiatives which deal largely with crime prevention through social development approaches, the seven partnership projects are, first of all, Lighthouses, which have been developed so far with about 24, 25 communities engaging youth in their design for after-school programs. A study by Kaplan and Associates has now reported that last year there were about 8000 visits by mostly at-risk youth to Lighthouses. Of course, over the current fiscal year, there is a commitment to add five more Lighthouses, totalling the number of Lighthouses to about forty over this current mandate.

Number 2 is Turnabout, which was designed with existing youth service agencies and law enforcement. This is Canada's first province-wide program to provide help in consequences for very youthful offenders. It is my understanding that over 430 children have now been referred to Turnabout.

Number 3 is Ototema. Ototema means "her friend" and has been developed with Ma Mawi in Winnipeg and the Brandon Friendship Centre in Brandon to provide mentoring for female young offenders that are assessed at medium to higher risk. So far, there have been over 30 high-risk offenders paired with an adult mentor. I am told that, for many of these girls, this is the first time there has been a positive role model in their lives for some time, if at all.

Number 4, Project Gang Proof has been developed with police and experts on youth. That initiative is a Web site, a handbook and a help line about street gangs. There have been over 27 000 hits, 185 calls and 18 000 handbooks distributed since it was launched in 2001.

The fifth prevention partnership is Cybertip.ca, developed with the federal government and private sector with Beyond Borders and police and, most notably, though, with Child Find Manitoba. Child Find Manitoba oversees Cybertip.ca so that persons can report child pornography and Internet luring. So

far, there have been over 550 reports received, 130 Web sites shut down and 7 arrests. It is my hope that Cybertip.ca will finally see the official endorsement as Canada's national tip line by the federal government very, very soon, because the federal government has been supportive of this initiative to date.

* (16:50)

Six, the police in schools initiative, or what is called the School Resource Officers program in 15 north Winnipeg schools that was developed with the police, the Winnipeg School Board, the North End community renewal corporation. According to the principal of St. John's High School, who was one of the people that put this idea together, there is less bullying and less conflict, and it is bringing police and youth together.

The seventh initiative is Safety Aid, which was developed with Winnipeg Age and Opportunity. That is to protect low-income seniors and higher-risk neighbourhood homes. So far, I am advised that over 175 houses have been equipped with deadbolts and peepholes and swing bars, installed at no cost to the resident.

Mr. Chairperson, getting on to the other elements before I conclude my remarks, the next is victim-centred justice. The Government is committed to making the protection of children one of its hallmarks. As you can see, six of our seven partnership initiatives focus on the protection of the youngest Manitobans. But we have also launched Canada's second provincial Web site for high-risk sex offender notification and, after only one year, I am advised that there have been 12 000 visits to the site. We removed the time limits on launching lawsuits for child abuse. We have focussed on children exploited through prostitution with more outreach workers, a safe transition house and a tough prosecution policy for johns and pimps.

Mr. Chairperson, the Government is countering gangs, violence and bullying in schools through Safe Schools Manitoba, which is a unique partnership with trustees, teachers, parents and police. Building on that initiative is the legislation now before the House for the Safe Schools Charter.

But protecting children also means supporting them when they are witnesses in court. For child

victim cases, we established specialized prosecutors and a child-friendly courtroom and waiting room. We are strengthening protocols and supports across the province to ensure that children are not further victimized when testifying.

For victims, generally, Mr. Chair, we entrenched in law Canada's first comprehensive Victims' Bill of Rights, phasing in victim access to information and a voice in the court process starting with the most serious offences.

We expanded and not cut victim compensation to provide, for the first time in Manitoba, counselling for families of murder victims, and tripled court compensation for survivors of wrongful deaths.

In the area of domestic violence, Mr. Chair, we have increased funding to all women's shelters and lengthened shelter stays to meet individual women's needs. With two rounds of legislative improvements, along with organizational enhancements, we are determined to ensure that court orders for spousal and child support are backed up by the strongest enforcement regime in Canada so that survivors of abuse do not have to choose between poverty or violence.

We doubled the number of free emergency cell phones under the Victim's First Cellular Phone Program. Also before the Legislature is proposed legislation to strengthen protection orders for victims of domestic violence, and allow judges to order counselling for abusers. By the way, they currently can be ordered to pay for their victim's counselling, and the law will also protect victims of dating violence and protect elders against persons that they have never cohabitated with, for example, grandchildren. Finally, Mr. Chair, the several independent yet interdependent components of the Justice system are now putting into place an action plan to reduce court delay by first focussing on family violence cases.

The final element of the government strategy is Aboriginal and community justice. It is an important part of our agenda that we recognize that local control of safety initiatives is important. That is why we have worked with MPI over the last two years to strengthen citizen patrols by providing training, equipment, a Web site and setting up an advisory council. We are now up to 58 citizen patrol groups, I understand, across this province, deploying 1600 volunteers. Talk about grass roots.

We have rededicated ourselves to Aboriginal justice by first establishing the Aboriginal Justice Implementation Commission and then accepting its recommendations for action. Ninety-four percent of the 54 recommendations directed at the province have been either fully implemented or are in the process of being implemented.

Government action, Mr. Chair, not just in the justice system, but in the areas of child welfare, education, and employment is underway. In addition to Manitoba's new Aboriginal Child and Family Services Authorities, we are partnering to create three Aboriginal probation agencies which I understand are Canadian firsts. We are concluding the foundations of expanded Aboriginal policing so that officers are not perceived as being foreign and imposed, and, indeed, in the current Budget, there are investments to further that agenda.

Mr. Chairperson, we have co-operated with the federal government to reduce incarceration rates of Aboriginal youth for minor offences. The number of youth in custody I understand has fallen by one third in the last two years. Young Aboriginal students are receiving help from the Helen Betty Osborne Memorial Foundation, an initiative that also pays respect and helps heal the tragic act of racism and sexism of Helen Betty's death.

But whether Aboriginal or not, communities must be empowered to deal with offences that would otherwise go to the court system. Community justice for lesser offences is the path that we are pursuing with an estimated 600 volunteer Manitobans. Again, talk about grass roots. This is all about local, swift, and effective justice, where offenders make right their wrong involving consenting victims. About 1500 such cases, I understand, were dealt with by communities last year. Mr. Chairperson, we have now set up a Community Justice Branch to strengthen the Justice Department's support role.

Responding to a challenge from the Government, volunteers in Brandon are now starting up the newest of the province's 60 or so youth justice committees. This fall we partnered with the federal and Aboriginal governments to launch Onashowewin for Winnipeg Aboriginal community justice to deal with both youth and adults.

What is next as we enter on the second mandate? Is there any different path? Mr. Chairperson, in our

first four years we did introduce some celebrated and some overdue initiatives to strengthen families, schools, and communities: Parent-child centres, letting the federal child benefit flow, the prenatal benefit, a remarkable infusion into daycare in public schools, secondary education, training, and a vigorous community renewal and housing strategy are examples.

Although perhaps not always by design, this is crime prevention in action. But now we must, in a more co-ordinated way, join across government departments and engage communities to tune the strategy, to consciously focus on crime prevention by attacking despair and the risk factors that lead to criminal involvement. Mr. Chair, we are developing the strategies to better get at the roots of crime, especially through greater opportunities for at-risk youth.

Has the five-point strategy made a difference? Rather than having Canada's highest violent crime rate as we suffered through most of the nineties, by 2002, Manitoba was 9 percent below the province with the highest rate, and the overall crime rate is down. Youth violence is down. As I stated in the House the other day, break and enters are at their lowest rate ever recorded when they began to be recorded in 1977. Winnipeg's arson crisis is history, but auto theft, murders, violent crime generally remain high here and across the west.

A provincial government can neither be solely blamed nor take credit for fluctuating crime rates, but it must share responsibility when it fails to show innovative leadership and engage communities and new partners in the quest for a safer province. Communities, organizations, and individuals never before engaged in action for safer communities are now involved and are increasingly part of the solution. Our collective efforts hold out the promise of greater peace in our families and neighbourhoods.

With those introductory remarks I look forward to the critic's opening comments and indication as to how he would like to proceed, whether line by line or globally.

Mr. Chairperson: We thank the minister for those comments. Does the official opposition critic, the honourable Member for Lac du Bonnet, have any opening comments?

* (17:00)

Mr. Gerald Hawranik (Lac du Bonnet): Yes, Mr. Chairperson, I do have some opening comments. I would like to thank the minister for his opening statement. I would like to make a few comments, first of all, with respect to comments he made with respect to the challenges and the crisis that he perceived to be there, in fact, some of which was there, of course, in 1999.

There are always challenges; no matter what year we are talking about, there is always a challenge in justice, particularly with respect to auto thefts. I think he had mentioned that auto thefts were at an all-time high at the time when he took office, I can say, unequivocally, that auto thefts are increasing again. They took a little bit of a dip as a result of some of the efforts I think that the Justice Minister made, did take a bit of a dip in terms of the numbers of auto thefts that were in the province since 1999, but they are increasing again. I think the minister has to take notice of that. In fact, he should not take all the credit for that either because as new vehicles replace old vehicles with ignition-locking devices, certainly that makes a substantial difference. In the future, just because auto theft rates do come down does not necessarily mean that is as a result of the actions of the minister and his policies. So he cannot solely take credit for it. In fact, rates should be coming down because new vehicles are replacing older vehicles.

He made that comment about street gang growth, in fact, that they were high in 1999. I agree with that, that they were high in 1999, but I think they are higher today than they were in '99. In spite of the efforts of the minister in that regard, I think we have seen street gangs, the activity and the numbers of people who are joining gangs, increasing in the city of Winnipeg.

His comments with respect to the Hells Angels moving into Winnipeg in '97, that, of course, is under dispute. As I have mentioned time and time again in the Legislature that, in fact, the Hells Angels came in the year 2000 under his watch. They took over the Los Brovos, and I can point to a *Free Press* article in the year 2000 that proves that. That, of course, is still under dispute. We would dispute his statistic with respect to the 1999 year. The Hells Angels, in fact, expanded since the year 2000 to include a retail store just down the street from the Justice Minister's own

constituency office. While he has introduced several pieces of legislation that he thought would get rid of the Hells Angels' store down the street from his constituency office, it did not work. I think he can take full responsibility for that.

He has mentioned that there is a high violent-crime rate. There was a high violent-crime rate in '99. I point out to him the violent-crime rates are still very, very high. We are still the murder capital of Canada on a per capita basis. We have way too many robberies, and sexual crimes, as well, are on the rise. While he has taken some initiative in terms of introducing new measures to control violent crime, the violent-crime rates still are there, and that is of a concern.

The Justice Minister promised to be tough on crime in 1999, or earlier than that, in fact, promised, as well, to be tough on crime during the election of 2003. But I have to remind the minister that one of the minister's own employees, Bob Morrison, called the minister soft on crime. I think that is almost unprecedented for an employee of the minister to call the Minister of Justice (Mr. Mackintosh) soft on crime. I think he has to be aware of that, and I know he makes light of it because he thinks that it was done during negotiations on a union contract. Well, whether it is done while there was negotiating taking place or not, I think, is irrelevant. I think the fact is that his employee stood up and called a spade a spade.

The minister also mentioned that he has some of the toughest anti-gang legislation in the country, but he fails to put on the record that there are about 2000 active gang members in Winnipeg and they are growing. I think it is important that he is aware of that, and the legislation that he did introduce, while it may have some impact on that, there is still a great amount of work still to be done. He should not think that what he has done in fact has solved the problem, because it certainly has not. I think the question is, how do you handle it and what are the results?

While I acknowledge that the minister has been quite active in introducing legislation over the last few years trying to solve problems, there has to be an evaluation done in terms of whether legislation, in fact, does what he says it will do, an evaluation that should be done on every piece of legislation to determine whether or not it was appropriate and whether in fact it is producing results.

I have yet to hear about any studies that the minister has ever done with respect to any of his legislation and what the effects of that legislation have been. He does indicate some of the results and some of the legislation that he has introduced, such as The Safer Communities Act, and I thank him for that information. But I think the minister has to continue to monitor the results of that legislation and, if they are not working, certainly has to come up with new innovative approaches to deal with some of those problems, particularly street gang growth and particularly criminal organizations that certainly have taken root in the city.

There are many new challenges, though. The minister can talk about the challenges and the crises that he had in 1999, but there are many new challenges out there, as well as the fact that the crises and challenges that were there in 1999, many are here today still. So he still has to work hard to try to solve some of those crises.

As for some of the new challenges that I think we face in Justice, I will just briefly name a few of them. One, of course, is the legal aid crisis which has really taken root in the last year or so, and there are many challenges that the minister faces with respect to that. We were held hostage by lawyers representing the Hells Angels, and I do not think that does any good for the legal aid system. It certainly does not help in the public perception with respect to justice and whether or not legal aid is, in fact, there for those who need it, as opposed to those who are members of criminal organizations.

I note with respect to that issue in terms of legal aid crisis, that the members opposite including the Minister of Justice, have not supported my private member's bill called The Taxpayer Protection Legal Representation Act. Mr. Chair, I think that bill was very important. In fact, I was really quite surprised to hear a number of members opposite stand up in their place and actually speak against the bill, which would eliminate the ability of criminal organizations like the Hells Angels and members of the Hells Angels from accessing legal representation through the public purse. I could not believe my ears when I heard them speak against it. It did not make a lot of sense, except for the fact that it was not a member, that it was not their minister, introducing the legislation. That is the only reason I could see for members opposite not supporting it. In fact, if that was a real concern, if they had spoken to me about it, I certainly would have supported even a parallel bill

by the Minister of Justice (Mr. Mackintosh), if he had introduced exactly the same bill as mine. I certainly would have supported it; members of this side of the House would have supported it. I just could not believe my ears when I heard people speaking against that particular bill.

I think Manitobans are outraged, or should be outraged, by the fact that members of this Government and the minister would support taxpayers' dollars to provide legal services for members of a criminal organization.

*(17:10)

I think another issue and a challenge which the minister is facing at this point is political interference in the courts. I think we have seen it in the newspapers in the last weekend. I plan to explore that issue somewhat in the Estimates process.

I think it is simply a matter of developing policy for Crowns. I have been after the minister to do that for the last year and a half, two years, about developing some policy for his Crown prosecutors so they have some direction. I think it is important for the minister to do that. What he or his staff did on the weekend, I think the minister, in fact, denied having any part of it, but certainly his staff were part of that process. Otherwise, if he does not develop policy, it certainly smacks of political interference and you get arguments by defence lawyers to that effect. The administration of Justice certainly is not helped in respect of that.

The other issue I had, just very briefly, is cutting constitutional law lawyers. I see the minister has cut his staff by two. I note he has publicly stated he does not anticipate there will be as much work involved by the constitutional law lawyers. I would disagree with that. I think some of the legislation the minister has introduced in this Legislature, like The Criminal Property Forfeiture Act, which has been criticized by constitutional lawyers across the province. I have done the same by saying that particular piece of legislation probably crosses the boundary and will be challenged by lawyers at the first opportunity. To cut the budget of the constitutional law lawyers, I think, is an error. In fact, he is probably going to find there will be an increased demand for constitutional law lawyers in this department, as opposed to a decreased one, but I think that is an opinion that is not shared by the minister.

The backlog of criminal cases, of course, is a huge issue. While the minister has pointed out that it is not new, I agree with him; it is not new, but my concern is what is he doing about it? Certainly, the general public would like to see something done about it. With every criminal who is waiting for trial, there is at least one more victim who is also waiting for justice. I think we have to look at that particular aspect.

Supervision after bail, of course, is an important issue to me. I have made several comments with respect to that, particularly with respect to ankle bracelets and GPS systems. I was really happy to see the Justice Minister in the fall of 2002 stand up and say he was meeting with equipment suppliers, but to date there have been no results. That is my concern.

Conditional sentencing is another issue. It is a federal issue in the sense that the federal government has introduced conditional sentences as one of the ways of dealing with different offences, but the provincial Justice Minister has a responsibility in that respect as well. It is not just good enough blaming the federal government for everything they introduce. There is a time and a place for conditional sentences, I will acknowledge that, but there is a time and place where conditional sentences should not even be recommended by the Crown prosecutor.

We see time and time again, Mr. Chairperson, the Justice Minister's own employees, the Crown prosecutors, in inappropriate cases, recommending conditional sentences. I think it is incumbent, again, upon the Justice Minister to develop some kind of policy for his Crowns to ensure that conditional sentences are in fact recommended in appropriate circumstances.

These are just some of the issues that I plan on discussing during the Estimates process. I believe the Justice Minister has to deal with these new challenges and has to deal with those challenges in an appropriate fashion. It is not appropriate, I do not think, for the minister just to hold another news conference or issue another press release. Even though it may get the news media off his back temporarily in terms of asking him what he is prepared to do, Mr. Chairperson, it also increases expectations. Manitobans, I believe, expect more from this minister. They expect that he will deal with the issues as they come forward and not simply issue another news conference and press release. You need

not only to inform the public as to what the issue is and to tell them what you are prepared to do, but you have to follow through in terms of your promise, when you hold another news conference and press release.

My question to the minister, of course, will be, right throughout the Estimates process: What does it take to have the minister acknowledge that there is a crisis in justice?

He indicated he had crises in 1999, but I submit to him that there are many challenges and there are many crises in justice today. I think it is incumbent upon him to ensure that those crises are met, and met in an appropriate fashion.

I know the minister asked during his opening statement that I indicate as to what my preference is in terms of going through the Estimates process. I would ask that, as is traditional in this Legislature, we proceed on a global basis when it comes time for Estimates.

Mr. Chairperson: Is there an agreement here that we proceed globally? [*Agreed*] It has been agreed that this committee will proceed on a global basis.

Under Manitoba practice, the debate of the minister's salary is traditionally the last item considered for the Estimates of any department. Accordingly, we shall defer consideration of the line item on salary. Now we will proceed with the consideration of the remaining items referenced in this resolution.

At this time, we invite the minister's staff to join us here at the table, in the Chamber. We ask that the minister introduce his staff present.

The honourable minister, please introduce the members of the staff.

Mr. Mackintosh: Yes, I am pleased to introduce the staff who are here with me. Of course, the Deputy Attorney General, Bruce MacFarlane; the Assistant Deputy Minister of Courts, Irene Hamilton; the Executive Director of Administration and Finance, Patrick Sinnott; and the Acting Assistant Deputy Attorney General, Jacqueline St. Hill.

Mr. Chairperson: The table is now open for questions.

Mr. Hawranik: Thank you, Mr. Chair. I thank the minister for introducing the staff. I appreciate your coming out here. I know that you have worked extremely hard over the last year, lots of issues, concerns and challenges that you have had. I appreciate your being here today.

My question is to the Minister of Justice with respect to the legal aid review that was completed. As I understand it, according to the *Free Press*, he has had the legal aid review report since March 15. Can the minister confirm that for me?

* (17:20)

Mr. Mackintosh: The report, it was asked it be delivered on March 15. Mr. Perozzo complied with that request.

The report is—well, I just answered the question. Maybe I will leave it at that. I know the member has other questions related to that report.

Mr. Hawranik: Can the minister tell me who was on the committee? Mr. Perozzo prepared the report, but who did he consult with and who was on the committee?

Mr. Mackintosh: Just going by memory, as I recall, Mr. Perozzo consulted with 47 individuals or organizations in preparing his report. Among those are people who are involved in the delivery of legal aid currently. There were some individuals who were involved in the delivery of legal aid in the recent past. As I recall, there were consultations with persons involved in the delivery of legal aid outside of Manitoba as well.

Mr. Hawranik: I am concerned about the report not being prepared with any public input. I know you mentioned that he actually consulted with 47 different organizations, but legal aid is really for Manitobans. I think ordinary Manitobans who may qualify for legal aid have every right to share their views with government. Their input strengthens, I believe, the legal aid system.

Many of my constituents over the last six months have expressed a concern about this, because there was no public process, many of whom did not qualify for legal aid for various reasons, whether they in fact did not meet the income requirements or asset requirements, the minimal requirements, or whether

in fact their particular case did not fit within the type of cases that are covered by legal aid.

I would like the minister to explain why he did not go through a public hearing process with respect to the legal aid report.

Mr. Mackintosh: First, I do not know if I have to remind the member, but the appeal mechanisms under the current Legal Aid Services Society Act do allow his constituents to pursue their legal rights to legal aid as prescribed in the act and the regulations. I would think the member surely would have passed on that advice to his constituents.

On the issue of the input into the reform of legal aid in Manitoba, the full report of Mr. Perozzo has been prepared for posting on the Internet and will be available for viewing by all who access the Internet. We also invite presentations from the public on the report.

The report will be provided to Manitobans at the same time as draft or proposed legislation. Of course, the legislation as well goes through the traditional process of the Legislature, where the public is extended the privilege of making representations in the Standing Committee on Legislative Affairs on aspects of the bill.

Mr. Hawranik: Mr. Chairperson, I agree with the minister's comments that the public can make representations at committee. My concern was that in fact Manitobans had input prior to the report being prepared. Manitobans have a lot to say, particularly those who may use the legal aid system. The legal aid system is designed for Manitobans.

I am not sure why the minister would not have at least had some public hearings across the province, as with every bill, Manitobans have an opportunity to come forward at committee. Certainly, Mr. Chair, the input from Manitobans would have been useful in preparing the report in the first place.

From what I can see, the minister has prepared Bill 47 in accordance, hopefully, with the recommendations of the report. The minister must have some thoughts as to whether or not there would have been value in getting public input prior to the report being prepared.

Mr. Mackintosh: I will just reiterate that the views of Manitobans will be solicited. I can also outline

that the report does provide some options for change for legal aid. Further input and consultations will help the Government decide on what options, or how to pursue the options.

Mr. Hawranik: Can the minister advise whether Bill 47 was, in fact, prepared in accordance with the recommendations received in the report?

Mr. Mackintosh: The bill is designed to provide a foundation to pursue the options laid out in the report.

Mr. Hawranik: Were some recommendations of the report not followed in Bill 47?

Mr. Mackintosh: Nothing is ruled out. I think it is fair to characterize the bill as not ruling out any of the options for change that are set forth in the report.

Mr. Hawranik: With respect to Bill 47, Mr. Chair, the minimum qualifications for legal aid assistance, whether it is income or assets, is that going to change as a result of the bill?

Mr. Mackintosh: Mr. Chair, I think the only fair way to respond at this time, because we are getting close to the introduction of that legislation, is that the answers will have to await the introduction of that bill.

Mr. Chair, I can say the bill is in its final stages of development. I do expect that we are days, maybe a week or two, at the very outside, in terms of the time we will be able to put that bill into the House and therefore be able to provide the report. I think we are very close to that. We had a discussion on it this morning actually in terms of some further change to the bill. It is nearing completion in terms of its development.

I thought another description, too, of the bill was that it did provide a framework on which we can build further change for legal aid.

Mr. Hawranik: Bill 47 has been on the Order Paper for probably about a week and a half, it would be my guess. Can the minister give me some indication as to when that bill will be formally introduced for first reading?

Mr. Mackintosh: The bill was put on the Order Paper so that there is a notice to anyone interested

that the legislation is coming in part of the legislative package of the session and for House business purposes, largely.

I do not anticipate further legislative pieces, with perhaps one exception. In terms of the timing of it, it is hard to be exact, but, as I said, I think within the next couple of weeks, something in that range, we should have the document completed.

Mr. Chairperson: Order, please. The hour being 5:30 p.m., committee rise. Call in the Speaker.

IN SESSION

Mr. Speaker: Is it the will of the House to not see the clock? *[Agreed]*

House Business

Mr. Speaker: The honourable Government House Leader, on House business.

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, I would like to announce that the Standing Committee on Justice will meet on Thursday, May 13.

Mr. Speaker, I was willing to ask for leave for the House to sit concurrently with the standing committee to consider the Justice bills on Thursday morning. I understand there is not leave at this time.

Mr. Speaker: I can put the motion forward. Is there leave of the House?

An Honourable Member: No.

Mr. Speaker: Okay, leave has been denied.

Mr. Mackintosh: Thank you, Mr. Speaker.

* * *

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 10, 2004

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