



Second Session - Thirty-Seventh Legislature

of the

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

**Official Report  
(Hansard)**

*Published under the  
authority of  
The Honourable George Hickes  
Speaker*



**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Seventh Legislature**

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
AGLUGUB, Cris	The Maples	N.D.P.
ALLAN, Nancy	St. Vital	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
ASPER, Linda	Riel	N.D.P.
BARRETT, Becky, Hon.	Inkster	N.D.P.
CALDWELL, Drew, Hon.	Brandon East	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CUMMINGS, Glen	Ste. Rose	P.C.
DACQUAY, Louise	Seine River	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.
ENNS, Harry	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
FRIESEN, Jean, Hon.	Wolseley	N.D.P.
GERRARD, Jon, Hon.	River Heights	Lib.
GILLESHAMMER, Harold	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LATHLIN, Oscar, Hon.	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
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.
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.
PENNER, Jack	Emerson	P.C.
PENNER, Jim	Steinbach	P.C.
PITURA, Frank	Morris	P.C.
PRAZNIK, Darren	Lac du Bonnet	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack	Southdale	P.C.
ROBINSON, Eric, Hon.	Rupertsland	N.D.P.
ROCAN, Denis	Carman	P.C.
RONDEAU, Jim	Assiniboia	N.D.P.
SALE, Tim, Hon.	Fort Rouge	N.D.P.
SANTOS, Conrad	Wellington	N.D.P.
SHELLENBERG, Harry	Rossmere	N.D.P.
SCHULER, Ron	Springfield	P.C.
SELINGER, Greg, Hon.	St. Boniface	N.D.P.
SMITH, Joy	Fort Garry	P.C.
SMITH, Scott, Hon.	Brandon West	N.D.P.
STEFANSON, Heather	Tuxedo	P.C.
STRUTHERS, Stan	Dauphin-Roblin	N.D.P.
TWEED, Mervin	Turtle Mountain	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

**LEGISLATIVE ASSEMBLY OF MANITOBA**

**Monday, May 14, 2001**

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

**PRAYERS**

**ROUTINE PROCEEDINGS**

**PRESENTING PETITIONS**

**Manitoba Hydro Lines Routes**

**Mr. Ron Schuler (Springfield):** Mr. Speaker, I beg to present the petition of Margaret Lutzer, Kristin Lutzer, William Werestiuk and others, praying that the Legislative Assembly of Manitoba request that the Minister responsible for Manitoba Hydro (Mr. Selinger) consider alternative routes for the additional 230kV and 500kV lines proposed for the R.M. of East St. Paul.

**Kenaston Underpass**

**Mr. Frank Pitura (Morris):** Mr. Speaker, I beg to present the petition of Doreen Froese, Lori Anseeuw, Kim Maharaj and others, praying that the Premier (Mr. Doer) of Manitoba consider reversing his decision to not support construction of an underpass at Kenaston and Wilkes.

**Mr. John Loewen (Fort Whyte):** Mr. Speaker, I beg to present the petition of Allan Knight, Fran Chinchille, S. Maurice and others, praying that the Premier of Manitoba consider reversing his decision to not support construction of an underpass at Kenaston and Wilkes.

**READING AND RECEIVING PETITIONS**

**Manitoba Hydro Lines Routes**

**Mr. Speaker:** The honourable Member for Springfield (Mr. Schuler), I have reviewed the petition and it complies with the rules and practices of the House. Is it the will of the House to have the petition read?

**Some Honourable Members:** Yes.

**Mr. Speaker:** Clerk, please read.

**Madam Clerk (Patricia Chaychuk):** The petition of the undersigned citizens of the province of Manitoba humbly sheweth:

THAT the R.M. of East St. Paul has the highest concentration of high voltage power lines in a residential area in Manitoba; and

THAT the R.M. of East St. Paul is the only jurisdiction in Manitoba that has both a 500kV and a 230kV line directly behind residences; and

THAT numerous studies have linked cancer, in particular childhood leukemia, to the proximity of power lines.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY THAT the Legislative Assembly of Manitoba request that the Minister responsible for Manitoba Hydro consider alternative routes for the additional 230kV and 500kV lines proposed for the R.M. of East St. Paul.

**Kenaston Underpass**

**Mr. Speaker:** The honourable Member for Fort Whyte (Mr. Loewen), I have reviewed the petition and it complies with the rules and practices of the House. Is it the will of the House to have the petition read?

**Some Honourable Members:** Yes.

**Mr. Speaker:** Clerk, please read.

**Madam Clerk:** The petition of the undersigned citizens of the province of Manitoba humbly sheweth:

THAT the intersection at Wilkes and Kenaston has grown to become the largest unseparated crossing in Canada; and

THAT the volume of traffic for this railroad crossing is twelve times the acceptable limit as set out by Transport Canada; and

THAT vehicles which have to wait for trains at this intersection burn up approximately \$1.4 million in fuel, pollute the environment with over 8 tons of emissions and cause approximately \$7.3 million in motorist delays every year.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY THAT the Premier of Manitoba consider reversing his decision to not support construction of an underpass at Kenaston and Wilkes.

**Mr. Speaker:** The honourable Member for Morris (Mr. Pitura), I have reviewed the petition, and it complies with the rules and practices of the House. Is it the will of the House to have the petition read?

**Some Honourable Members:** Yes.

**Mr. Speaker:** The Clerk please read.

**Madam Clerk (Patricia Chaychuk):** The petition of the undersigned citizens of the province of Manitoba humbly sheweth:

THAT the intersection at Wilkes and Kenaston has grown to become the largest unseparated crossing in Canada; and

THAT the volume of traffic for this railroad crossing is twelve times the acceptable limit as set out by Transport Canada; and

THAT vehicles which have to wait for trains at this intersection burn up approximately \$1.4 million in fuel, pollute the environment with over 8 tons of emissions and cause approximately \$7.3 million in motorist delays every year.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY THAT the Premier of Manitoba consider reversing his decision to not

support construction of an underpass at Kenaston and Wilkes.

\* (13:35)

## PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

### Standing Committee on Agriculture First Report

**Mr. Stan Struthers (Chairperson):** Mr. Speaker, I beg to present the First Report of the Committee on Agriculture.

**Madam Clerk (Patricia Chaychuk):** Your Standing Committee on Agriculture presents the following as its first report. The committee met on—

**Mr. Speaker:** Dispense?

**Some Honourable Members:** Dispense.

### Point of Order

**Mr. Jack Penner (Emerson):** On a point of order and maybe more for information, I would like to know how the minister can table an all-party report when the all-party committee has not agreed to the drafting of a final report of the committee. There was a draft report presented to the last committee meeting which was drafted prior to the conclusion of the meeting, and we did not agree to tabling of a report until we all had an opportunity to take a look at the draft report and make our comments to it.

We told the minister that we would make comment to that final report by today. Today is not over yet, so I would ask that she might want to consider not tabling the report until we actually had concurred in a report.

**Hon. Gord Mackintosh (Government House Leader):** It is my understanding that the report today to be received is only the first report and does not pre-empt further reports by that committee.

**Mr. Jack Penner:** Well, then, I seek your advice, Mr. Speaker, and I question procedure in

this matter related to this. When you have an all-party committee, would it not be a bit presumptuous of the minister to present a report to the House dealing with an all-party resolution, and would it not be a bit presumptuous of the minister to try and table even an interim report until we had come to a conclusion of what should be part of the draft report?

**Hon. Rosann Wowchuk (Minister of Agriculture and Food):** Perhaps I can clarify for the member. At the last committee meeting we agreed on a final resolution that was amended, and that resolution is being tabled. The member is right. We have asked for his input into the report that we tabled which is supposed to be with us later today, but this is the recommendation of the Clerk that we would table the resolution that was passed by all parties.

**Mr. Speaker:** Order. I will briefly recognize the honourable Member for Emerson, but I do not want to get into a debate on the floor here at this moment.

**Mr. Jack Penner:** Mr. Speaker, I concur with what the minister is trying to do, and I think we all concur to table the resolution that we had agreed to. I think, again, though, if you do an all-party procedure, I think it would have been advisable for the minister to at least distribute the resolution in its final draft form that we could all assure that what had been agreed to was in fact that part of those changes in the resolution; so that is the only reason I rise.

I concur with the tabling of the resolution. However, I would have asked that the minister might have given us consideration, all three parties given consideration, of taking a look at the final resolution. If it is not exactly like we think it should be, that we had agreed to, then we will make that known in this House.

\* (13:40)

**Mr. Speaker:** I will briefly recognize the honourable Minister of Agriculture and Food.

**Ms. Wowchuk:** Mr. Speaker, I would not want the member to be attempting to mislead the House that he had no input into this final resolution. We spent many hours in committee. He and his caucus members and the member for

the Liberal Party had input, and it was agreed to by all parties. It was also on the advice of the Clerk that the resolution is being tabled today.

**Mr. Speaker:** The honourable Government House Leader, on the same point of order.

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, just to assist in this matter, lead to a resolution of this, the Government is certainly committed to introducing a concurrence motion with regard to the resolution, which I understand is being reported to the House on today, and we are prepared to do that as early as tomorrow, but we will have further discussions with the Opposition House Leader (Mr. Laurendeau) and the Member for River Heights (Mr. Gerrard) in that regard.

**Mr. Speaker:** On the point of order raised by the honourable Member for Emerson (Mr. Jack Penner), for clarification of all honourable members, when presenting reports by standing and special committees, it is reporting of progress to date. If there are any disagreements, I would encourage honourable members to meet with the House leaders. Committees can always be struck to reconvene by the will of the House leaders. That is what I would recommend, so the honourable member does not have a point of order at this time.

\* \* \*

*Your Standing Committee on Agriculture presents the following as its First Report.*

**Meetings:**

*Your committee met on:*

*Wednesday, April 18, 2001, at 6:30 p.m. in Room 255 of the Legislative Building*

*Monday, April 23, 2001, at 10 a.m. in Dauphin, Manitoba*

*Monday, April 23, 2001, at 6:30 p.m. in Brandon, Manitoba*

*Monday, April 30, 2001, at 6:30 p.m. in Beausejour, Manitoba*

*Tuesday, May 1, 2001, at 6:30 p.m. in Room 255 of the Legislative Building*

*Monday, May 7, 2001, at 6:30 p.m. in Room 255 of the Legislative Building*

*Wednesday, May 9, 2001, at 6:30 p.m. in Room 255 of the Legislative Building*

**Matters Under Consideration:**

*The All-Party Resolution on Federal Support for Agriculture*

**Membership Resignations/Elections:**

*At the Wednesday, April 18, 2001, meeting, your committee elected:*

*Mr. Struthers as the Chairperson*

*Mr. Nevakshonoff as the Vice-Chairperson*

*At the Monday, April 23, 2001, meeting in Brandon, Manitoba, Mr. Faurshou was substituted on to the committee to replace Mr. Derkach.*

*At the Monday, April 30, 2001, meeting in Beausejour, Manitoba, Mr. Praznik was substituted on to the committee to replace Mr. Faurshou.*

*At the Monday, May 7, 2001, meeting, Mr. Aglugub was substituted on to the committee to replace Hon. Mr. Ashton.*

*At the Wednesday, May 9, 2001, meeting, Hon. Mr. Ashton was substituted on to the committee to replace Hon. Mr. Lemieux.*

*At the Wednesday, May 9, 2001, meeting, Mr. Tweed was substituted on to the committee to replace Mr. Cummings.*

*At the Wednesday, May 9, 2001, meeting, Mr. Derkach was substituted on to the committee to replace Mr. Praznik.*

*At the Wednesday, May 9, 2001, meeting, Mr. Santos was substituted on to the committee to replace Mr. Aglugub.*

**Motions:**

*At the Monday, May 7, 2001, meeting, your committee passed the following motion:*

*That the Standing Committee adjourn and return on Wednesday to discuss the Chair Report and review the resolution and make necessary amendments to return the resolution to the House.*

**Public Presentations:**

*Your committee heard 76 presentations on the resolution from the following individuals and/or organizations:*

*At the Monday, April 23, 2001, at 10 a.m. in Dauphin, Manitoba*

*Murray Downing, Grassroots Farmers*

*Ed Melnyk, Private Citizen*

*Donald Krieser, Private Citizen*

*Tim Kleebaum, Private Citizen*

*Lloyd Pletz, Private Citizen*

*Al Marshall, Private Citizen*

*Cameron Flett, Private Citizen*

*Gaylene Dutchyshen, Private Citizen*

*Sydney Puchailo, R.M. of Grandview*

*Lorne Boguski, Mayor of Roblin*

*Fred Embryk, Mayor of Grandview*

*Walter Kolisnyk, Private Citizen*

*Gordon McPhee, Private Citizen*

*Joe Federowich, Private Citizen*

*Lorne Arnold, Private Citizen*

*Lavern Elliott, Private Citizen*

*At the Monday, April 23, 2001, at 6:30 p.m. in Brandon, Manitoba*

*Hugh Stephenson, Private Citizen*

*Wayne Motheral, Association of Manitoba*

*Municipalities*

*David Hanlin, Private Citizen*

*Perry Palahicky, Private Citizen*

*Susan Melnyk, Private Citizen*

*Andrew Dennis, Private Citizen*

*Roger and Linda Desrochers, Private Citizen*

*Larry Redpath, Private Citizen*

*Gary Temple, Private Citizen*

*Roy Stevenson, Mayor, Town of Rivers*

*Bill Morningstar and Duncan Broadfoot, Private Citizens*

*Dennis Heeney, Reeve, R.M. of Elton*

Larry Walker, Reeve, R.M. of Miniota  
 Gladys Howden, Private Citizen  
 Bernie Whetter, Wheat City Feeds  
 Tom Mowbray, Reeve, R.M. of Roblin  
 Kirsty Paterson, Private Citizen  
 Ken Waddell, Mayor of Neepawa  
 Weldon Newton, Private Citizen  
 Ken Duchanan, Reeve, R.M. of Louise  
 Art Cowan, Private Citizen  
 Terry Drul, Private Citizen  
 Walter Finlay, Southwest Lobby Group  
 Renske Kaastra, Manitoba Women's Institute &  
 Manitoba Sustainable Agriculture Association  
 Jim Penner, Reeve, R.M. of Wallace  
 R.S. Chapman, Private Citizen

*At the Monday, April 30, 2001, at 6:30 p.m. in  
 Beausejour, Manitoba*

Leonard Gluska, Reeve, R.M. of Kelsey  
 Al Tymko, Reeve, R.M. of Brokenhead  
 Andy Baker, Private Citizen  
 Brad Mroz, Private Citizen  
 John Sokal, Councillor, R.M. of Springfield  
 Wayne Drul, United Grain Growers  
 Bill Chuckry, Chuckry Farms  
 Claude Roeland, Private Citizen  
 Ken Yuill and Brian Kelly, New Agricultural  
 Products Group  
 Dorothy Boznianin, Reeve, R.M. of Lac du  
 Bonnet  
 Larry McGonigal, Private Citizen

*At the Tuesday, May 1, 2001, at 6:30 p.m. in  
 Room 255 of the Legislative Building*

James Warren Melnyk, Private Citizen  
 Kathleen Paterson, Private Citizen  
 Linda Downing, Private Citizen  
 Joe Dusik, Private Citizen  
 Harvey Westfall, Private Citizen  
 Tom Kieper, Private Citizen  
 Marcel Hacault, Chairman, Manitoba Pork  
 Council  
 Don Dewar, President, Keystone Agricultural  
 Producers  
 Ian Wishart, Private Citizen

Greg Arason, President and CEO, Canadian  
 Wheat Board  
 Gilbert Lussier, Spokesperson, Delegation of  
 Farmers  
 Mark Raffard, Private Citizen  
 Robert Friesen, Canadian Federation of  
 Agriculture  
 Dan Penner, Manitoba PULSE Growers  
 Association  
 Herm Martens, R.M. of Morris  
 Ron Dalmy, Provincial Coalition for  
 Responsible Resource Management  
 Shirley Galbraith, Private Citizen  
 Edward Cook, Chairman, Western Canadian  
 Wheatgrowers Association  
 Brad Mazur, Private Citizen  
 Jan McIntyre, Val Pogson, and Celia Gilford,  
 Private Citizens  
 Ken Schellenberg, Private Citizen  
 David Oster, Reeve, West St. Paul  
 Daryl Knight, Private Citizen

**Written Submissions:**

*The committee received 23 written submissions  
 on the resolution from the following individuals  
 and/or organizations:*

Cindy Desrochers, Private Citizen  
 Gordon Bartley, Private Citizen  
 Bill Cochrane, Private Citizen  
 Doug Ramsey, Private Citizen  
 Ray Redfern, Rural Disaster Recovery Coalition  
 Dennis Rogasky, R.M. of Strathclair  
 Wayne Solas, Twin Valley Co-op  
 Gordon Thompson and Robert McNabb,  
 Minnedosa Focus Group  
 Warren Ellis, Private Citizen  
 Roger Goethais, Reeve, R.M. of Winchester  
 Julie Turenne Maynard, Manitoba Chambers of  
 Commerce  
 Ian Robson, Private Citizen  
 Ben Groening, South Norfolk-Treherne  
 Community Development Corporation  
 Neil Hathaway, Private Citizen  
 Tom Kelly, Reeve, R.M. of South Norfolk  
 Perry VanHumbeck, Private Citizen  
 Glen Franklin, Private Citizen  
 Shannon Combs, Private Citizen

*Robert McLean, Reeve, R.M. of Pembina*  
*Neil Silver, President, Agricore*  
*Robert Radcliffe, Private Citizen*  
*Tony Riley, Private Citizen*  
*Dorothy Brown, Prairie Winds Clothing*

**Resolutions Considered and Reported:**

**All-Party Resolution on Federal Support for Agriculture**

Your committee agreed to report this resolution, with the following amendments:

THAT the resolution on "Federal Support for Agriculture" be amended:

By adding, after the 7<sup>th</sup> "WHEREAS" clause:

WHEREAS the Standing Committee has heard presentations on the need for federal support for agriculture during four public hearings held across Manitoba.

By amending the 1<sup>st</sup> resolved clause to read:

THEREFORE BE IT RESOLVED that the Standing Committee on Agriculture recommend that, based on the public consultations, the federal government recognize federal support for farmers in other countries, and provide at least another \$500 million in short-term support for grains and oilseeds producers

By amending the 5<sup>th</sup> resolved clause to read:

BE IT FURTHER RESOLVED that the Standing Committee on Agriculture recommend that the federal and provincial governments review current safety-net programs, such as the Canadian Farm Income Program (CFIP), and crop insurance to ensure that they are meeting the needs of all Canadian producers equitably; and

By amending the 6<sup>th</sup> resolved clause to read:

BE IT FURTHER RESOLVED that the Standing Committee on Agriculture, having heard a number of suggestions for value-added processing, such as additional ethanol production and

new variety of sugar beet, recommend that the provincial and federal governments pursue these opportunities for rural communities; and

By deleting the 3<sup>rd</sup>, 4<sup>th</sup>, 7<sup>th</sup> and 8<sup>th</sup> Resolved clauses.

By adding three new Resolved clauses at the end of the resolution to read:

BE IT FURTHER RESOLVED that the Standing Committee send the Hansard and Committee Report to the Honourable Jean Chretien, Prime Minister of Canada and the Honourable Lyle Vanclief, Minister of Agriculture and Agri-Food Canada, for their consideration of the Committee's request for additional support for grains and oilseeds producers; and

BE IT FURTHER RESOLVED that the Standing Committee send an invitation to the House of Commons Standing Committee on Agriculture to come to Manitoba, to receive the Hansard and Report of the Standing Committee hearings, and to hear further presentations directly from Manitobans; and

BE IT FURTHER RESOLVED that the Honourable Gary Doer, Premier of Manitoba, write to the Honourable Jean Chretien, Prime Minister of Canada, requesting a meeting to discuss this important issue.

**(Sub-amendment)**

THAT the amendment be amended by adding the following after the 5<sup>th</sup> WHEREAS:

WHEREAS the Standing Committee on Agriculture, after listening to farmers, farm organizations, business leaders, and municipal officials, heard grains and oil seeds producers had losses of \$40 to \$60 an acre, and an immediate cash injection is needed

**(Sub-amendment)**

THAT the amendment be amended by adding the words "and others" after the words "these opportunities" in the 4<sup>th</sup> BE IT FURTHER RESOLVED:



**(Sub-amendment)**

*THAT the amendment be amended by replacing the final BE IT FURTHER RESOLVED with the following:*

*BE IT FURTHER RESOLVED that Manitoba's Standing Committee on Agriculture recommend to the Legislative Assembly of Manitoba that the Premier request an immediate meeting with the Prime Minister of Canada in order to discuss an immediate cash infusion and long term solutions to the farm income crisis and that the Premier encourage the Prime Minister to meet with a delegation led by the Premier of Manitoba made up of farm, business, and municipal leaders in order to fully reflect the devastation facing farmers, businesses and communities.*

*Your committee agreed to include the text of the entire amended resolution in this committee report, as follows:*

**FEDERAL SUPPORT FOR AGRICULTURE**

*WHEREAS increasing agricultural subsidies provided by the United States and the European Union federal treasuries continue to depress world prices for grains and oilseeds; and*

*WHEREAS Manitoba grains and oilseeds producers continue to have their margins decline because of low prices and rapidly increasing input costs, especially for fuel and fertilizer; and*

*WHEREAS the Manitoba government and producers requested immediate assistance for grains and oilseeds producers from the federal government for the 2001 crop year; and*

*WHEREAS the federal government responded with \$500 million, dependent upon a provincial contribution of 40 per cent, which was denounced as inadequate by Canadian farmers and farm organizations; and*

*WHEREAS provincial agriculture ministers from Manitoba, Alberta, Saskatchewan, Ontario and*

*Québec requested an additional \$500 million in federal support to address the immediate crisis; and*

*WHEREAS the Standing Committee on Agriculture, after listening to farmers, farm organizations, business leaders, and municipal officials, heard grains and oil seeds producers had losses of \$40 to \$60 an acre, and an immediate cash injection is needed; and*

*WHEREAS the Manitoba government, despite limited financial resources: announced that it would provide \$38 million toward the aid package; and*

*WHEREAS the Premier of Manitoba has written the Prime Minister, demanding that he be involved in this critical issue.*

*WHEREAS the Standing Committee has heard presentations on the need for federal support for agriculture during four public hearings held across Manitoba.*

*THEREFORE BE IT RESOLVED that the Standing Committee on Agriculture recommend that, based on the public consultations, the federal government recognize federal support for farmers in other countries, and provide at least another \$500 million in short-term support for grains and oilseeds producers; and*

*BE IT FURTHER RESOLVED that the Legislative Assembly urge the Federal Government be more aggressive on the international stage in fighting for the removal of foreign subsidies for agriculture; and*

*BE IT FURTHER RESOLVED that the Standing Committee on Agriculture recommend that the federal and provincial governments review current safety-net programs, such as the Canadian Farm Income Program (CFIP), and crop insurance to ensure that they are meeting the needs of all Canadian producers equitably; and*

*BE IT FURTHER RESOLVED that the Standing Committee on Agriculture, having heard a number of suggestions for value-added processing, such as additional ethanol*

*production and new variety of sugar beet, recommend that the provincial and federal governments pursue these opportunities and others for rural communities; and*

*BE IT FURTHER RESOLVED that the Standing Committee send the Hansard and Committee Report to the Honourable Jean Chretien, Prime Minister of Canada and the Honourable Lyle Vanclief, Minister of Agriculture and Agri-Food Canada, for their consideration of the Committee's request for additional support for grains and oilseeds producers; and*

*BE IT FURTHER RESOLVED that the Standing Committee send an invitation to the House of Commons Standing Committee on Agriculture to come to Manitoba, to receive the Hansard and Report of the Standing Committee hearings, and to hear further presentations directly from Manitobans; and*

*BE IT FURTHER RESOLVED that Manitoba's Standing Committee on Agriculture recommend to the Legislative Assembly of Manitoba that the Premier request an immediate meeting with the Prime Minister of Canada in order to discuss an immediate cash infusion and long term solutions to the farm income crisis and that the Premier encourage the Prime Minister to meet with a delegation led by the Premier of Manitoba made up of farm, business, and municipal leaders in order to fully reflect the devastation facing farmers, businesses and communities.*

**Mr. Stan Struthers (Chairperson):** Mr. Speaker, I move, seconded by the honourable Member for Interlake (Mr. Nevakshonoff), that the report of the committee be received.

*Motion agreed to.*

### **Committee of Supply**

**Mr. Conrad Santos (Chairperson):** Mr. Speaker, the Committee of Supply has adopted certain resolutions, directs me to report progress, and asks leave to sit again. I move, seconded by the honourable Member for Selkirk (Mr.

Dewar), that the report of the committee be received.

*Motion agreed to.*

### **INTRODUCTION OF BILLS**

#### **Bill 21—The Manitoba Ethnocultural Advisory and Advocacy Council Act**

**Hon. Becky Barrett (Minister of Labour and Immigration):** Mr. Speaker, I move, seconded by the Minister of Transportation and Government Services (Mr. Ashton) that leave be given to introduce Bill 21, The Manitoba Ethnocultural Advisory and Advocacy Council Act; Loi sur le Conseil ethnoculturel manitobain de consultation et de revendication, and that the same be now received and read a first time.

His Honour, the Administrator, having been advised of the contents of this bill, recommends it to the House.

*Motion presented.*

**Ms. Barrett:** Mr. Speaker, it gives me great pleasure to take this opportunity to introduce the Manitoba Ethnocultural Advisory and Advocacy Council Act. This act will allow and encourage the ethnocultural community in this province to participate more fully in government. The act will provide for the establishment of a council of 21 members, 16 of which will be elected by Manitoba ethnocultural organizations. The other 5 will be appointed by the Multiculturalism Minister (Ms. Barrett) to ensure that there is regional and gender balance on the council.

Mr. Speaker, the ethnic and cultural diversity we all enjoy in this province is an important part of who we are as a people. This legislation will help us to continue to observe and honour the fact that our people have many different cultural backgrounds and that the quality of life in this province is richer because of it.

Thank you, Mr. Speaker.

*Motion agreed to.*

#### **Introduction of Guests**

**Mr. Speaker:** Prior to Oral Questions, I would like to draw the attention of all honourable

members to the Speaker's Gallery where we have with us today four students employed as tour guides for the Legislative Building during the summer months. They are Angela Marrello, Rebecca Blaikie, Jane Conly, Melissa Wlock.

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

\*(13:45)

## ORAL QUESTION PERIOD

### School Divisions Amalgamation

**Mr. Stuart Murray (Leader of the Official Opposition):** Mr. Speaker, Manitobans have legitimate concerns about the Minister of Education's (Mr. Caldwell) plans for amalgamation. There seems to be much confusion out in the province and I think some disagreement. I would like to know, for example, how does the Premier respond to one communiqué that I received, and I quote: The bottom line is that there is no economic or educational rationale for proceeding on forced boundary revision.

**Hon. Gary Doer (Premier):** Mr. Speaker, the Minister of Education has been working with a number of school divisions. Members opposite prefer the status quo. We think that the demographics and population changes are in constant change. We do not have to look very far for a very successful set of decisions that were made a few years ago when the Norwood School Division under the leadership of the school board, which included the Member for St. Vital (Ms. Allen), and the St. Boniface School Division got together on a voluntary basis and made a merger.

I think there are a number of proposals that have voluntary support. There are some small school divisions that would like to join a larger one, and there is some work going on in that area, but we think the members opposite support the status quo. We support reasonable and practical change.

**Mr. Murray:** Well, once again there is concern raised out there in Manitoba and I think it is

important that the Premier understands those concerns. Again, I simply ask the Premier how does he respond to the assertion that, and I quote: People worry that the new divisions would result in greater bureaucracy and a loss of economy and increased taxes.

**Mr. Doer:** Mr. Speaker, with the downloading of responsibilities and the downloading of taxation that took place at the same time, the former members had commissioned a report to go from 56 school divisions down to 22 school divisions. We had a doubling of the taxes, the property taxes under their regime in the 1990s.

We had downloading of all kinds of responsibilities and the downloading of taxation that took place at the same time that the former member said commission a report, commission a report to go from 56 school divisions down to 22 school divisions. We had a doubling of the taxes on property taxes under their regime in the 1990s.

We had downloading of all kinds of responsibilities, Mr. Speaker. We had minus two, minus two, zero on an election year, minus two, zero and plus two before an election year under the Tories. So our concerns were quite legitimate. There are some voluntary proposals where both parties or both divisions are proceeding with some positive ideas. There are other proposals that are still being looked at by school divisions. There is another category where people in a small school division are looking at joining a larger school division, and they are still working with the host school division, if you will, or the larger school division.

Mr. Speaker, while members opposite prefer the status quo, they prefer to drift along. We believe in common-sense changes for the future.

\*(13:50)

**Mr. Murray:** Mr. Speaker, the Premier obviously loves to lecture, and he loves to point out all of those things that I raised in here, all of the concerns that he has about the individual that raised these issues. He makes a big issue of it. I would like to table where I got the quotations. They came from a communiqué that came

directly from the Deputy Premier (Ms. Friesen), and I would like to table those for the House.

So, Mr. Speaker, perhaps now that the Premier has tried to lecture this side, perhaps he could lecture the member beside him when that particular member said "world communities are concerned about a potential destructive impact on their quality of life." These changes do not make sense.

**Mr. Doer:** Mr. Speaker, I thought the member opposite, the Leader of the Opposition, would be standing up and apologizing for his statement about the Crocus Fund here today.

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

**Mr. Speaker:** Order.

**Mr. Doer:** Thank you, Mr. Speaker. The press release is dated in 1996. It deals with the proposal to go from 55 or 56 school divisions to 22 school divisions. It did not have any policy on transportation of students, particularly younger students in smaller rural school divisions. It did not have policies dealing with the remoteness of northern Manitoba. Of course, members opposite do not know anything about northern Manitoba. It did not deal with some of the distances that would be required for students.

Also, the member, my honourable colleague, had some very good material from the Rural Institute, material that we are considering as well in our deliberations and discussions, and we think that rather than have the—*[interjection]* Well, the member—

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

**Mr. Speaker:** Order.

**Mr. Doer:** Thank you, Mr. Speaker. If I could complete my answer. There is one model of going from 56 or 57 school divisions down to 22. There is another model to do nothing, and there is a reasonable and responsible model that works with school divisions, works with parents, works with taxpayers to get a very, very common-sense solution to changing times.

It is five years after this press release, and we obviously will have a common-sense solution to the proposals we are bringing forward.

### **School Divisions Amalgamation**

**Mrs. Joy Smith (Fort Garry):** Clearly members opposite, Mr. Speaker, have changed their tune. There was silence during the election platform on amalgamation, and now the Minister of Education has demanded reports from across Manitoba on the issue of amalgamation, reports that were put together at the cost of the local school divisions.

It has come to my attention, Mr. Speaker, that many of these reports were incomplete. Some reports were not sent in. I would ask the minister if he would please table the number of school divisions that sent in incomplete reports or the number of school divisions that asked for more information, because there is great confusion across the province on this issue.

\* (13:55)

**Hon. Drew Caldwell (Minister of Education, Training and Youth):** Mr. Speaker, I do not think there is much confusion across the province on this particular question. Manitobans are insisting that schools in the public school system in the province of Manitoba be modernized and be thoroughly reviewed with regard to the school division boundaries.

Mr. Speaker, I have an editorial from last week's *Brandon Sun* which states: Politics are the roadblock to amalgamation in this province. The members opposite know all about the politicization of this particular issue. The editorials in the *Brandon Sun* are quite astute in this regard in noting that, quote: The former government's policy was a weak-kneed compromise because rural Conservative MLAs feared for their electoral hides.

We began a process in this province—

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

**Mr. Speaker:** Order.

**Mr. Caldwell:** Mr. Speaker, I am agreeing with editorialists that are writing in the *Brandon Sun*, my home community. They are very astute in this regard. We began a process in this province 18 months ago of consultation and dialogue in a very serious, common-sense fashion with the public school system, and we will continue.

**Mrs. Smith:** Mr. Speaker, given that the minister has neglected to bring forth the other 22 newspaper articles that spoke out against the amalgamation, could this minister please advise whether or not members opposite will be forcing amalgamation on all school divisions across this province?

**Mr. Caldwell:** Mr. Speaker, we believe very profoundly in consultation and dialogue. We believe in undertaking a thorough review with the partners in the field, with school divisions, with trustees, with communities around this issue, because we believe in quality education in this province. We are not going to stay with the status quo in education or in many other areas.

**Mrs. Smith:** Mr. Speaker, given that school divisions across the province are in great confusion over the minister's directive and his decisions about amalgamation, would the minister please tell this House if he has any kind of plan or any kind of map that outlines the kinds of amalgamation members opposite want to see in this province?

**Mr. Caldwell:** Mr. Speaker, unlike members opposite, we do not go into deliberations and consultation with a prearranged agenda and a map in mind. We have entertained and engaged in this process for the last 18 months in an atmosphere of good faith, and an attitude of seeking the best advice from our partners in the public education system. So, unlike presenting a fait accompli as members opposite did in so many items, in so many areas, from Manitoba Telephone System across the public school system spectrum, this Government believes in working with Manitobans.

### **Mountbatten School Infrastructure Project**

**Mrs. Louise Dacquay (Seine River):** Mr. Speaker, in a letter dated February 10, 2000, to

the chair of the St. Vital School Division, the Minister of Education advises that the upgrading project for Mountbatten School has been highly recommended by his Government. As well, the minister made it clear that the final decision would be made by the Doer government.

Mr. Speaker, can the minister explain where his support for the upgrading project at Mountbatten School has gone, and why has he chosen to abandon these parents and children?

**Hon. Drew Caldwell (Minister of Education, Training and Youth):** Of course, decisions regarding the infrastructure of our public school system are made by the Public Schools Finance Board in terms of the level of support. Members opposite know this, Mr. Speaker. In terms of the St. Vital School Division's deliberations on that matter, I think the question is best put to the St. Vital School Division.

**Mrs. Dacquay:** Mr. Speaker, I would like to now table the letter that the Minister of Education sent to the school division so that he can verify that the words I used were verbatim.

Mr. Speaker, a constituent of mine asks the minister: Has this Government considered in its decision to deny funding for improvements to Mountbatten the burgeoning population in the area which may necessitate the existence of a school in the community in the foreseeable future?

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

**Mr. Speaker:** Order. I would just like to remind all honourable members, when the Speaker rises, all members should be seated and the Speaker should be heard in silence. I would just like to remind all honourable members, and I ask for your full co-operation.

\* (14:00)

**Mr. Caldwell:** Mr. Speaker, I appreciate the member tabling the letter that was sent on February 20 articulating that, quote: The project identified above is subject to a detailed assessment by the Public Schools Finance Board.

The members table letters that confirm the position taken by myself and by this Government that the Public Schools Finance Board is the authority responsible for making decisions on the infrastructure of our public school system, incidentally, Mr. Speaker, an infrastructure that was left in virtual ruin by members opposite after 10 years of cuts to the public school system and lack of support for the capital needs in our public school system.

This Government is investing in education, it is investing in educational excellence and it is working with the people of Manitoba to do so.

**Mrs. Dacquay:** My final supplementary question, Mr. Speaker, is: Given that the minister selectively read the letter, I would like to ask him, did he sign the letter that then says: The Public Schools Finance Board will forward its recommendations to me for a final decision by Government.

**Mr. Caldwell:** Members know that the final authority for government policy is in this Chamber, Mr. Speaker. That is fine and that is as it should be, but we are not holus-bolus going to be running around spending money on underpasses and overpasses and selling off Crown corporations, calling the books.

Members opposite would like us to spend on the one hand, give tax cuts on the other hand. I prefer to work with the people of the province of Manitoba, to work with divisions, to work with the Public Schools Finance Board to begin to rectify some of the severe infrastructure problems and challenges that members across the Chamber left as their legacy to the people of this province.

### **Education System Special Education Action Plan**

**Mrs. Bonnie Mitchelson (River East):** In the spring of 1999, the Manitoba Special Education Review Report was released. Last year the Minister of Education advised that an action plan was to be issued in the autumn of the year 2000 or during the winter of 2000-2001.

My question for the Minister of Education is: Given that his deadline is past due, where is his action plan?

**Hon. Drew Caldwell (Minister of Education, Training and Youth):** This Government, upon assuming office, put into place the Special Education Review implementation phase for the Special Ed Review that was undertaken by members opposite. A branch was set up in government, implementation was set up within the Department of Education to bring to fruition with our partners in the field, parents again, teachers, trustees, children, to put into place a program to implement the Special Ed Review in the province of Manitoba and, indeed, that is what we are doing.

**Mrs. Mitchelson:** Given that there is an implementation committee that has been up and running for many months now, can the Minister of Education table in this House today the plan of action that that implementation committee has developed, and what is happening on implementation of the review?

**Mr. Caldwell:** The Special Ed Review implementation phase has made more progress in the last year than was made under the 12 previous years when the members opposite had an opportunity in office. The Special Education Review implementation team is now and has been for a number of months, including myself, meeting with parents, with educators around the implementation phase of the Special Ed Review. A Web site has been established so that there can be a dialogue between the public and the Special Education Review implementation team. A policy handbook has been and will be distributed broadly through school divisions in the province of Manitoba around the implementation phase of the Special Ed Review. Awareness and orientation sessions on the Special Education Review implementation have been underway for a number of months, and it is anticipated, Mr. Speaker, that regional sessions will be held throughout the province this fall. It is a comprehensive plan.

**Mrs. Mitchelson:** Since the Minister of Education gave those same answers through the Estimates process last year, I want to ask the

Minister of Education what has been implemented.

**Mr. Caldwell:** The implementation of the Special Education Review will be a comprehensive, ongoing rollout that will take place over the course of a number of years. The phase of the implementation that is underway right now is an information and feedback exchange between the field, parents, teachers, children, through the Web site, through the hand-out brochure that is in the public school system.

As the special education review implementation does roll out, we on this side of the House would be very, very pleased to be bringing some constructive progress to the area of special education, an area that was much neglected in years past.

#### **Agriculture Resolution Meeting with Prime Minister**

**Mr. Jack Penner (Emerson):** Mr. Speaker, we have heard over the last couple of days that it is possible that the Prime Minister of Canada might be visiting the province of Manitoba towards the end of this month. I was wondering—according to the resolution that was just tabled in the House, the minister has indicated that the all-party committee has requested that the Premier contact the Prime Minister and ask for a hearing by those who have requested a hearing with the Prime Minister—whether the Premier has asked the Prime Minister whether it is possible to have that meeting of all parties, municipal leaders, agricultural leaders and business leaders to discuss the crisis in agriculture in the province of Manitoba.

**Hon. Gary Doer (Premier):** Yes, that correspondence has been sent to Ottawa.

**Mr. Jack Penner:** Mr. Speaker, I wonder then if the Premier would be able to tell us when the meeting will be held and who all the participants of the meeting would be.

**Mr. Doer:** Mr. Speaker, the member opposite will recall the period prior to '99 and during the '99 flooding and subsequent to that the requests to meet with the Prime Minister, unsuccessful attempts to meet with the Prime Minister. We

note that he is going to be in Winnipeg later this month, so we have asked for that meeting that the all-party committee has asked for. We think that the kinds of statistical reviews that are presented to the federal government and to the powers that be do not appreciate the tremendous burden, particularly for grain and oilseeds producers, and we would like to convey that directly to him.

I noted when we did get a meeting in Ottawa in the fall of 1999, even though we were there with all the municipal leaders and municipal farm representatives and other members of the Chamber, that the only two people he would meet with were the Premier of Saskatchewan, myself and a note-taker. That meeting, by the way, was not that successful. We had to keep working at it. The rest of us were able to meet later on with six or seven members of the federal Cabinet, including Finance Minister Martin; Minister of Agriculture Vanclief; Minister responsible for Manitoba; the now-minister responsible, senior Minister Mr. Duhamel, Honourable Mr. Duhamel; John Harvard; a number of others.

So we are trying to follow up on the committee's report, and it would be our goal to have as many people as possible. A person who is suffering through the loss of equity in their farm or the crisis of their children staying in farming, I think those people are much better to talk directly, if we can facilitate it, than just politicians. That is our goal, and that is the goal of the member opposite.

\* (14:10)

**Mr. Jack Penner:** Mr. Speaker, it is encouraging to hear the Premier agree that it is those who are most affected by the crisis who should be involved in the discussion to make the point, and the all-party committee agrees with that.

Would the Premier, for the benefit of all of us in the Legislature, table the letter that he has sent to the Prime Minister requesting this meeting when he will be in Manitoba?

**Mr. Doer:** Well, I have sent now three letters to the Prime Minister. I want to make sure he has

received a copy of the letter, but it should be made public here. The first two letters, I will ensure the members opposite, have copies of those and the committee, and I will just ensure that he has a copy of the letter. But, yes, it should be available to members.

The content of the letter is very consistent with our answers. We know the Prime Minister is coming here. The concern about 200 people going down to Ottawa during seeding for a meeting we might not even get, I think it is better for us to try to tailor it to his Winnipeg venue.

### **Peripheral Vascular Disease Screening Clinic**

**Hon. Jon Gerrard (River Heights):** One of the important preventive health efforts in our province is the screening program for peripheral vascular disease, a program run by Dolores Poot and Diane Brown at Misericordia, an effort which is at the forefront of initiatives to develop a community-based and population-wide screening approach to peripheral vascular disease and because peripheral vascular disease is an important sign of cardiovascular disease more broadly.

My question is to the Minister of Health. In view of the importance of this screening effort, I ask the minister what his plans are for the future of the Peripheral Vascular Disease Screening Clinic?

**Hon. Dave Chomiak (Minister of Health):** I will take that question as notice.

**Mr. Gerrard:** My supplementary to the Minister of Health. I ask the minister is he aware that the budget of the Peripheral Vascular Disease Screening Clinic was reduced this fiscal year by some 80 percent? Why is the minister saying one thing in terms of prevention but then reducing the province-wide effort to detect and prevent cardiovascular disease?

**Mr. Chomiak:** This year the Department of Health has probably done more on a preventative side than in the history of Manitoba with the most widespread vaccination program for pneumococcal and for flu, for the meningitis

program, and for hep C a trace-back, look-back will be announced today.

**Mr. Gerrard:** I ask the minister, when cardiovascular disease is one of the leading causes of morbidity and mortality in this province, why is the minister reducing efforts to screen and prevent conditions like angina, myocardial infarction, stroke and even impotence?

**Mr. Chomiak:** Last year we announced the first comprehensive cardiac program, I think, in the history of the province that would be a comprehensive five-year plan that would expand the cardiac program beyond anything that has been done in Manitoba. We are very proud and working on that.

### **Education System Standards Testing—Costs**

**Mr. Peter Dyck (Pembina):** The Member for Concordia (Mr. Doer) on August 30, 1999, in reference to the Grade 3 diagnostic assessment said, and I quote: It would be the policy of the Department of Education when we are in government. It guarantees literacy in Grade 3.

The Member for Concordia also promised to save the education system \$3.5 million. Can the Minister of Education advise the final cost, including those costs offloaded to the local divisions of the Grade 3 diagnostic assessment?

**Hon. Drew Caldwell (Minister of Education, Training and Youth):** Maybe to just quickly articulate some of the costs associated with the department, Mr. Speaker. When I was appointed minister in October '99 we had three people at the DM level. We have one person at the DM level now, a cost saving of some—it is not saving, a redirection from senior management that the members opposite seem to favour in the Department of Education versus our perspective of getting those resources into the classroom. We undertook a very significant change not only at the deputy minister level, moving from three to one, we did that at the ADM level, reducing the number of ADMs. In fact, in terms of staff here throughout the department, freeing up approximately \$7 million that members opposite



had in the bureaucracy and we put into the classroom.

### **Grade 3 Literacy Rate**

**Mr. Peter Dyck (Pembina):** Well, he did not answer that question. I will try another one. As we approach the end of the school year, does the Doer government now have proof that every Grade 3 student can read and write fluently as he guaranteed during the last election campaign?

**Hon. Drew Caldwell (Minister of Education, Training and Youth):** We have pretty much come through as a government recognized now more broadly across the country as being leaders in early childhood education and education generally. This Government has invested in every sector in the public school system: capital, operating, fewer bureaucrats and more money for classrooms. That is what we want to do, and that is what we will continue to do.

### **Standards Testing—Costs**

**Mr. Peter Dyck (Pembina):** Mr. Speaker, will the Doer government continue to implement this diagnostic testing nightmare on the local school divisions, or will there be a plan put in place that will actually assist the teachers in the assessment of Grade 3 children?

**Hon. Drew Caldwell (Minister of Education, Training and Youth):** I hope members opposite are not opposed to diagnostic testing for young Manitobans to understand if young Manitobans are having challenges, experiencing challenges in literacy and numeracy, Mr. Speaker. This Government believes in working with parents, working with teachers and most importantly, working with children to ensure that in their early years they have every opportunity and every advantage in achieving success in terms of literacy and numeracy.

### **Education System Teacher Shortage**

**Mr. David Faurchou (Portage la Prairie):** Mr. Speaker, the Education Minister has spoken of his knowledge of the imminent and potential shortage of teachers throughout the province, especially in the Senior 1 through Senior 4 levels

in science and math, yet the minister has not allowed for any public discussion and provided for any Government plan. I ask the minister here today whether or not he has indeed a plan and could he possibly share it with the House.

**Hon. Drew Caldwell (Minister of Education, Training and Youth):** I know that the Member for Portage la Prairie did not really want to get up and ask that question because he was smiling at me when he did so. I know that he is feeling a little for me today because it is Minister of Education day in the House today, and I appreciate that because, Mr. Speaker, I very much enjoy working with the Member for Portage la Prairie.

In terms of the question asked by the member, Mr. Speaker, you know we are working very assiduously in this Government with our partners in the faculties of education around the province of Manitoba, University of Manitoba, University of Winnipeg, Brandon University, with teachers, the teaching profession through Manitoba Teachers' Society, the trustees through the Manitoba Association of School Trustees, as well as other partners, including superintendents and so forth, together to put into place a long-term comprehensive strategy to deal with the future of educators in the province of Manitoba.

### **Classroom Size**

**Mr. David Faurchou (Portage la Prairie):** The minister has reacted to a question. I would like to ask him most specifically: Is he collaborating with Dr. Glen Nichols and the commission in regard to classroom size in this specific entity?

**Hon. Drew Caldwell (Minister of Education, Training and Youth):** Thank you for the question, Mr. Speaker, I thank my colleague from Portage la Prairie. Doctor Nichols is very well respected in the public education field. We believe in having a process that has integrity and a process that does engage Manitobans throughout the province at every level in a public dialogue around educational issues generally, in this case specifically classroom size and composition.

\* (14:20)

**Faculty of Education  
Practicums—Rural Manitoba**

**Mr. David Faurshou (Portage la Prairie):** On a new question. In regard to the Premier's (Mr. Doer) earlier remarks today where he indicated that he is truly interested in the rural of Manitoba, can I ask the Minister of Education why the University of Manitoba does not allow their senior students in the Faculty of Education to practicum their studies in the rural of Manitoba? Why are they exclusive to the University of Manitoba, in Winnipeg?

**Hon. Drew Caldwell (Minister of Education, Training and Youth):** Mr. Speaker, this is an old policy that members on this side of the House, when we were in Opposition, asked members opposite when they were in government, so obviously this is something that transcends governments. As for the matter, I will take it under advisement and make inquiries of the University of Manitoba.

**Mr. Faurshou:** Mr. Speaker, the Minister of Education indicated that he is well aware of the problem, yet remained silent for almost two years now. What is his plan?

**Mr. Caldwell:** My plan is certainly not to interfere with the integrity and autonomy of universities, Mr. Speaker. My plan is and the plan has been indeed in all initiatives that this Government has undertaken, whether it is education or in other portfolios, to engage Manitobans, to engage those people who are working in the field, whether it be health care, education or other portfolios, so that the best practices and the best advice from Manitobans working in the field can be offered to this Government in the development of policy.

**Manitoba Society of Seniors  
Government Assistance**

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

**Mr. Jack Reimer (Southdale):** Mr. Speaker, gee, I am going to have to throw a softball across the hall.

My question is for the Minister responsible for Seniors. Mr. Speaker, I am in receipt of a letter from Vic Savage, who is the president of

the MSOS, and to quote Mr. Savage: MSOS, at the end of February, came very close to being unable to continue to service the community.

I just wanted to get an update from the Minister responsible for Seniors, after that meeting, whether she could inform the House whether she has implemented any plans or directions or assistance to MSOS.

**Hon. Diane McGifford (Minister responsible for Seniors):** Mr. Speaker, as the member opposite knows very well from his tenure as the Minister responsible for Seniors, the Manitoba Society of Seniors is an independent body that to date has funded itself. This Government, nor his government, never did fund the Manitoba Society of Seniors, although some funding does flow for specific and special events.

I would like to say as well, Mr. Speaker, that I did not receive personally the same letter from Mr. Savage that apparently the member opposite did, or if I did I have not yet seen it. As soon as I do have access to the letter, I will certainly contact the Manitoba Society of Seniors and respond.

**Mr. Reimer:** Mr. Speaker, maybe the minister has not had a chance to get the letter because it is dated April 4, 2001, but I will table the letter. The letter was sent to the attention of the Honourable Diane McGifford, Minister for Seniors, here at 450 Broadway.

Mr. Speaker, as a follow up to the Minister responsible for Seniors, one of the things that has been made available to other groups through the Department of Education, I believe it is, or possibly through Government Services was the availability of computers for the use of non-profit organizations and charity organizations.

I wonder whether that avenue has been explored by the minister or any one of the three ministers as to helping the MSOS with some of their problems.

**Ms. McGifford:** Mr. Speaker, I cannot really speak for the Minister of Government Services (Mr. Ashton) or the Minister of Education (Mr. Caldwell). I can assure the member opposite that I have personally received no requests for

computers. Since I have received no requests, I, of course, have not tried to work with other departments to see if there are requests. I do not send out memos saying are there requests for computers. I wait till someone comes to me.

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

### Speaker's Ruling

**Mr. Speaker:** I have a ruling for the House.

Following the prayer on May 1, 2001, the honourable Member for Lac du Bonnet (Mr. Praznik) rose on a matter of privilege and moved "THAT the Minister of Health (Mr. Chomiak) did break the privileges of all members by misleading the House when he said, and I quote: 'When we announced an agreement in principle to purchase the Pan Am Centre, it was to purchase the building, the equipment and the surgical suites.' (April 11, page 404, Hansard). Both in this House on April 11, 2001, and in his press release of April 2, 2001, when he announced the agreement in principle to purchase the Pan Am Centre, the minister failed to inform members of this House that he was paying \$700,000 to purchase an on-going business; and that this matter be referred to the Committee on Privileges and Elections for the committee's consideration."

In speaking to the matter, the honourable Member for Lac du Bonnet contended that the minister had indicated one set of facts on the record in the House which in the member's view was contrary to information provided by documents released outside of the House.

The honourable Minister of Health (Mr. Chomiak), the honourable Official Opposition House Leader (Mr. Laurendeau), the honourable Government House Leader (Mr. Mackintosh) and the honourable Member for River Heights (Mr. Gerrard) offered advice to the Chair on this matter. The Deputy Speaker took the matter under advisement. I thank all members for their contributions to the matter raised.

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 of a prima facie case of privilege that would warrant putting the matter to the House.

Regarding the first condition, the honourable Member for Lac du Bonnet indicated that he was raising the matter at the earliest opportunity after obtaining a copy of the documents that had been released outside of the House at 12:30 p.m. on that day. I am satisfied that the matter was raised at the earliest opportunity.

\* (14:30)

Concerning the second condition of whether or not a prima facie case of privilege exists, there are a number of factors to consider. Joseph Maingot advises on page 241 of the *Parliamentary Privilege in Canada*, second edition, that "to allege that a member has misled the House is a matter of order rather than privilege." Maingot also states on the same page that "To allege that a member has deliberately misled the House is also a matter of order and is indeed unparliamentary. However deliberately misleading statements may be treated as contempt."

Speaker Phillips ruled on August 21, 1986, that a member raising a matter of privilege which charges that another member has deliberately misled the House or a committee must support his or her charge with proof of intent. The same standard of proof was applied in seven rulings on privilege delivered by Speaker Rocan and in nine rulings on privilege delivered by Speaker Dacquay.

Although the honourable member for Lac du Bonnet has contended that the comments of the honourable Minister of Health were at odds with information contained in the documents that were tabled, the honourable Member for Lac du Bonnet did not supply proof that the minister had intentionally set out to deliberately mislead the House.

Also, according to *Beauchesne's Citation* 494, it has been formally ruled by Speakers that statements by members respecting themselves and particularly within their own knowledge must be accepted.

Additionally, the complaint raised by the honourable Member for Lac du Bonnet does not fall within parliamentary privilege as defined by Maingot.

As noted in *Beauchesne's* Citation 25, parliamentary privilege does not go much beyond the right of free speech in the House of Commons and the right of the member to discharge his duties in the House as a member of the House of Commons. Maingot defines individual privileges of members as consisting of: freedom of speech, freedom from arrest in civil process, exemption from jury service and appearance as a witness, and freedom from obstruction and intimidation. The corporate or collective privileges of Parliament are defined as the power to punish for contempt, the right to regulate its own constitution, the right to regulate its own internal affairs free from interference, the right to discipline its own members, the right to institute inquiries and call for witnesses and the right to settle its own code of procedure.

Based on the authorities and precedents cited, I must respectfully rule that the matter raised by the honourable Member for Lac du Bonnet (Mr. Praznik) does not satisfy the criteria of a prima facie case of privilege and must rule the matter out of order as a matter of privilege.

**Mr. Marcel Laurendeau (Opposition House Leader):** Mr. Speaker, I challenge your ruling.

**Mr. Speaker:** The ruling of the Chair has been challenged.

\* (15:10)

#### Voice Vote

**Mr. Speaker:** All those in support of sustaining the ruling, say yea.

**Some Honourable Members:** Yea.

**Mr. Speaker:** All those opposed, say nay.

**Some Honourable Members:** Nay.

**Mr. Speaker:** In my opinion, the ruling of the Chair has been sustained.

#### Formal Vote

**Mr. Laurendeau:** Yeas and Nays, Mr. Speaker.

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

The question before the House is shall the ruling of the Chair be sustained.

#### Division

*A RECORDED VOTE was taken, the result being as follows:*

#### Yeas

*Aglugub, Allan, Ashton, Asper, Barrett, Caldwell, Cerilli, Chomiak, Dewar, Doer, Friesen, Jennissen, Korzeniowski, Lathlin, Lemieux, Mackintosh, Maloway, Martindale, McGifford, Mihychuk, Nevakshonoff, Reid, Rondeau, Santos, Schellenberg, Selinger, Smith (Brandon West), Struthers, Wowchuk.*

#### Nays

*Cummings, Dacquay, Derkach, Driedger, Dyck, Enns, Faurschou, Helwer, Laurendeau, Loewen, Maguire, Mitchelson, Murray, Penner (Emerson), Penner (Steinbach), Pitura, Praznik, Reimer, Schuler, Smith (Fort Garry), Stefanson, Tweed.*

**Madam Clerk (Patricia Chaychuk):** Yeas 29; Nays 22.

**Mr. Speaker:** The ruling of the Chair has been sustained.

**Mr. Denis Rocan (Carman):** Mr. Speaker, I was paired with the honourable Member for Rupertsland (Mr. Robinson). Had I not been, I would have voted with my side of the House.

#### TABLING OF REPORTS

**Hon. Dave Chomiak (Minister of Health):** Mr. Speaker, I wonder if I might have leave to revert to tabling of reports.

**Mr. Speaker:** Is there agreement of the House to revert to tabling of reports? [*Agreed*]

**Mr. Chomiak:** Mr. Speaker, I would like to table the Supplementary Information for Legislative Review of the 2001-2002 Departmental Expenditure Estimates for Manitoba Health and the Addictions Foundation of Manitoba.

## MEMBERS' STATEMENTS

### Boundary Trails Health Centre

**Mr. Peter Dyck (Pembina):** Mr. Speaker, I am pleased to rise in the House this afternoon to mark a historic day for the communities of Winkler, Morden, Stanley and surrounding area. We celebrated the opening of the Boundary Trails Health Centre, a \$37-million, 120 square-foot, state-of-the-art facility.

The new 94-bed hospital boasts a full slate of health services, including a 24-hour emergency department, observation unit, intensive care unit, ambulatory care clinic, rehabilitation assessment and services, medical unit, dialysis unit, community cancer program, surgical unit, obstetrics unit, same-day surgical suites, laboratory, cardiac stress testing and home care support services. This beautiful facility is the result of over 20 years of work to realize a vision of having one health facility to serve Morden and Winkler and the surrounding communities.

A special thank you to Don Orchard, former MLA for Pembina and the former Minister of Health, who worked extremely hard to help make this project a reality. A thank you also goes to our now-Member for Lac du Bonnet (Mr. Praznik), former Minister of Health, and to my colleagues.

The new Boundary Trails Health Centre will provide the citizens of Pembina area with amenities and services that were previously not available and will greatly increase the enjoyment and quality of life for our citizens.

I would like to congratulate everyone involved in making the dream become a reality, including the mayors, reeves and council members of the supporting communities. I would also like to wish the doctors, nurses and the staff of Boundary Trails Health Centre all the

best as they start a new era in health care service in our region, bringing services closer to home.

### Young Humanitarian Award

**Ms. Linda Asper (Riel):** Monsieur le président, cinq jeunes filles du Collège Jeanne Sauvé se sont méritées le Young Humanitarian Award remis par la Manitoba Teachers' Society. Tout au long de l'année scolaire, elles se sont appliquées à informer leur pairs sur les différentes causes humanitaires et les problèmes qui font rage dans le monde en formant le Comité de justice social.

Athena Kovacs, Renée Barnabé, Elizabeth Debicki, Allison Sexton et Marina Stewart ont été récompensées par la Manitoba Teachers' Society qui leur a remis le prix de groupe des Young Humanitarian Awards lors d'une cérémonie qui a eu lieu le 3 mai au Théâtre des enfants à la Fourche.

Les cinq étudiantes ont organisé des tables rondes durant lesquelles des invités sont venus parler de causes humanitaires. Elles ont aussi organisé un concert bénéfique pour les enfants affectés par la guerre.

Félicitations à leur professeur, Hélène Roy, qui les a guidées dans leur projet. Ayant empoché 1000 \$, les filles ont décidé de donner 250 \$ pour le comité de l'année prochaine. Elles continueront de s'intéresser aux causes humanitaires à l'université, incluant les droits des femmes, les mines anti-personnelles, la discrimination et les enfants affectés par la guerre. Nous leur souhaitons bonne chance. Merci, Monsieur le président.

### Translation

*Mr. Speaker, five young women from Collège Jeanne Sauvé have earned the Manitoba Teachers' Society's Young Humanitarian Award. Throughout the school year, they have been involved in informing their peers about various humanitarian causes and problems that are raging in the world, by forming the Social Justice Committee.*

*Athena Kovacs, Renée Barnabé, Elizabeth Debicki, Allison Sexton and Marina Stewart have been recognized by the Manitoba Teachers'*

*Society which gave them the Young Humanitarian Awards' group prize in a ceremony which took place on May 3 at Manitoba Theatre for Young People at the Forks.*

*The five students organized round tables during which guests came to speak about humanitarian causes. They also organized a benefit concert for children affected by war.*

*Congratulations to their teacher, Hélène Roy, who guided them in their project. Having earned \$1000, the girls decided to donate \$250 for next year's committee. They will continue to be involved in humanitarian causes at university, including women's rights, landmines, discrimination and children affected by wars. We wish them good luck. Thank you, Mr. Speaker.*

\* (15:20)

#### **Louis Riel Historical Documents**

**Mr. Denis Rocan (Carman):** Monsieur le président, j'ai le plaisir de me lever aujourd'hui pour dire quelques mots sur une cérémonie qui a eu lieu au Centre du patrimoine samedi passé, le 12 mai. Cette cérémonie a célébré le retour des lettres et des documents de Louis Riel et de la Société historique métisse des Archives provinciales du Manitoba au Centre du patrimoine.

Ces documents ont une valeur inestimable pour la communauté métisse dû à leur signification historique. Parmi ces documents, il y a un journal de Louis Riel écrit en 1885 lors de son emprisonnement à Regina, et une lettre à sa mère écrite la veille de sa pendaison. La préservation de ces documents est nécessaire pour se souvenir de cette partie de notre histoire et des énormes sacrifices faites au nom de la liberté et de la formation de la province du Manitoba.

Les documents de Louis Riel ont été récupérés dans les années 1930. En 1943, la Société historique métisse les a confiés au gouvernement provincial. Durant la soixantaine d'années qu'ils ont demeuré aux Archives provinciales, ils ont fait l'objet de nombreux travaux de conservation et de préservation. Aujourd'hui les originaux sont sous la protection

du Centre du patrimoine, mais les Archives provinciales ont également gardé une copie des documents sur microfilm, qui sera mise à la disposition du public.

Au Manitoba, nous sommes fiers de notre histoire et fiers des grands personnages comme Louis Riel qui ont tant contribué à leur patrimoine et à notre culture. C'était approprié que le transfert de ces documents au Centre du patrimoine corresponde à la Fête du Manitoba. Louis Riel, fondateur de notre province, est reconnu à travers ce pays pour ses efforts d'assurer les droits fondamentaux de la population métisse.

J'aimerais aussi prendre cette occasion pour remercier le ministre de Culture, Patrimoine et Tourisme, M. Ron Lemieux, d'avoir tant travaillé sur ce projet. Je sais que le ministre reconnaît bien l'importance de ces documents pour la population métisse et je le félicite de les avoir retournés au public. Merci, Monsieur le président.

#### **Translation**

*Mr. Speaker, I have the pleasure of rising today to say a few words about a ceremony which took place at the Centre du patrimoine on Saturday, May 12. This ceremony celebrated the return of the Louis Riel and the Société historique métisse documents and letters from the provincial archives of Manitoba to the Centre du patrimoine.*

*These documents are of inestimable value to the Métis community because of their historical significance. Among these documents there is a diary of Louis Riel, written in 1885 during his imprisonment in Regina, and a letter to his mother written the day before his hanging. The preservation of these documents is necessary to our recollection of this part of our history and of the enormous sacrifices made in the name of freedom and of the formation of the province of Manitoba.*

*Louis Riel's documents were salvaged during the 1930s. In 1943 the Société historique métisse entrusted them to the provincial government. During the approximately 60 years that they were housed at the provincial archives,*

*they received a great deal of conservation and preservation treatment. Today, the originals are under the protection of the Centre du patrimoine but the provincial archives also have kept a copy of these documents on microfilm which will be made available to the public.*

*In Manitoba, we are proud of our history and of the great figures like Louis Riel who contributed so much to our heritage and our culture. It was appropriate that the transfer of these documents to the Centre du patrimoine corresponded with Manitoba Day. Louis Riel, the founder of our province, is recognized throughout this country for his efforts to ensure the fundamental rights of the Métis population.*

*I would also like to take this opportunity to thank the Minister of Culture, Heritage and Tourism, Mr. Ron Lemieux, for having worked so hard on this project. I know that the minister well recognizes the importance of these documents for the Métis population and I congratulate him for having returned them to the public. Thank you Mr. Speaker.*

### **World Literacy Day**

**Mr. Jim Rondeau (Assiniboia):** Today, Mr. Speaker, I rise to discuss and talk about World Literacy Day which will be held September 8 this year. As we all know, literacy affects health and is a direct relation to poor health, it affects full employment and ability to hold and maintain good employment, and it also stops people from becoming full participants in society. Literacy also perpetuates over the years.

I would like to congratulate the volunteer teachers working in this area and also the people who are improving their studies in this area. Literacy Partners of Manitoba and many other groups are planning activities on September 8 this year. The weekend will be comprised of many activities to promote literacy and to raise awareness of the effects of illiteracy.

I am working with the MLA of St. James and the staff and students of Stevenson-Britannia adult learning centre to hold a barbecue with people donating money and school supplies for students and literacy programs in the St. James area.

These books will be provided for family literacy. Children's books will be provided for families literacy, and other books will be provided to the schools and libraries for these programs. I hereby challenge all MLAs on all sides of the House to get involved in this event and leave a legacy of literate participating people in Manitoba. Literacy does make a difference. I urge everyone to get involved and improve the literacy levels of all Manitobans. Thank you.

### **Boundary Trails Health Centre**

**Mr. Harry Schellenberg (Rossmere):** Mr. Speaker, several members from both sides of the Chamber had the privilege this past week to participate in the official opening of the Boundary Trails Health Centre near the communities of Winkler, Morden. A member from the Opposition has already reported on this issue, but it is important enough to have another report.

I would like to point out, Mr. Speaker, that I taught school in southern Manitoba and identify with the region and the people very well. In fact, eight years I have taught in southern Manitoba. This brand-new, state-of-the-art health care facility replaces the hospital in each community. By combining the services operating in two communities into one facility, the Boundary Trails Health Centre will be better equipped to officially deal with the health concerns of patients closer to their home communities.

The completion of projects like the Boundary Trails Health Centre is an indication of our Government's commitment to ensuring that a high standard of accessible health care is available to all rural Manitobans. We thank all the stakeholders at the former hospitals in Winkler and Morden for their good work over the years. We know they will continue their caring work in the future for people of their communities.

Mr. Speaker, I just want to point out my family, over the years, had used the Morden facilities. Another example of this commitment is the completed renovation of the two sites of the Parkland community health resource centre at Ethelbert and Pine River. This project reflects a joined effort and shared costs between our

Government and the communities. Centres like those at Ethelbert and Pine River provide cost-effective, community-based health services that help people stay healthy rather than focussing solely on treating illness.

Our Government remains committed to providing an efficient, equitable health care system to all Manitobans. Thank you.

\* (15:30)

### House Business

**Hon. Gord Mackintosh (Government House Leader):** Consents, Mr. Speaker, first off, before we go into Supply. Would you see if there is consent of the House to vary the consideration of Estimates by moving in the Chamber the Estimates of the Civil Service Commission to follow the Estimates of Consumer and Corporate Affairs? That is to apply permanently.

**Mr. Speaker:** Is there unanimous consent of the House to vary the sequence of consideration of Estimates by moving in the Chamber the Estimates of the Civil Service Commission to follow the Estimates of the Department of Consumer and Corporate Affairs? This change is to apply permanently. Is there unanimous consent? *[Agreed]*

**Mr. Mackintosh:** Mr. Speaker, would you please canvass the House to see if there is unanimous consent to change the sequence of Estimates in Room 254 so that Health will follow Conservation, and that the Estimates for Family Services and Healthy Child Manitoba will follow Health? All remaining departments from 254 are to be moved to the Chamber to follow the Civil Service Commission. That is to apply permanently.

**Mr. Speaker:** Is there unanimous consent to change the sequence of Estimates consideration for Room 254 so that the Estimates for the Department of Health will follow the Estimates of the Department of Conservation and that the Estimates for the Department of Family Service and Healthy Child Manitoba will follow the Estimates for the Department of Health. All remaining departments from committee Room 254 are to be moved into the Chamber to follow

the Estimates of the Civil Service Commission. This change is to apply permanently. Is there agreement? *[Agreed]*

**Mr. Mackintosh:** Would you also canvass the House to see if there is unanimous consent to move the Estimates for the Legislative Assembly to the Chamber to be ahead of Executive Council in the sequence? That change is to apply permanently.

**Mr. Speaker:** Is there unanimous consent to move the Estimates for the Legislative Assembly to the Chamber to be ahead of Executive Council in the sequence? This change is to apply permanently. Is there unanimous consent? *[Agreed]*

**Mr. Mackintosh:** Would you canvass the House to determine if there is leave to waive private members' hour today?

**Mr. Speaker:** Is it the will of the House to waive private members' hour for today? *[Agreed]*

**Mr. Mackintosh:** Mr. Speaker, I would like to announce that the Standing Committee on the Rules of the House will meet this evening at 6:30 p.m. in order to consider various rule changes.

I move, seconded by the Minister for Intergovernmental Affairs (Ms. Friesen), that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to—

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

**Mr. Speaker:** I have not called Orders of the Day yet. It has been announced that the Standing Committee on Rules of the House will meet this evening, at 6:30 p.m., in order to consider various rule changes.

### Committee Changes

**Mr. Peter Dyck (Pembina):** I move, seconded by the honourable member for Emerson (Mr. Jack Penner), that the composition of the Standing Committee on Rules be amended as follows: Russell for Carman.

*Motion agreed to.*



## ORDERS OF THE DAY

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Intergovernmental Affairs (Ms. Friesen), that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

*Motion agreed to.*

## COMMITTEE OF SUPPLY (Concurrent Sections)

### CONSERVATION

\* (15:50)

**Mr. Chairperson (Harry Schellenberg):** Good afternoon. Will the section of the Committee of Supply meeting in Room 254 please come to order. This afternoon this section of the Committee of Supply will resume consideration of the Estimates of the Department of Conservation.

It was previously agreed by this committee to have a global discussion on the entire department and once all questioning is completed the committee would then pass all lines and resolutions. We are on line 1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$458,800. Shall the item pass?

**Mr. Larry Maguire (Arthur-Virden):** Mr. Chairman, I just have a couple of questions here in regard to where we left off the last time we were in Estimates. I had asked the minister a question in regard to the Tilston oil battery, and I wonder if the minister has a reply on that.

**Hon. Oscar Lathlin (Minister of Conservation):** Could I ask the Member for Arthur-Virden to refresh my memory a little bit? I have to be honest with you; I just do not remember the last question we covered.

**Mr. Maguire:** It was just in regard to the battery, the hydrogen sulphide situation there. I had asked the minister whether or not his department had looked at or felt that the companies involved had looked at exhausting absolutely all of the alternative processes to

reduce the product. I realize that the group called GASPE has taken the concern to the point where they feel they have to go to court to try to get some more of their concerns dealt with.

I am wondering if the minister can indicate to me whether he feels that all alternative processes to reduce the amount of hydrogen escaping from the hydrogen sulphide or rather escaping from this 88 battery, including the option of burning all of the propane in the treater and all the gases in the incinerator, you know, getting a hotter flame to burn off more of the gases that are not being burnt or seemingly not being burnt at this time. I wonder if he could just give me a clarification on whether he feels all of those options have been addressed or whether they are in fact viable options.

**Mr. Lathlin:** Mr. Chair, I can indicate to the member that, when I became Minister of Conservation a year and a half ago now, this concern that was expressed by people living around the battery area apparently had been an issue for quite some time. I believe the issue first broke around 1997. Since then, from 1997, from what I could gather from reading the file, the previous government apparently had done their study and review, and I think even the company itself had committed to looking at new technology and so forth. So, when I got to be minister in the fall of '99, it was not long after that that I was in a meeting face to face with some of these concerned residents from that area, and as I said earlier in my responses last week, yes, I was quite moved by the amount of emotion that was displayed by the residents. I truly believe that those feelings were real, and I felt sorry for them.

So, from that, I talked with staff of course to see if that was the farthest we could go in terms of looking for a solution. Again, I was told by my staff that there had been several reviews done. Then it was not long after that that we got together with the Department of Health, and we again launched another review. This time it was to be a medical review to see whether in fact the battery had caused these people to display the symptoms, I guess, they were showing.

So the study was completed, and again some things were acknowledged. That was that some

days the emissions had apparently exceeded guidelines, but those periods of time were apparently so infrequent.

For the most part the emissions were below the guidelines. As a result, even though they were causing a lot of discomfort and inconvenience, the reporting in, as did other previous studies, did indicate that they could not really link these emissions directly to the way the people were feeling.

Of course after that study was completed, the medical officer met with the people again, and again there was no resolution. Just to make sure that we had tried everything that we could think of, we asked the Clean Environment Commission to see whether they could maybe look at the dispute with a view to settling it through a series of meetings. Unfortunately, that was not possible. The people did not agree to that, and so it was at that point that I made a decision that we probably had done the best we could under the circumstances.

It was during that time as well that the group decided to file a claim in court. Now the issue is before the court, and as I said earlier to the member, I am not sure as to how far I should go in terms of discussing that issue, but that is what I know for sure. We will also continue to work with the company, because there are two sides to this story here, to ensure that they look at every reasonable, new, innovative measure that they can implement to alleviate the situation around there. So that is what we have done.

I want to visit the Tilston area. One of the owners of the company had invited me to go there, and I thought it would be a good idea for myself to go there and just get the lay of the land as it were. I am going to go there, but I think I am going to go there on my own without the company or the residents, you know, just go there and have a look around. I will get our staff to take me around and explain things to me and so forth.

**Mr. Maguire:** I would appreciate that. I think that that would be a very worthwhile opportunity. I have a couple of other questions in

regard to issues, but my colleagues to my right here have a few quick questions as well and so I pass it over to the member from Portage at this time.

**Mr. David Faurshou (Portage la Prairie):** I would like to ask the minister a question in regard to the conversation that I had this morning with Chief Dennis Meeches of the Long Plain First Nations band in Portage la Prairie who expressed grave concern about the problems that he is experiencing because of surface water runoff from other jurisdictions that ultimately pass through Long Plain Reserve holdings and have caused significant damage to the roads. He is concerned that his existing support levels will not cover all of the damage that has been incurred and, quite frankly, is gravely concerned about the ongoing services, getting buses around and picking the kids up and getting them to school.

\* (16:00)

I am certain the minister is familiar with the Sandy Bay situation, but it is just to Dennis Meeches' and the council's credit as well as to those in the administration that have gotten the school kids to school. But they are facing significant challenges because of the damage that has been incurred. I am wanting to ask the minister what advice I might pass on to Chief Meeches in this regard.

**Mr. Lathlin:** Let me say to the member that two or three years ago, or even further back, I never thought I would live to see a day when every time there was a threat of snow or rainfall that I would end up really having to worry about it because, knowing the condition that exists in the south part of our province, it just really causes me to worry whenever I see dark clouds or even some rain. I imagine, if I was a farmer, I would probably be freaking out every day.

Some time last week I went on an aerial tour of the Westbourne area. We had a chance to fly over the Portage Diversion. Whoever said that it was not at capacity must have been talking about another channel because there is a maximum capacity. Then, of course, the member knows what they call the fail-safe level, I think practically all sides of the channel all the way

into Lake Manitoba one would think that they had that safe level attached to it, but the water was everywhere in the Westbourne area. On our way back, we had a chance to fly over where the channel starts from the Assiniboine River in the Portage la Prairie area, and I was looking at all this water that was backing up. Short of going in there to dig another great big ditch, and where I do not know because it seemed to me that the whole area is saturated with water. It does not matter where you go, you have water.

So my advice to the member would be that, when the river levels have gone down somewhat, we work with the First Nations community of Long Plain. It would be EMO that would be taking the lead role, if it goes there to investigate, to determine the degree of damage and then to work with the Department of Indian Affairs to see if any remedial action is needed, especially on the reconstruction of roads, and also to try to cover whatever losses the Long Plain First Nation might have incurred. So that would be my advice to the member. We are, incidentally, giving the same advice to other people who we come across with.

I know at a meeting earlier today that issue was brought to my attention by some people from Dakota Tipi. They also advised me that the whole ground is just saturated with water. It does not matter where you go, there is water everywhere.

So I thank the member for raising that issue.

**Hon. Jon Gerrard (River Heights):** Last December, the minister indicated that he was going to go back to The Pas to personally inspect the pump station at Knapp Dam and to look and see what the situation was there. I would ask the minister what you found on your inspection, what you have done since, and what the extra cost of fixing the problem was.

**Mr. Lathlin:** Mr. Chairperson, I know the member has taken a very keen interest on this file. Every time he goes up there I try to bump into him so I can show him, extend to him some hospitality. He and I were there together for the Trapper's Festival. I know that he has been up there subsequently looking at that situation that he was talking about.

The information as I have it now says that a new station will be operational for the 2001 spring runoff. Mind you, like, now there is not all that much water up north, as the member probably knows. If anything, we were fighting forest fires already two weekends ago. In any event, the pump station is being operationalized later on in the spring. The deficiencies in the construction part have been remedied, as I understand it. When I visited the site, the contract engineer was there. Our staff were there. I was advised that the problem was mainly a design one and that was that there was some seepage between the intake channels. That has since been fixed.

Of course, the extra costs that we are incurring on this project, we are going to be looking to get, how do I say it, recover those costs from the contract itself, from the contractor.

The extra costs, I am told, of the remedial work including the engineering portion will be about \$225,000.

**Mr. Gerrard:** Mr. Chairman, as I understand it, the underside of the pump station, there was some leakage under the pump station, and that is what you mean by the leakage between channels. I would ask you just to confirm that and also would ask whether the remedial work was tendered.

**Mr. Lathlin:** Mr. Chair, I am advised that the work was tendered, and, yes, I would like to confirm for the member that the problem area was indeed between the two intake channels.

**Mr. Gerrard:** So, what you are essentially confirming is what I was told when I was up there initially in the fall, that the water was going underneath the pump house or the dam, was correct.

**Mr. Lathlin:** That is correct.

**Mr. Maguire:** I would be prepared to pass a few lines at this time, Mr. Chairman.

**Mr. Chairperson:** We will do page 42, 1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$458,800—pass; (2) Other Expenditures \$123,800—pass.

1.(c) Corporate Services (1) Salaries and Employee Benefits \$613,700—pass; (2) Other Expenditures \$720,900—pass.

1.(d) Financial Services (1) Salaries and Employee Benefits \$1,426,200—pass; (2) Other Expenditures \$370,900—pass.

1.(e) Human Resource Services (1) Salaries and Employee Benefits \$891,800. Shall the line pass?

**Mr. Maguire:** I know we have been around this a little bit before, but the minister had indicated previously, when I was asking to go back to staffing just for moment, that he was making new announcements of regional officers. I know they are out. He has published those. I understand there were some new announcements this morning in regard to some more of the regional staff.

**Mr. Lathlin:** Mr. Chairperson, I am trying to organize some information here that contained some of the answers to the questions that the two members had asked previously. For example, I have appointments to director positions here. I would like to table that. I believe there was a question. This might have been for the Member for Springfield (Mr. Schuler). The question was why the human radiation unit in the University of Bristol was ignored. Why was that selectively left out? So we have the answer for that.

\* (16:10)

The other question might have been asked by the Member for Portage (Mr. Faurchou), and that is the Portage diversion is being operated to minimize damages in the three areas, the city of Winnipeg, Assiniboine River east of Portage la Prairie and Lake Manitoba. Then we have the responses here. I can pass those out as well. I believe another question had to do with a listing of applications for a permit to construct manure storage. So we have a list of those here as well, if I could table that. If you want, I have extra copies here I can give to the members as well.

Mr. Chairperson, I believe that is what the member was about to ask, the movement of staff, the appointments and so forth.

**Mr. Maguire:** If I could just have a moment We had talked the first or second day of Estimates in Conservation. I had asked the minister in regard to his staff at his constituency office. You indicated that you had two persons there, I believe. I wonder if he could just tell me who they were, again.

**Mr. Lathlin:** In my constituency office, I have one person. Of course, I think the member knows, the constituency office, that budget is covered off by the member's allowance. So I have one person.

**Mr. Maguire:** Could the minister give me that person's name?

**Mr. Lathlin:** Donna Nabess.

**Mr. Maguire:** What other staff would the minister have in his office in his constituency?

**Mr. Lathlin:** That is the only person that I have in my constituency office. There is only one person hired for that job. The only other political staff that I have is in Winnipeg here in my office. I think I explained that before too. I have one person as a special assistant and I have one person as an executive assistant. So I have two here in Winnipeg and I have a constituency assistant in The Pas.

**Mr. Maguire:** Just for the record, could the minister indicate who those two staff persons are in his office here in Winnipeg?

**Mr. Lathlin:** Glen Holmes and one James Martin.

**Mr. Maguire:** Can the minister indicate to me if he has other staff that help him with work in his constituency. I assume that Ms. Nabess' title is executive assistant, or I do not know what he calls this—

**An Honourable Member:** Constituency assistant.

**Mr. Maguire:** Constituency assistant would be perhaps a nomenclature that he would use for

that area. I am just wondering if he has any other staff there as well.

**Mr. Lathlin:** The only other, actually two people, there is a northern Conservation advisor and one admin support person working out of the former Department of Highways' office, I guess. Those are departmental staff. They would not be like Donna Nabess or James Martin or Glen Holmes.

The northern resource development officer position that I have in The Pas reports to the deputy minister on a term basis. He works out of the northern resource development office at the Otineka Mall that is situated on the reserve. With him he has an administrative support person.

**Mr. Maguire:** This would be like a senior assistant in that area.

**Mr. Lathlin:** I do not know if I regard him as a senior assistant. I look at his job as a northern Conservation advisor to the minister's office.

**Mr. Maguire:** Can the minister indicate to me the name of the individual who holds this position?

**Mr. Lathlin:** The person's name is Rod McKenzie and the support person is Candiana Marks.

**Mr. Maguire:** I just wonder, without a long process, but if the minister could just indicate what their two roles are in that area. He has indicated development for northern resources. I wonder if he could elaborate on that.

**Mr. Lathlin:** Well, the northern conservation advisor works with actually people from across Manitoba. His work thus far has been mainly a lot of liaison work. He does a lot of liaison work with our regional office in The Pas, Thompson and even some offices here in Winnipeg in the south. He works with the northern communities. We also have him do a lot of facilitating and advising regarding northern economic development issues. We have him working with groups in co-management. For example, resource management. He works with Moose Lake loggers, works with Tolko. Even Tembec, sometimes he will come to meetings there. So he

does a lot of liaison work between our office and the various stakeholders.

**Mr. Maguire:** Mr. Chairman, I would be prepared to pass that line.

\* (16:20)

**Mr. Chairperson:** 12.1. Administration and Finance (e) Human Resource Services (1) Salaries and Employee Benefits \$891,800–pass; (2) Other Expenditures \$105,400–pass.

1.(f) Information Systems Technology (1) Salaries and Employee Benefits \$1,090,700–pass; (2) Other Expenditures \$393,300–pass.

2. Conservation Support Services (a) Computer Graphics (1) Salaries and Employee Benefits \$504,800–pass; (2) Other Expenditures \$50,900–pass.

2.(b) Survey Services (1) Salaries and Employee Benefits \$1,596,100–pass; (2) Other Expenditures \$463,300–pass; (3) Less: Recoverable from other appropriations (\$1,570,700)–pass.

2.(c) Distribution Centre (1) Salaries and Employee Benefits \$388,200–pass; (2) Other Expenditures \$326,900–pass; (3) Less: Recoverable from other appropriations (\$95,000)–pass.

Resolution 12.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,664,500 for Conservation, Conservation Support Services, for the fiscal year ending the 31st day of March, 2002.

*Resolution agreed to.*

**Mr. Chairperson:** We will go to 12.3. Regional Operations (a) Headquarters Operations (1) Salaries and Employee Benefits \$3,219,200–pass; (2) Other Expenditures \$2,717,800–pass; (3) Problem Wildlife Control \$240,600–pass.

3.(b) Northwest Region (1) Salaries and Employee Benefits \$2,378,500–pass; (2) Other Expenditures \$773,400–pass.

3.(c) Northeast Region (1) Salaries and Employee Benefits \$2,492,700–pass.

**Mr. Marcel Laurendeau (St. Norbert):** Mr. Chair, if we were to do so by unanimous consent, would you be of the understanding we could just pass all the resolutions without reading line by line today, seeing as we are going to change the rule tonight.

**Mr. Chairperson:** I would like to inform the Member for St. Norbert that cannot be done. We have to pass them line by line.

**An Honourable Member:** It is the last night for you to do it, so enjoy it.

**An Honourable Member:** It is the only thing we cannot do by leave, I think.

**Mr. Chairperson:** 12.3.(c) Northeast Region (2) Other Expenditures \$971,200—pass.

3.(d) Central Region (1) Salaries and Employee Benefits \$3,845,500—pass; (2) Other Expenditures \$1,763,900—pass.

3.(e) Eastern Region (1) Salaries and Employee Benefits \$3,437,800—pass; (2) Other Expenditures \$969,500—pass.

3.(f) Western Region (1) Salaries and Employee Benefits \$5,216,700—pass; (2) Other Expenditures \$1,775,700—pass.

3.(g) Red River Region (1) Salaries and Employee Benefits \$3,604,900—pass; (2) Other Expenditures \$458,100—pass.

3.(h) Fire Program (1) Salaries and Employee Benefits \$4,839,300—pass; (2) Other Expenditures \$7,886,500—pass.

Resolution 12.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$46,591,300 for Conservation, Regional Operations, for the fiscal year ending the 31st day of March, 2002.

**Resolution agreed to.**

12.4. Conservation Programs (a) Divisional Administration (1) Salaries and Employee Benefits \$520,500—pass; (2) Other Expenditures \$1,803,400—pass.

4.(b) Water Management (1) Administration (a) Salaries and Employee Benefits \$312,900—pass; (b) Other Expenditures \$916,100—pass; (c) Grant Assistance \$25,000—pass.

4.(b)(2) Water Licensing (a) Salaries and Employee Benefits \$697,600—pass; (b) Other Expenditures \$45,800—pass.

4.(b)(3) Water Planning and Development (a) Salaries and Employee Benefits \$1,072,100.

\* (16:30)

**Mr. Laurendeau:** Mr. Chair, I had asked the minister a number of questions about floodproofing the other day and whether the constituents of Winnipeg would be eligible to receive some of the dollars back which they had expended, but they were being held ransom at this time by the City because they do not have their dikes built. I was wondering if the minister could give me any further information on that question. *[interjection]* This is money that is already committed. We are just waiting for it.

**Mr. Chairperson:** We will continue with item 12.4. Conservation Programs (b) Water Management (3) Water Planning and Development (a) Salaries and Employee Benefits \$1,072,100—pass; (b) Other Expenditures \$87,900—pass.

4.(b)(4) Surface Water Management (a) Salaries and Employee Benefits \$821,200—pass; (b) Other Expenditures \$293,600—pass; (c) Canada-Manitoba Agreement for Water Quantity Surveys \$587,000—pass.

4.(b)(5) Groundwater Management (a) Salaries and Employee Benefits \$853,100—pass; (b) Other Expenditures \$617,200—pass.

4.(b)(6) Water Quality Management (a) Salaries and Employee Benefits \$433,400—pass; (b) Other Expenditures \$266,300—pass.

4.(b)(7) Waterway Maintenance 3,960,800—pass.

We will go on to 4.(c) Parks and Natural Areas (1) Administration (a) Salaries and Employee Benefits. Excuse me, a question here.

**Mr. Lathlin:** I know the Member for St. Norbert (Mr. Laurendeau) asked that question, I believe, last week. I think we made a commitment that

we would try to find out the current status of that file. Apparently, we still do not have an answer.

We are continuing to work with the City of Winnipeg. Our director of Water Resources is continuing discussions with the City of Winnipeg. I am going to make a commitment to the Member for St. Norbert that, as soon as we are able to determine where things are at, we will endeavour to give him a written response.

**Mr. Laurendeau:** Mr. Chair, through you to the minister, my only concern is that the floodproofing monies may expire at the end of the month prior to them getting approval from the City or whether the City has it. That is the concern that they have, is that something is going to expire, and they will be left out in the cold. So, as long as I have got a commitment that they will not be left out in the cold if something does come to an end or one of the funding agreements comes to an end, that they are not left out in the end without having the ability to do this, that is all I am seeking right now, is a definition on that time frame.

**Mr. Lathlin:** Yes, I thank the member for raising that. We are determined to resolve that issue before the end of the month so that we do not run into the danger of missing the deadline. We are working on a basis that we are going to resolve this issue before the end of the month.

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

**Mr. Chairperson:** Item 12.4. Conservation Programs (c) Parks and Natural Areas (1) Administration (a) Salaries and Employee Benefits \$355,400—pass; (b) Other Expenditures \$419,100—pass; (c) Grant Assistance \$191,200—pass.

4.(c)(2) Planning and Development (a) Salaries and Employee Benefits \$862,300—pass; (b) Other Expenditures \$194,600—pass.

4.(c)(3) Park Districts (a) Salaries and Employee Benefits \$460,600—pass; (b) Other Expenditures \$49,300.

4.(c)(4) Park Operations and Maintenance (a) Salaries and Employee Benefits

\$10,635,600—pass; (b) Other Expenditures \$4,453,600—pass.

4.(c)(5) Support Services (a) Salaries and Employee Benefits \$250,000—pass; (b) Other Expenditures \$294,000—pass.

4.(d) Climate Change (1) Salaries and Employee Benefits \$954,100—pass.

**Mr. Maguire:** Just a short question in regard to the salaries and benefits of this, would this include the committee that has now been put out in charge of climate change, and are there reimbursements, salaries for the chair and vice-chair? I assume that the member of the Clean Environment Commission, Mr. Duguid, would be paid under that as part of his role. Can the minister indicate whether there are salaries involved, and what they are, if there are salaries for the members of the committee, including the chair?

**Mr. Lathlin:** The answer to the member's question is, no, these numbers that you see here are strictly departmental numbers. If we are talking about the Clean Environment Commission, that is separate altogether.

**Mr. Maguire:** No, I was referring to the new climate change committee, chaired by Mr. Axworthy, that the minister has announced.

**Mr. Lathlin:** Actually, really, the Climate Change Action Fund I believe is what the member is referring to. That activity is funded partially by Clean Environment Commission. It is also funded from the Sustainable Development Innovations Fund.

**Mr. Chairperson:** We will continue with the next line.

4. Conservation Programs (d) Climate Change (2) Other Expenditures \$395,800.

**Mr. Maguire:** Mr. Chairman, I believe we have to pass line (d)(1) first.

**Mr. Chairperson:** We did pass the line.

**Mr. Maguire:** You did. Okay.

\* (16:40)

**Mr. Chairperson:** I will read line 12.4.(d)(1), which was previously passed, Climate Change (1) Salaries and Employee Benefits \$954,100—pass; (2) Other Expenditures \$395,800—pass; (3) Grant Assistance \$17,100—pass.

4.(e) Forestry (1) Administration (a) Salaries and Employee Benefits \$399,500—pass; (b) Other Expenditures \$454,100—pass; (c) Grant Assistance \$153,400—pass.

4.(e)(2) Forest Resources Management (a) Salaries and Employee Benefits \$927,400—pass; (b) Other Expenditures \$940,100—pass.

4.(e)(3) Forest Health and Ecology (a) Salaries and Employee Benefits \$1,846,000—pass; (b) Other Expenditures \$2,637,200—pass.

4.(e)(4) Forest Economics and Marketing (a) Salaries and Employee Benefits \$366,500—pass; (b) Other Expenditures \$50,700—pass.

4.(e)(5) Forest Regeneration Stock \$1,411,900—pass.

4.(e)(6) Pineland Forestry Nursery.

4.(f) Fisheries (1) Administration (a) Salaries and Employee Benefits \$124,400—pass.

**Mr. Maguire:** Mr. Chairman, a quick question on the Pineland Forestry Nursery, there is no allotment. That, I assume, is in the Expenditure Estimates later. We do not pass anything there? Or is it passed later?

**Mr. Chairperson:** In the last line there, Pineland Forestry Nursery, there is no funding. It operates as a special operating agency, but there is no funding. Refer to page 157. You will get the information that you want for Pineland Forestry Nursery.

**Mr. Maguire:** Thank you, Mr. Chairperson, yes, and I have been through that and I just wondered how it was noted in the Estimates as we go through. Thank you, you have clarified that.

**Mr. Chairperson:** Item 4.(f)(1)(a) has been passed. We will go on to 4.(f)(1)(b) Other Expenditures \$202,200—pass.

4.(f)(2) Fish Culture (a) Salaries and Employee Benefits \$721,600—pass; (b) Other Expenditures \$279,900—pass.

4.(f)(3) Fisheries Habitat Management (a) Salaries and Employee Benefits \$383,000—pass; (b) Other Expenditures \$64,700—pass.

4.(f)(4) Sport and Commercial Fishing Management (a) Salaries and Employee Benefits \$621,500—pass; (b) Other Expenditures \$74,600—pass.

4.(f)(5) Northern Fishermen's Freight Assistance \$410,000—pass.

4.(f)(6) Fisheries Enhancement Initiative \$350,000—pass.

4.(g) Wildlife (1) Administration (a) Salaries and Employee Benefits \$396,800—pass; (b) Other Expenditures \$469,400—pass; (c) Grant Assistance \$207,000—pass.

4.(g)(2) Game and Fur Management (a) Salaries and Employee Benefits \$592,300—pass; (b) Other Expenditures \$276,900—pass; (c) Grant Assistance \$89,900—pass.

4.(g)(3) Habitat and Land Management (a) Salaries and Employee Benefits \$739,800—pass; (b) Other Expenditures \$135,500—pass; (c) Grant Assistance \$645,000—pass.

4.(g)(4) Biodiversity Conservation (a) Salaries and Employee Benefits \$335,900—pass; (b) Other Expenditures \$97,700—pass.

4.(g)(5) Canada-Manitoba Waterfowl Damage Prevention Agreement \$348,400—pass;

4.(g)(6) Wildlife Habitat Enhancement Initiative \$225,000—pass;

4.(h) Terrestrial Quality Management (1) Salaries and Employee Benefits \$280,000—pass; (2) Other Expenditures \$29,100—pass.

4.(j) Pollution Prevention (1) Salaries and Employee Benefits \$540,200—pass; (2) Other Expenditures \$64,300—pass.



4.(k) Lands (1) Crown Lands Operations (a) Salaries and Employee Benefits \$813,100—pass; (b) Other Expenditures \$1,273,200—pass.

4.(k)(2) Crown Lands Registry (a) Salaries and Employee Benefits \$237,600—pass; (b) Other Expenditures \$119,000—pass.

4.(k)(3) Remote Sensing (a) Salaries and Employee Benefits \$650,200—pass; (b) Other Expenditures \$121,400—pass.

I will read this line, (3)(c), into the record:  
Less: Recoverable from other appropriations (\$23,700).

\* (16:50)

4.(k)(4) Land Mapping Services (a) Salaries and Employee Benefits \$511,300—pass; (b) Other Expenditures \$90,200—pass.

4.(m) Habitat Enhancement Fund \$50,000—pass.

4.(n) Special Conservation and Endangered Species Fund \$432,100.

Resolution 12.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$55,012,900 for Conservation, Conservation Programs, for the fiscal year ending the 31st day of March, 2002.

**Resolution agreed to.**

5. Environmental Stewardship (a) Divisional Administration (1) Salaries and Employee Benefits \$151,100—pass; (2) Other Expenditures \$225,800—pass; (3) Grant Assistance \$110,900—pass.

5.(b) Sustainable Resource Management (1) Salaries and Employee Benefits \$1,172,000—pass; (2) Other Expenditures \$1,115,000—pass; (3) Grant Assistance \$10,200—pass.

5.(c) Environmental Assessment and Licensing (1) Salaries and Employee Benefits \$1,079,300—pass; (2) Other Expenditures \$125,400—pass.

5.(d) Aboriginal Relations (1) Salaries and Employee Benefits \$125,100—pass; (2) Other Expenditures \$50,000—pass.

Resolution 12.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,164,800 for Conservation, Environmental Stewardship, for the fiscal year ending the 31st day of March, 2002.

**Resolution agreed to.**

6. Clean Environment Commission (a) Salaries and Employee Benefits \$261,800—pass; (b) Other Expenditures \$274,300—pass.

Resolution 12.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$536,100 for Conservation, Clean Environment Commission, for the fiscal year ending the 31st day of March, 2002.

**Resolution agreed to.**

Resolution 12.7: 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, 2002.

**Resolution agreed to.**

8. Infrastructure and Minor Capital Projects (a) Equipment \$460,600—pass; (b) Water Projects 5,065,400—pass; (c) Park Facilities \$4,139,300—pass..

Resolution 12.8: RESOLVED that there be granted to Her Majesty a sum not exceeding \$9,665,300 for Conservation, Infrastructure and Minor Capital Projects, for the fiscal year ending the 31st day of March, 2002.

**Resolution agreed to.**

Resolution 12.9: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,769,900 for Conservation, Amortization of Capital Assets, for the fiscal year ending the 31st day of March, 2002.

**Resolution agreed to.**

Item 12.10 Flood Proofing Programs, Capital Grants \$5,507,900—pass; Infrastructure \$14,994,400—pass.

Resolution 12.10: RESOLVED that there be granted to Her Majesty a sum not exceeding \$20,502,300 for Conservation, Flood Proofing Programs, for the fiscal year ending the 31st day of March, 2002.

***Resolution agreed to.***

The last item to be considered for the statement of the Department of Conservation is item 1.(a) Minister's Salary \$28,100. At this point we request that the minister's staff leave the table for the consideration of this item.

We will move on to section 12.1. Administration and Finance (a) Minister's Salary \$28,100. Shall the line pass?

**Mr. Maguire:** Several things have been brought to our attention throughout the whole process of Estimates in regard to Conservation and some of the information that the minister has given us and some of the actions that have taken place throughout the past year. He has indicated on a number of occasions that there—

**Mr. Chairperson:** Just a bit quieter so I can hear the member speak. Thank you.

**Mr. Maguire:** I know that members of the Government are concerned about the fact that there are 60 vacancies in the Department of Conservation. I do not know whether they are waiting for the election to be over in B.C. on Wednesday or not to watch the flow coming east.

Mr. Chairman, there are a number of things that have been brought to our attention or my attention or the minister's throughout the year and that members on our side of the House are concerned about. A number of those issues deal with these vacancies. A number of them deal with attendance at meetings. A number of them are around the concerns about the amalgamation of the Environment and Natural Resources departments.

With that, I would like to put forth a motion on the minister's salary that states that:

WHEREAS there are currently 60 unfilled vacancies in the Department of Conservation which has resulted in diminished services to Manitobans; and

WHEREAS the Minister of Conservation has failed to achieve savings through the amalgamation of the former departments of Environment and Natural Resources; and

WHEREAS the Minister of Conservation missed the majority of meetings while he was a member of the Treasury Board; and

WHEREAS the Minister of Conservation because of a lack of attendance at Treasury Board meetings was asked to step down from that board;

THEREFORE BE IT RESOLVED that the Minister of Conservation's salary be donated toward infrastructure development aimed at ensuring the safety of Manitobans' drinking water.

That would be seconded by the Member for Ste. Rose (Mr. Cummings).

\* (17:00)

**Mr. Chairperson:** Could I have your attention?

***Motion presented.***

**Mr. Chairperson:** The motion is in order. The debate may proceed.

**An Honourable Member:** Question.

**Mr. Chairperson:** The question before the committee is: Shall the motion moved by the Member for Arthur-Virden pass?

**Voice Vote**

**Mr. Chairperson:** All those in favour, please say yea.

**Some Honourable Members:** Yea.

**Mr. Chairperson:** All those opposed, please say nay.

**Some Honourable Members:** Nay.

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

#### Formal Vote

**Mr. Marcel Laurendeau (St. Norbert):** A recorded vote, Mr. Chair.

**Mr. Chairperson:** Do you have support of another member?

**Mr. Laurendeau:** I sure do.

**Mr. Chairperson:** The Member for Carman (Mr. Rocan).

A recorded vote has been requested. We will have a short recess and proceed to the Chamber for the recorded vote. The committee is recessed.

*The committee recessed at 5:03 p.m.*

*The committee resumed at 5:53*

**Mr. Chairperson:** Committee rise.

### AGRICULTURE AND FOOD

\* (15:40)

**Madam Chairperson (Bonnie Korzeniowski):** Will the Committee of Supply please come to order. This section of the Committee of Supply will now be considering the Estimates of the Department of Agriculture and Food. When we last met, the minister had just completed her opening remarks. Does the Official Opposition critic, the honourable Member for Emerson, have any opening comments?

**Mr. Jack Penner (Emerson):** Yes, Madam Chairperson. It gives me a great deal of pleasure to appear before this committee today as critic for the Department of Agriculture.

First of all, let me say that I want to congratulate the staff of the Department of Agriculture for the exemplary work that they have done during the past year.

I believe that the department, and the staff within the department, works as well as the administrative component, the political component of a government allows them to under whatever funding is provided to them and what direction is given to them. I think one must always recognize that, given those kind of parameters, the political process that is in place in this province, no matter which party rules, either restricts or encourages development in a given direction. Having said that, I believe that we have seen, in the last two years, a very significant change happen in agriculture, due to a number of reasons, not the least of which is political.

The Americans have seen fit to virtually ignore their farm bill, their freedom to farm legislation, and have continued to substantially increase funding to their agricultural sector to ensure that their farmers will be compensated adequately and ensure production of agricultural commodities and food. We have seen in Europe, without question, a change in direction inasmuch that the agricultural budget has really become an insignificant budget, their socioeconomic budget has become a very dramatic budget and budgetary item and their policy changes have been just as dramatic.

The change in the deputy minister or the minister's portfolio in Germany, I think, is a clear indication of the Green Party now driving an agenda that might not always concur with our thinking in this province, and it might not always be in our best interest in those kinds of areas. I think the European Union has made it very clear that they want to maintain a very significant number of their population in their rural communities to sustain the economic activity that goes on in rural communities.

I think we are being affected by such things as the productive capacities in other nations. I believe the South American countries, Brazil, Argentina, have demonstrated a capacity for production, the likes of which we had probably not expected. I think there is clearly a will there to drive an agricultural-based economy that will far exceed the expectations of many agricultural-

producing nations. I think the capacity within the former Soviet Union in such countries as the Ukraine and other countries, the capacity for production in those countries could also cause us in Canada, and specifically in Manitoba, some significant irritation if they ever chose to drive that portion of their economic base. So I think we need to, as a province, position ourselves well enough to include the diversification of our agricultural community, indeed the diversification of our entire economic base in this province. I believe that we need to drive the ever-greater need for value-added production. I think the previous government's attempt to try and recognize that need and set in motion policies and direction was a clear indication as to the previous administration's recognition of the economic impact to many of our rural communities from that perspective.

The value-added task force, which I chaired, made some very significant recommendations in that regard, a number of which had been implemented prior to that government being defeated. We would have hoped that this new Government would have kept on that same path for the sake of people in rural communities, and specifically and especially the small family farms, yet they chose not to. They chose to, as one of their first actions in government, do away with the department of Rural Development, which was totally unexpected and, quite frankly, which shocked many of our people. Many of our people in rural Manitoba, including people from the city of Brandon and even Winnipeg, were shocked at the move by the NDP administration to do away with the significant advances that had been made in rural development, and much of the programming that had been initiated to ensure that drive would be continued.

We face now an economic situation which is uncertain, partially because of some of the things that I have mentioned but partially by our own doing. One would have expected when revenue increased by some better than \$800 million within a two-year period to the province of Manitoba, those revenue increases would have been proportionately attached to the various departments that could drive an economy, and yet it did not happen. When one looks at the Budget again this year and one looks at last year's Budget, one finds that most of the expenditures have taken place in such

departments as the Department of Health, Department of Education and some funding to the Department of Family Services. We respect that.

\*(15:50)

We respect that health care needs are met or should be met. It was always the previous administration's top priority, including education, and we respect that. However, one questions the waste that we have seen prevalent in numerous areas, such as buying facilities, buying restaurants, buying clinics that were functioning well. Yet the Department of Agriculture and Food which, by the way, I thought when the Department of Agriculture added food to its agenda that one might see a significant expansion of activity within this department, yet we have seen none of that. Matter of fact, we have seen a decline in activities in areas that we would have expected increases. I think that is unfortunate, because I think staffing in this department was geared up and was prepared to take on the challenges of expanding the role of the Department of Agriculture and Food and drive an economy that would be recognized for its ability to add value to much of the primary products that we are seeing produced in this province.

We had hoped that the expansion of the livestock industry would continue at the pace that it was enjoying at the time that we left office, yet we have seen a decline in that area of expansion. When one looks at the whole area of economics in that respect, one would have to expect that government would do everything in their power to encourage further livestock production expansion, based on a competitive advantage that no other province in this country of Canada has. Indeed maybe we are well enough positioned in Manitoba from a cost-of-production aspect, maybe better than any other area in North America when one looks at the high cost of exporting feed grains and feed products out of Manitoba and many of the other products.

So adding value, producing and manufacturing have a tremendous opportunity I believe in this province of Manitoba, yet we have seen very little initiative during the last 18

months by this new Government that calls themselves proactive in the area of maintaining and operating the family farm.

We have seen many, many young farmers leave this province, leave rural Manitoba. I just need to look around my neighbourhood in this last year; four families that were operating in my little community are gone. One can point fingers at every area in rural Manitoba, and many of these people who are leaving are young, young families.

They have children. When we have whole municipalities, and we do have one that told us during the hearings, they have one family within a given municipality, a whole municipality, who has children under school age, in that entire municipality, one family, I think speaks very loudly for what is happening in rural Manitoba and rural communities.

When you see towns with 13 businesses closed, one has to accept the fact that the downturn over the last 18 months has been very, very dramatic of the economy of this province. I think that speaks clearly to the total budget. One need only look at a news release that was put out some time ago. This says: The President of the United States initiates a guaranteed price of U.S. wheat. It says: President Wilson today signs executive orders setting the figure of \$2.30 a bushel U.S. for wheat in the United States. It is dated July 16, 1919. I think one need only reflect on that news release, interpret that into what that means today and look at the dramatic increases in cost that agriculture has incurred since 1919, the vast changes that farmers in Manitoba have had to put up with and the huge increases in cost of production.

One need only look back at when one started, and I am dating myself here, in 1961, when I started farming. In 1964 I bought a new tractor. The tractor was a 100 horsepower tractor and it cost \$5,000 cash money. When one looks then at the price of wheat guaranteed by the U.S. government of \$2.30 a bushel in 1919, guaranteed, and you take that forward into today's day and age when the average price of wheat in this province today is probably \$3 a bushel or just better than \$3. The top grade of wheat, I think, is now at \$4.15.

So I think we need to reflect on this, and maybe then and only then will we not need to think negatively about young people leaving agriculture when they can in fact derive livelihoods and a living from an economy that has served some sectors well. Even there, we are now seeing a very large slippage. When I received a call this weekend from a person who worked for a very large automobile dealership in this city and said: Jack, it is time that you guys took some real action in the agricultural sector because we are being very dramatically impacted by the fact that people in rural Manitoba do not have money to buy vehicles, and they have virtually shut down their buying habits. I think that clearly speaks for what is going on.

I know the minister has indicated the expenditures in her opening remarks of significant amounts of money to support that agriculture sector, yet, when I look at her budget, it does not indicate those kinds of increases that she has so openly put on the record. The \$100 million and the \$162 million and the \$25 million, all those kinds of numbers, when you look at them, one would read into that, those people not knowing Agriculture, not knowing the department, would think that she has spent huge amounts of money. Yet that is not the case, because in her budget, clearly, when you take the increases of salaries and all those kinds of things, there is really very little left for agriculture and the support of the agricultural industry, and especially the development of a food industry in this province.

Having said that, Madam Chair, I would hope that we would be able to spend some time looking at the various sectors of the department. I certainly do have some questions about the future operations and future directions in policy that this minister is intending to take the agriculture and food development sector in this province.

Indeed I will question the intent of this NDP government as to where they are intending to take the whole issue of livestock development and how significant their intervention will be in the creation of an economic base in rural Manitoba, based largely on livestock initiative, diversification and value-added.

I look forward to asking some of those questions and listening very carefully to what the minister's response will be.

**Madam Chairperson:** We thank the critic from the Official Opposition for those remarks.

Under Manitoba practice, debate on the Minister's Salary is traditionally the last item considered for a department in the Committee of Supply. Accordingly, we shall defer consideration of that item now and proceed with consideration of the next line, 3.1. Administration and Finance (b) Executive Support.

**Hon. Rosann Wowchuk (Minister of Agriculture and Food):** I think we had agreement on Friday last that we would begin by doing the Crop Insurance Corporation and then the Agricultural Credit Corporation so that those people who are out of town would not have to wait while we do the Executive Support. If there is agreement, I would prefer that we start with the Crop Insurance Corporation.

\* (16:00)

**Madam Chairperson:** If we want to skip ahead, we need unanimous consent. Is it the will of the committee to skip to 3.2. Risk Management and Income Support Programs?

**Mr. Jack Penner:** I wonder, Madam Chairperson, whether we could not sort of give the same indication to our Chairperson, as some other committees have done, that they can roam across the sections in Agriculture, as we did in other areas, and then have the line-by-line or issue-by-issue votes later, if that is the wish of the minister and the Chairperson. I note that others have done this.

**Ms. Wowchuk:** I appreciate where the member is coming from, but given that the staff for both the Crop Insurance Corporation and the Credit Corporation are from out of town, it would be my preference if we would be able to complete those and then have freedom to work in other areas. If we could work on those first of all and then pass those lines, then the staff from both those corporations could go back to their offices, and then we could go back to Executive Support. I am thinking mostly here about staff having to

wait. By going back and forth in those two areas, it is a little difficult for staff, so it would be my preference if we could complete the Crop Insurance, then go to the Credit Corporation, and then go back to Executive Support.

**Madam Chairperson:** Is it the will of the committee to skip to 3.2. Risk Management and Income Support Programs? *[Agreed]*

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

**Ms. Wowchuk:** Madam Chair, joining me at the table are Mr. Don Zasada, Deputy Minister of Agriculture; Mr. Craig Lee, Assistant Deputy Minister; Neil Hamilton, who is the General Manager of Manitoba Crop Insurance Corporation; and Jim Lewis, Director of Finance and Administration at the Manitoba Crop Insurance Corporation.

**Madam Chairperson:** Thank you, Minister. The floor is now open for questions.

**Mr. Jack Penner:** Madam Chairperson, first of all, welcome to the members of the Crop Insurance Corporation who appear before us. I wonder whether the minister could give us a bit of an overview as to any changes that might have happened in Crop Insurance or that she might be contemplating over the next year or two.

**Ms. Wowchuk:** I wonder if the member might clarify. Is the member looking for changes in the administration or changes in programming? What kind of changes is the member referring to?

**Mr. Jack Penner:** Both. I think we have heard during the series of hearings that we have held across the province, and many of us have been around the province virtually all winter long talking to people in various communities, holding meetings, trying to find out what direction we should be going in. I am wondering whether the minister could give us an indication as to whether she is or whether she has made any changes in the Crop Insurance Corporation, both from an operational standpoint and a policy standpoint. Maybe I could just leave it there,

whether she has made any changes and whether she is contemplating making any changes in the near future.

**Ms. Wowchuk:** I would have to agree with the member that we did hear a lot of comments when we were at the Agriculture Committee hearings and certainly at other times when I have had the opportunity to meet with producers. The member is well aware that there are ongoing changes at Crop Insurance depending on what the needs of the producers are. I have to commend the corporation for having an open mind and giving the producers the opportunity to have input when new crops are being introduced. In this particular year the changes that are being made are there is coverage for pedigreed seed and the dollar value for the producer of pedigreed red spring wheat and barley seed will be set at a dollar per bushel higher than the dollar value of non-pedigreed production. While pedigreed seed production could have been insured in previous years, the dollar value was the same, so this is a recognition of the value of the crop and the need for a higher level of coverage.

There is the negative premium rate loads, and we have announced that as well, and negative interest load has been added to the calculation of the premium rates. This will reduce the total premium income by three-quarters of the expected 2001-2002 interest from the crop insurance revenue reserve fund. This reduction gives us the ability to reduce the premiums that producers will be paying this year.

The excess moisture insurance, as well, will be maintained, and insured farmers will continue to be offered the option of reducing their excess moisture insurance whole-farm deductible which could be as high as 10 percent to zero. Then there is also the higher dollar value option which was introduced last year, received very well by the producers and offered again this year.

If you looked at the programs that were in place 10 or 15 years ago, there has been a change in cropping patterns and new crops introduced. The corporation always works with the producers to try to address the needs of the producers. Those are the steps that are taken this year.

**Mr. Jack Penner:** Is the corporation or the department or the minister's office thinking about making any significant changes in the way crop insurance is delivered within the next short while?

**Ms. Wowchuk:** When we look at the administration, technology has changed. There is more computer work that is being done, and there is a shift of more work to the agency offices where more of the preliminary work and the information, the forms are put onto computer at the district offices. That would be the only change that we are looking at right now, but again, as technology changes you try to implement the technology and put it as close to the consumer as possible, and that is in the district offices.

\* (16:10)

**Mr. Jack Penner:** Is the minister contemplating any changes in coverage levels of the various insurable crops that are currently being grown? The reason I ask the question, Madam Minister, is we have heard from many producers in this province really concerned about the minister's initiative to lower the premium rates by 19 percent or give a one-time discount of 19 percent on premium rates—I have heard a lot of people concerned about that—instead of increasing the coverage levels, which most producers had asked for.

I say this because of personal as well as other people indicating this to us that our cost of productions have gone through the roof. Yet farmers find themselves in a position, they tell me, that they cannot even come close to, in many areas, insuring their cost of production.

So is the minister or the NDP government thinking about increasing coverage levels substantially to at least come close to covering cost of production through a Crop Insurance Program?

**Ms. Wowchuk:** Madam Chair, the member is right that there was issue of crop insurance when we were doing the all-party committee hearings of the standing committee. One of the things that we have to remember here, this is a joint federal-provincial agreement that crop insurance is funded under, and the coverages are determined

by the federal government. The federal regulation does not allow for insurance to go over 80 percent unless it is a very low-risk crop, and then you can go higher on some of the very low-risk crops. This is the same across the provinces; this is not something that is unique to Manitoba, nor does Manitoba have the ability to work outside of the agreement.

So the corporation is looking at some of the lower-risk crops to see whether the level of coverage can be raised, but we have to work within the regulation and there is a restriction within that regulation saying that there can only be coverage up to 80 percent.

**Mr. Jack Penner:** I understand part of that, Madam Minister, yet there are, I believe, provisions under the federal-provincial agreement that would allow for increases in coverage levels if certain things occurred. I understand that if the percentage of requirement of premium were changed somewhat then the increase in coverage levels could in fact reflect those changes.

Can the minister explain to me how that process works and what the agreement speaks to? What responsibilities are federal, as far as the premium setting and the coverage level setting are at the responsibility of the federal government, and what are the responsibility of the provinces in that regard?

While they are chatting, I wonder, Madam Minister, we have done this too sometimes in committee, and it might expedite the process. Very often when we have asked the questions under previous administrations, when we asked those kinds of technical questions from the corporation, be they Manitoba Public Insurance Corporation or others, we have asked the managers to answer those questions directly then we do not need to go through that repetitive kind of position. It is up to you if you want to do that. I would not be adverse to allowing the Crop Insurance staff to answer those questions directly.

**Ms. Wowchuk:** I want to reflect a bit on what the member said. The member said earlier that he had had a lot of concern raised by producers that the premium was being reduced. I do not

quite understand why there would be a concern there because a step has been taken not to reduce coverage but to help producers out in a time when they are in a difficult financial situation. That was why the step was taken. It has nothing to do with reducing the coverage. The coverage is still the same. It is just government taking the step to help with the premiums. Should there be the need to do it for a longer period of time, that is something that is considered within each budget.

The member talks about setting premiums. In setting premiums, there is a set of guidelines. The corporation sets their premiums according to those guidelines, and they have to be certified by an actuary. That is the way it is done. There are no special provisions for provinces to do otherwise. You have to do it within the guidelines that are set out by the federal government and under the regulations of the federal government.

I just wanted to reflect on that comment that the member made earlier about producers being concerned about the reduction of premiums, because I can tell the member that this has not been one of the big concerns that we have heard about. In fact, information that I have had is that farmers, Madam Chair, appreciate that steps have been taken to reduce their premiums and still maintain coverage during a time of financial difficulty. It is not the only thing, but every little bit helps the producer, and this was one of the steps that we thought was quite helpful for the producers.

**Mr. Jack Penner:** I think when one thinks back through the hundred or so presentations that we had made before the standing committee, and when I think back of everything that was said during the course of the 15 or so meetings that I had during the winter months that were outside of the standing committee meetings and the discussions that we have had with many farmers and farm leaders, it became apparent that they were quite concerned about the reduction in premium rates instead of having increased proportionately the coverage rates in the corporation.

We know that there are significant surpluses in the corporation. We knew that would happen some time ago, that if there were not any large



events, weather events, that would cause large across-the-board losses, that there would be significant surpluses that would accumulate in the corporation, and that has happened.

The NDP party were just fortunate enough to be elected during those surplus events. I think we can look at the general budget and look at the large increases in revenues that has occurred in the last two years. It was, again, a demonstration of good management of the previous government and good direction and a reflection of what can happen, how a government can be run if the right initiatives are taken.

Now farmers are asking why this Government did not increase the coverage levels of their crops to the proportion that they have now reduced the level of premiums as an instead kind of approach, and the minister tells me that it is up to the federal government to make those kinds of changes. I would suspect that if discussions would have been held appropriately with our federal counterparts on these matters and if the minister had pushed that, I think we could have probably made some advancements in that area. So that is why I asked the question. It simply is a reflection of what I have heard across this province, not only in the southern portion but as well in the central and northern portions of our producing area. People have told me this so I am asking the question why has this not been done.

\* (16:20)

I think when one looks at, for instance, wheat coverages in prairie spring wheat and looks at the dollar value coverage, even at the 80% level in western Manitoba it comes down to \$79 in D3 soils and \$72 in E3. I think therein lies our problem, when the actual costs of production, according to the department's own estimates, are almost double that on an acre of wheat.

One cannot assume during disaster years, such as happened in southwest Manitoba during a flood event, that those coverage levels keep people in business. It only takes two years of those kinds of losses and you are out of business, no matter how well established you are. There is nobody that individually can carry those kinds of losses.

Therefore, I think it is imperative that governments take the initiative and do a complete review of the coverage levels as they exist today, reflecting much closer the need of what is really out there, and of the farm community, and the huge increases of cost that farmers have incurred over the last couple of years. We have seen dramatic increases in prices in input products this year alone. Surely, when you buy an insurance level and if it is due to weather, those causes need to reflect reality. Certainly they do not today.

So I am asking the minister whether her Government is attempting or contemplating some very dramatic changes in the delivery of the Crop Insurance program. I am not asking the administration. I am asking from a political perspective: Are you contemplating some very dramatic changes in how crop insurance is delivered in this province?

**Ms. Wowchuk:** The member gave a coverage level of 70-some dollars. I want to tell the member that the coverage is \$126.85 on average for red spring wheat. That varies by an individual's own production information. So that could vary greatly. But the member also talks about are we changing. As a government, as a corporation, we always look at what the coverages are, what the crops are, and try to improve the programs in that way. The member has to also remember that this is a federal-provincial program, market prices are provided by the federal government, and we work within those agreements. If the member is suggesting that we go this alone without the federal government, I can tell him that that is not something that I am interested in because I think the federal government has a responsibility. The federal government has backed away from their responsibility to agriculture a lot over the last period of time, and I want to keep them at the table and I want them to be part of all of the safety net programs.

The member also talks about the coverage being below the cost of production. It is true. The coverage for crops is below what the cost of production is right now, but this is because market value is below cost of production. That is not something that provincial governments can change. It is unfortunate that we are in a situation where there are huge supports in other

countries and, in some cases, surpluses that are driving the world prices down. Our producers are suffering the consequences of that, and those are not issues that can be addressed only through Crop Insurance. There are a lot of issues that we have to address. There were a lot of issues raised by producers when we were having the meetings throughout rural Manitoba.

So the member asks are we as a provincial government looking at changing the Crop Insurance? We will work with the federal government who is a partner in this program to make the necessary changes or possible changes to improve the program to meet the needs of the producers, but there is a federal regulation that we have to work within, and that is what we are going to work within.

**Mr. Jack Penner:** Well, Madam Chairperson, just to clarify, the Crop Insurance 80% coverage levels that I was talking about are from the Pipestone area. They are DO3 coverage on prairie spring wheat. The coverage level on prairie spring is \$69.48, and the EO3 in that area is \$63.21 at the 80% coverage levels. These, by the way, are the year 2000 numbers; these are not 2001 numbers. I read right off your sheets that you provide.

**Ms. Wowchuk:** Again, those could reflect the individual's IPI. That would result in lower coverage than there may be for another individual in the area. Again, if the member would like to share that information with us, staff here can look at it in more detail, but in each case the individual production is taken into consideration when the level of coverage for a producer is being prepared.

**Mr. Jack Penner:** This is an IPI of 100, so I suspect that is the average yield of the area, 100. Is that correct?

**Ms. Wowchuk:** The Manitoba average at 80 percent for Manitoba red spring wheat is \$121—*[interjection]*

**Mr. Jack Penner:** You are talking about prairie spring wheat.

**Ms. Wowchuk:** It is prairie spring wheat, and the average for Manitoba is \$121.14 at 80 percent.

**Mr. Jack Penner:** I am talking about the Pipestone area, the southwest area of the province, and I want to get into some other detail. That is the reason I am raising that area. This is prairie spring wheat in a DO3 soil zone or your Crop Insurance zone DO3. That gives me an 80% coverage level of around \$70 an acre, \$69.48 an acre, at 80 percent.

**Ms. Wowchuk:** Madam Chairman, if we look at D soils for red spring wheat, the provincial average is \$121.14.

**Mr. Jack Penner:** What about the DO3 area, the Pipestone area?

\* (16:30)

*Mr. Tom Nevakshonoff, Acting Chairperson, in the Chair*

**Ms. Wowchuk:** Mr. Acting Chair, we do not have that particular soil class here, but the probable yield is determined the same in any part of the province, and that is taking the 10-year average for the area and then determining the probable yield. That is how the corporation determines the level of coverage.

**Mr. Jack Penner:** The probable yield here, Madam Minister, is .886 of a tonne, 32.6 bushels an acre, and the coverage level at—I am sorry, did I say 100 percent before?

**Ms. Wowchuk:** Yes, you did.

**Mr. Jack Penner:** It is .91, .91 on spring wheat. It is 100 on Durham. I read the wrong line there before; I apologize for that. That coverage level, then, at .91 of 32.6 gives them a coverage level at 80 percent of 26.1 and at a dollar value of \$69.48.

**Ms. Wowchuk:** Mr. Acting Chairman, we do not have the details of that here. The member has passed them over. We will have a look at them.

The papers that the member has given us are from 2000 and the prices are different this year, so there will be a difference in coverage this year. If you look at red spring wheat, the IPI on this one is .86; the provincial average is .91. *[interjection]*

The information that the member has given us here for red spring wheat, the IPI is .68. On the prairie spring wheat, it is .91. The provincial average is 1. So they are lower there but they are below the provincial average, so that would indicate that because their average is lower, there would be a lower coverage.

But if you are going to translate to this year's information, then it does not apply because this year the coverages are changing because of the price differences.

**Mr. Jack Penner:** IPI under the first line of red spring wheat is .91.

**Ms. Wowchuk:** Red spring is .86.

**Mr. Jack Penner:** That is the one that I was referring to.

**Ms. Wowchuk:** Red spring is .86.

**Mr. Jack Penner:** It is .91. On this sheet the IPI is 91. That is prairie spring wheat, yes. That is what I was referring to before. Prairie spring wheat, IPI of .91, and the provincial would be 1. So this is 9.09 lower than the provincial average, and the coverage level on prairie spring wheat at an IPI of .91 for this producer is \$69.48 at 80 percent.

**Ms. Wowchuk:** If you look at prairie spring, the individual is down 9 percent than the provincial average, and that area has lower yields than other parts of the province so that the average for that area is lower than the provincial average. That is the reason why there would be lower coverage. But if you are going to look at 2001, probable yields are up and prices are up, so that would be a different level of coverage for 2001.

**Mr. Jack Penner:** Could you tell me then, Madam Minister, what the increase in coverage is for this specific claimant or insured contract? What would the prairie spring wheat coverage level be then for DO3 at .91, let us say? What would the insured's coverage level be for this year? How much of an increase would that person have had?

**Ms. Wowchuk:** It varies for each individual. The area varies. The individual will be dropping

off one year and putting on another year. Prices are up. So we cannot tell you what that individual's coverage will be at this table. You have to look at each individual form, and it depends on what his production is and what happened with his production last year.

**Mr. Jack Penner:** Surely, Madam Minister, the corporation has the numbers. They know what the increases in commodity prices are going to be covered at.

**Ms. Wowchuk:** The corporation has the numbers, but the corporation does not have the numbers here. If the member wants that, all of that information is not here. Every individual is different. Every area of the province is different. That information is not here. If the member wants information on this specific client coverage or that particular area, we can get more information for him, but we do not have each area's or individual's coverage here.

**Mr. Jack Penner:** I find that interesting that the Crop Insurance Corporation cannot give the minister the coverage level under the current contract of what prairie spring wheat, what the bushel coverage level will be or per-ton coverage level or per-acre coverage level will be. Surely they know the price that they are going to use on prairie spring wheat to cover prairie spring wheat. By this time of year, I would suspect you would know that because I think we are signing contracts or have signed contracts.

\* (16:40)

**Ms. Wowchuk:** Mr. Chairman, it is not that somebody is trying to keep information away from the member, but the member knows that there are 15 risk areas in the province. There are 10 soil zones in the province. So that means there are 150 changes for any one crop. For the prairie spring wheat the price change is 10.2 percent, the yield change is 4.7 percent, the overall change of 15.3 percent.

So in 2000 for prairie spring wheat at 80 percent, the coverage was \$100.23; in 2001 at 80 percent it is \$115.61, but again keeping in mind that each risk area or soil zone has different coverage and each individual producer has different coverage.

**Mr. Jack Penner:** I think I understand that, Madam Minister, having been insured with the corporation since it started. I think I understand those fairly well. I found it interesting that I could not get the values of the various commodities insured for this coming year. I thank you for that information.

**Ms. Wowchuk:** Mr. Chair, if that is the number that the member is looking for, then again, keeping in mind that they vary from district to district and from soil zone to soil zone, if the member is interested in the other prices that have changed, the other commodities, I can put those on the record for him. I think what is most interesting in all of this, even though there has been a reduction in premium there is an increased level of coverage for producers in this whole scheme of things.

The member started out saying that producers were concerned that the premiums were being reduced, and I just want to assure him that even with reduced premiums the coverage is going up, and that is a signal to our producers that this Government is committed to producers and we are standing by them through this difficult time.

The member can indicate if there is any other crop that he is looking for the level of coverage and the change from the previous year.

**Mr. Jack Penner:** No, Mr. Chairman, I just wanted to determine what the coverage level this year would be on prairie spring wheat, what the per-tonne coverage level would be, because here it says prairie spring wheat, the per-tonne coverage level is \$98, and under the 2000 contract—and if that is \$115 now, then that satisfies me. That means it has gone up \$17, and that would fairly closely reflect what the market derivative increase would have been since last year. Is that correct?

**Ms. Wowchuk:** Yes, based on market value, the member is right. It could go up on a higher dollar option. If producers take that option on their insurance, Mr. Chair, there could be a further increase.

**Mr. Jack Penner:** Going to the Estimates then, I am going to ask some further questions on crop insurance, but I want to, before the day is over,

ask on Administration some of the other programming that crop insurance covers. I say I will come back to this before we finish. Is the corporation contemplating hiring any new staff, or adding to its staff contingent this year?

**Ms. Wowchuk:** Mr. Chairman, we had one programmer who was on a term position for some time. That is being converted to a full-time position as per the collective agreement. Positions are being filled as a vacancy occurs. There is not a plan to have an expansion in staff in the corporation.

**Mr. Jack Penner:** In reflection of that, is the minister converting quite a few of her temporary staff in her department to full time staff? Are we doing quite a bit of that? Not just in the insurance corporation, I am talking about the department in its entirety.

**Ms. Wowchuk:** Mr. Chairman, in the last two or three years there have been about 15 positions that were term positions and subject to the collective agreement. If the position stays the same and the same job, those positions that have met the requirements of time passed, a point where they should be converted to full-time positions, yes, they are converted, because that is what the collective agreements says that we should be doing, and, as I say, in the last two or three years about 15 positions.

**Mr. Jack Penner:** Can the minister give me an indication of how many converted there were last year and how many there are this year?

**Ms. Wowchuk:** There were about 10, Mr. Chairman: 2 at MACC, and, I believe, there were 8 at the credit corporation. But we will verify that when we get to the credit corporation, when we get the credit corporation to the table here. There is 1 at the Crop Insurance Corporation this year. So, in the last two years, 8 at the credit corporation, 2 at Crop Insurance, 1 at Crop Insurance this year.

**Mr. Jack Penner:** Are there any changes in the wildlife damage compensation this year?

\* (16:50)

**Ms. Wowchuk:** One of the areas that producers were having difficulty with was the fact that an individual had to move all of their hay off a field and move it onto one site. Now that was a hardship for producers. Now we have changed it, so they are able to put their hay in smaller areas. The hay from 15 acres can be put into an area so that will allow for more sites. It also may protect. There could be a larger site, where all of the hay is in. There could be a lot of damage that way. So the corporation has made the change so that the individual can keep their hay in sites of 15 acres, hay from 15 acres put in one site.

The other change is that there is now an appeal process for when people have a claim on wildlife damage, which they did not have before.

**Mr. Jack Penner:** Just so I understand, I am not quite sure whether I understood the minister correctly. Does this mean that one can insure separately every 15 acres?

**Ms. Wowchuk:** No, Mr. Chairman. This is for wildlife damage, damage from deer or elk which damage hay. You do not insure it by the number of acres. You get protection for the amount of damage that you have.

**Mr. Jack Penner:** I understood you to say that you could actually segregate out now by 15-acre parcels, or did you mean, by that, that you could store hay in many different sites as long as they had the hay off of the 15 acres that you were referring to, or what was that reference to the 15 acres?

**Ms. Wowchuk:** It used to be that you had to collect all the hay in one site, Mr. Chairman. Now what we are saying to the producers is you can have more than one site for storing your hay, but the hay coming from 15 acres. In other words, if you have got your bales scattered all over the field, they are not put into a site, that is not covered. If you want to put separate storage sites, an area of 15 acres is the minimal, then you can still have coverage for wildlife damage. The producers were concerned about having all of the hay on one site in that producers were sometimes having difficulty moving it all to one site, particularly in a year where there is excess moisture, and they are able to move it onto sites on the field and then move it later on. So the hay

collected from a 15-acre field would be an adequate amount to be considered for protection.

**Mr. Jack Penner:** So that means then, Madam Minister, if a farmer has a field of alfalfa, and that farmer has gathered the alfalfa into an area and piled them in the field, if that field is 15 acres in its entirety, they would qualify if damage occurred for the 15 acres. If there was a 100-acre field, and they had piled them in strips along the edge of the field, would the same thing apply, that they would be covered for the 100 acres? How is the coverage applied? Is it per damaged bale, or is it on a per-acre basis? How is the wildlife damage applied?

**Ms. Wowchuk:** If the farmer has moved his bales off the field and has created a site to store those bales, he has coverage as long as on a 15-acre site there is one stack. If he moves it all off the field and it is moved off the field and he has his way of storing it, then if he has damage from wildlife he is compensated according to the coverage that is available.

**Mr. Jack Penner:** What constitutes a storage site and what constitutes a stack, or how do you stack it?

**Ms. Wowchuk:** Mr. Chairman, a storage site or a stack or a pile are all the same thing, as long as it comes from 15 acres or more. If it is monitored by the farmer to see what is happening out there, then it is covered by insurance should the individual have damage from wildlife such as deer or elk.

**Mr. Jack Penner:** That would mean then if the farmer gathered the bails into one long row in a given field and damages occurred, they would be covered.

**Ms. Wowchuk:** Yes, Mr. Chairman.

**Mr. Jack Penner:** On other commodities, Mr. Chairperson, such as honey and those kinds of things, when wildlife damage occurs is there a provision that there must be fencing and/or a confinement provided, specifically for honey insurance, or does that fall under crop insurance and wildlife damage?

**Ms. Wowchuk:** Mr. Chairman, there does not have to be fencing of a honey yard, but should there be repetitive damage there can be the request made of the producer to fence that yard

to protect him or herself as well. On the initial loss, there is no requirement for fencing.

**Mr. Jack Penner:** So that has not changed in that regard, that there be permanent enclosures provided for beehives.

**Ms. Wowchuk:** The requirements under this area have not changed. I am told that there is only one area in Manitoba, one farmer who has been required to do fencing because of a repeated occurrence of damage. In that case that individual worked with Conservation to try to resolve the problem.

**Mr. Jack Penner:** Are there any other requirements for confinement at all in any of the other—I am thinking basically of hay—areas that have been prone to elk damage and other wildlife damage that has been very significant?

**Ms. Wowchuk:** There are no other requirements of confinement, other than the 15 acres that I mentioned earlier. There have been, in the past, programs to support in fencing haystacks, but that was under Conservation. Crop Insurance has nothing to do with that.

*Madam Chairperson in the Chair*

**Mr. Jack Penner:** Going to NISA, what involvement does the Crop Insurance Corporation have with NISA, just to provide the numbers to the NISA corporation, or is there any administrative, other administrative involvement that the Crop Insurance Corporation has with the NISA program?

**Ms. Wowchuk:** The only involvement that the corporation has with NISA is to get the data from NISA to administer CMAP 1 and again CMAP, but that is the involvement.

**Mr. Jack Penner:** So the corporation just provides the numbers that can be used for the calculation for the purposes of the CMAP programs?

**Ms. Wowchuk:** It is actually NISA that provides the numbers to the corporation. The corporation uses those numbers to do the calculations as were done on CMAP 1 and will again be done on CMAP 2.

\* (17:00)

**Mr. Jack Penner:** Somewhat related to this, and I know this is not maybe a question that the Crop Insurance Corporation need answer, but I wonder whether the minister, in her discussions with the federal government on the new Canadian farm income protection plan has had any discussions with the federal government that the administration could be done in a similar fashion, that we could use the Crop Insurance data and NISA data in order to establish payouts under CFIP instead of the convoluted process that was developed through AIDA, I should say under the disaster that was developed by AIDA.

**Ms. Wowchuk:** The member talked about a disaster. Certainly there have been many producers who have raised a lot of concern about the program. Although it has not met the needs of the grains and oilseeds producers, a lot of money has flowed through the program, but there are issues with it, there is no doubt about it. But the program would have to be significantly redesigned if you were going to use crop insurance data or NISA data because it is based on your revenues versus your costs and the margins. Neither Crop Insurance nor NISA has the kind of data that is required for those calculations. But there is a lot of discussion on the program and on how programs can be better designed to meet the needs of producers. And that is certainly the subject of discussion at the last Agriculture ministers meeting and will be the subject of discussion at the next one as well.

**Mr. Jack Penner:** I am not going to pursue that at this time. We will pursue that at another part of the Estimates. On the hail insurance program, are there any changes in hail insurance premiums or rates or coverage levels?

**Ms. Wowchuk:** Madam Chairperson, the hail insurance premiums went up on the average about 1 percent.

**Mr. Jack Penner:** Are the coverage levels up comparably with the coverage levels under the crop insurance? In other words, has the increase in commodity prices reflected the coverage levels on hail?

**Ms. Wowchuk:** Madam Chair, the maximum dollar coverage for most crops went from \$100 to \$125 last year. There is no dramatic change in that area. The area that there is change is in the vegetable coverage. The vegetable coverage was

\$1,000. Now it has gone to \$1,250, reflecting the value of that crop. In the other areas there, it has gone up to \$125 an acre.

**Mr. Jack Penner:** So, Madam Chairperson, the highest coverage level I can buy on grains, for instance, is \$120 an acre.

**Ms. Wowchuk:** \$125.

**Mr. Jack Penner:** Getting back to where we started on crop insurance levels and crop insurance programming in general, has the corporation or has the minister given any consideration for direction to the corporation on changing their crop insurance policy, in other words, to cover fields instead of entire crops, to cover certain fields? Is the minister considering this at all?

**Ms. Wowchuk:** Madam Chair, the member raises an issue that certainly producers raised at the hearings. I recall producers talking about their farms changing, some fields being 15 miles apart, some fields being in different townships. Under the current regulation that the federal government has, the policy does not allow for field coverage. It is crop coverage. There is a pilot project that is going on in Ontario right now with a hundred farmers trying out field coverage. Certainly we will be looking for the results of that. It is something that we should be looking at, given the change in agriculture.

**Mr. Jack Penner:** Thank you. That is encouraging to hear that. Is the minister contemplating doing any trial or projects in the province of Manitoba?

**Ms. Wowchuk:** Madam Chair, I am told that the cost is somewhere between 10 to 20 percent higher premiums to have this kind of insurance, and it would be my view that we should wait for the results of the trial project that is going on in Ontario, see how that is working and then review at that time to see whether it is something that should be considered, but certainly we have heard what the producers are saying on the coverage that is there now and the need for this to be considered. So we will wait for those results.

**Mr. Jack Penner:** Thank you very much for that. Is the corporation also considering changing from using soil types to reflect to a greater degree on weather patterns and weather maps? We know that we have certain weather zones. I mean, those are fairly well established. Is the corporation intending to use weather zoning to a greater degree in the future in insuring various commodities or can she give me an overview as to what is being contemplated in that regard?

**Ms. Wowchuk:** One of the areas that we are looking at is beans, and I am sure the member is familiar with the situation with beans. We are looking at some individual coverage there that would then not take into consideration soils but the individual's coverage. It is something that is in discussion right now. With one particular crop some individual coverages can be given protection or coverage without taking into consideration the soil. So the corporation is always, as I say, looking at how we can better serve the producer, and as new crops come into production look at how better coverage can be provided but not as a general policy for all crops. It is on this one crop that is being considered right now and possibly will be in place for next year.

\* (17:10)

**Mr. Jack Penner:** Having had a discussion with the president of Manitoba Pulse Growers Association this morning, I was aware that those discussions had taken place, and I am pleased to hear that the corporation is considering some of the changes. I am wondering though, Madam Minister, whether the corporation is actually considering using some of those processes in other commodities as well because I think there is something to be said for using established weather patterns in areas in the province as hail insurance does to set rates and premiums and coverage levels to some extent. I think there is a real opportunity here, and I commend the corporation for taking a look at this because I think there is some value in that.

**Madam Chairperson:** A recorded vote has been requested in another section of the Committee of Supply. I am therefore asking if it is the will of the committee to recess or to rise.

**Mr. Jack Penner:** I think we should recess and find out what is going on.

**Ms. Wowchuk:** Let us recess and then come back.

**Madam Chairperson:** Recess means come back.

**Ms. Wowchuk:** Yes, recess.

**Madam Chairperson:** I am therefore recessing this section of the Committee of Supply for members to proceed to the Chamber for a formal vote.

*The committee recessed at 5:13 p.m.*

*The committee resumed at 5:52 p.m.*

**Madam Chairperson:** The hour being six o'clock, committee rise.

## CONSUMER AND CORPORATE AFFAIRS

\* (15:40)

**Mr. Chairperson (Conrad Santos):** Will the Committee of Supply come to order, please. This section of the Committee of Supply has been dealing with the Estimates of the Department of Consumer and Corporate Affairs. Will the minister's staff please enter the Chamber?

We are on page 52 of the Estimates book, resolution 1.(b)(1). The committee has agreed to a global discussion of this department's Estimates.

**Mr. Jim Penner (Steinbach):** Mr. Chairman, as we discussed at the week's end, we would like to discuss the issues surrounding the changes in the department, and then after that I would like to get into some of the new legislation that has been either hinted at or discussed or proposed. I think that will take care of our time today.

I am wondering if the minister or his staff can provide a list of the political staff in each department, including the name, position and the degree of full-time equivalent where they are full time.

**Hon. Scott Smith (Minister of Consumer and Corporate Affairs):** Mr. Chair, I guess if we could have from the member opposite just a definition of what "political staff" he would be after. I guess, if I could answer right now as opposed to supplying a list, it would be basically just the EA and SA of my department, or if there was something more substantial that he wanted.

**Mr. Jim Penner:** So there is just the one FTE in the department and political staff?

**Mr. Smith:** Yes, just in response to his question, there are two positions of which one is vacant right now, at this present time.

**Mr. Jim Penner:** Mr. Chair, I am wondering if the minister could supply a specific list of the staff in the minister's offices and in the deputy minister's offices.

**Mr. Smith:** I would be more than happy to supply that list to the official member of the Opposition.

**Mr. Jim Penner:** We were also wondering about the number of staff currently employed in the department and the number of staff employed by the department for each year from '98 through 2000.

**Mr. Smith:** Again, Mr. Chair, just for clarification, would that be just the immediate staff in the minister's office and the staff in the deputy minister's office, or would it be the entire Consumer and Corporate Affairs in its entirety?

**Mr. Jim Penner:** The staff currently employed in the department, that would not include necessarily the minister's staff and deputy minister's staff. You are going to report that separately, right?

**Mr. Smith:** Yes.

**Mr. Jim Penner:** Okay.

**Mr. Smith:** If I could I would supply the numbers right now, and if the member would like to look at schedule 7 on page 44 of the Estimates book, we can go back to '97-98 being a total of 130.01; '98-99, 129.51; '99-2000,



128.51; 2000-2001, 128.51; and 2001-2002, 130.51.

**Mr. Jim Penner:** I am wondering if the minister and his staff could supply the names of staff that have been hired since 1999, that would be in the beginning of the year 2000, including whether they were hired through competition or appointment.

**Mr. Smith:** In supplying that information, we will check with the Civil Service Commission and try to supply the information as requested. Could we have a specific date, time to start from to present day, I guess?

**Mr. Jim Penner:** I suggest January 1, 2000.

**Mr. Smith:** We will investigate from that date.

**Mr. Jim Penner:** I am wondering if we could get information on a description of any position that has been reclassified in the department.

**Mr. Smith:** We will acquire that information and provide it to the member.

**Mr. Jim Penner:** The next question is: Is there a listing available of all vacant positions?

\* (15:50)

**Mr. Smith:** Just for the member's information, one full-time position in Administration and Finance, the systems analyst; Public Utilities, one full-time vacancy, an officer; Residential Tenancies Branch at a half-time position, volunteer co-ordinator; and as well in Residential Tenancies Branch at a half-time position, an officer. As well, as I mentioned prior, there will be an EA in my staff and, as well, a deputy commissioner in Auto Injury.

**Mr. Jim Penner:** Are there any details available, Mr. Chairman, from the minister on how many and what type of contracts are being awarded directly at this time?

**Mr. Smith:** Just in terms of more information, Mr. Chair, I wonder if the member could be more specific in his request.

**Mr. Jim Penner:** How many and what type of contracts are being awarded directly as opposed to those that are going to tender?

**Mr. Smith:** All untendered contracts have previously been reported, Mr. Chair.

**Mr. Jim Penner:** Could I have that answer repeated?

**Mr. Smith:** All untendered contracts have been reported previously, Mr. Chair.

**Mr. Jim Penner:** Were there any tendered?

**Mr. Smith:** All of our contracts are tendered through central agencies and are reported through central agencies.

**Mr. Jim Penner:** One more question on staffing, since this takes up a large part of the Budget which we are studying in Estimates. That is: How many positions have been relocated since taking office?

**Mr. Smith:** The answer to the question would be: Since taking office, it is none.

**Mr. Jim Penner:** Obviously the press is reporting and people are hurting because of high fuel prices in the province. The handbook here for the Department of Consumer and Corporate Affairs says that one of the goals of the department is to anticipate, identify, and monitor marketplace issues and recommend appropriate action.

One of the concerns I guess the people have is where the prices are going to go in gasoline. Later on we will talk about natural gas. Last Thursday the price jumped 6 cents to 75.9 cents a litre. The concern to people on fixed incomes and people having to drive to work and people on lower to lower-middle incomes is considerable in this pricing environment. Some people have no option. They just simply have to drive.

I noticed from my notes last year that crude oil had reached a level of \$18, and now it is about \$28, but that forms a very small part of the price at the pump. I am just wondering if this minister and his staff have approached the problem, thought about the problem, or dealt with the problem in some way because of their need to fulfil their mandate of the department's goals.

**Mr. Smith:** As the member opposite knows, the gasoline prices certainly have been affected, certainly in North America and worldwide, by price fluctuations. Here in the Capital Region, here in the city of Winnipeg we have had some of the lowest prices in Canada over the last number of months certainly. Over the past year we have seen price fluctuations throughout Canada to extremes. In fact, the member is quite right. Some of the predictions with people that look into crystal balls say that gasoline prices are on the rise and may well continue in that direction.

We know certainly that with supply and demand, prices can be set on the demand that is out there. Certainly the demand in every report and article that we all seem to be reading lately is the insatiable supply for gasoline throughout North America is literally untapped. The large usage and sale of SUV vehicles, certainly, some suggest, has driven up the supply. Certainly, when the economy is doing very, very well and trucking and transportation is at an all-time high, the economy seems to be moving along quite well. The demand is there. We have seen, on the export market, a bit of a reduction in production from some of the off-shore countries that have put the supplies down, I am told, to a level that is below normal throughout the world.

\* (16:00)

We have seen some of the actions that have been taken, as the member alludes to, of some of the folks out in the east coast. Certainly, we are aware of Newfoundland's legislation in the last while. It is of interest to note that certainly any regulation of gas prices, certainly when it was done in Nova Scotia, gasoline prices up to 1991, in the regulation of gasoline prices, did not dictate lower gasoline prices here in Canada. In fact, over the period of time that it was regulated, gasoline prices were substantially higher than quite a bit of the rest of Canada.

The other province that had considered it had not done it, for the example that was used. Certainly we realize that gasoline prices do continue to fluctuate on the market. We have noted, certainly here in the Capital Region and Manitoba as a whole, that the competition certainly appears to have kept gasoline prices

substantially lower than many of the other provinces, and some would term that competition is a viable and a good thing for consumers. The supply and demand will dictate the price of gasoline throughout Canada. Certainly, with the pressures that the neighbours to the South and America have on the price in their demand for the supply, the price may well continue to escalate as the economy does well.

Manitoba certainly advocated for the creation of a specialized national agency to monitor fuel prices and recommend action be taken. Certainly it is an initiative that was taken by the former minister of the department and something that we certainly will continue to press with our counterparts throughout Canada and bring up on a national basis.

**Mr. Jim Penner:** Yes, Mr. Chairman, I would like to ask a question about gas prices again. This has to do with the stock market changes and the value of the companies that supply our automotive fuel. Two years ago, the value of one share of stock in PetroCan was running somewhere, I think, between \$16 and \$18. I believe I saw it at just over \$40 the other day. Now the value of a share of stock relates directly to the profitability of that company per share. It would seem to me that their profitability has at least doubled in the face of higher gas prices. In the face of your mandate to monitor the marketplace and recommend appropriate action, how does this Government in Manitoba expect to deal with what seems to be happening, what is good for our shareholders, but not good for stakeholders?

**Mr. Smith:** As the member mentions, we have seen some of the headlines in papers that some of the oil companies have, in fact, seen some gain and some record profits. Certainly, when he asks what would the department be considering, we believe that the strongest strategy is a national strategy, all provinces across Canada, in the creation of a specialized national agency to monitor fuel prices and recommend any action that be taken. Certainly that, we believe, is a focus that should be taken.

The member opposite might recall consideration over the prior five years, in '95, that was not done. The prices fluctuated greatly

throughout those years as well. We believe that the strategy is to be inclusive with the other provinces and bring this to a national level for attention, for consideration. Maybe the member could refresh my memory over the previous five years of any initiatives that they might have done in the area that I could consider.

**Mr. Jim Penner:** I am the one asking the questions, but I can answer one, too. The last five years of the Progressive Conservative Party's government in Manitoba involved tremendous vacillating in the price. The prices would shoot up and go back down and shoot up and go back down. As I suggested a year ago, the prices were on such a hard-nosed incline, and clearly not vacillating, that maybe we should look at every aspect of fuel prices. Now we cannot go national because there is a different cost of distribution in every province.

The federal government would naturally accept a recommendation by the 10 ministers of Consumer and Corporate Affairs as to what approach could be taken. Number one was probably to every time the price of fuel goes up—and you are all aware of this, the 7% PST and the 7% GST exacerbates the problem still more, because you are going on percent. You are not going on cents. The service station man who fills my tank gets so many cents a litre to provide that service, but the Government goes on percents, which exacerbates the problem.

Now we are taking 14 percent on 80 cents, instead of 14 percent on 40 cents. So we are doubling our taxes, and we are not getting anything for it. We are not getting the roadwork done that we want. In fact, we are holding our Manitoba roadwork at 110 million for many years, from the old government and the new government, and we are getting none of the federal money.

So I still think that we should not leave this issue alone, even though we may be able to rationalize it out of the way and sort of try and shove it aside at times or blame game for the feds. I would like to see us still consider what approaches could be taken. As 57 members in the Legislature, we are all concerned about the over a million people that live in this province.

We cannot just go and say, oh, well, the feds did it to us again.

A national policy was tried under the Trudeau government with PetroCan owned by the Government. As we all know, that was not a very successful program and down the road we had to dismantle it. The last 30 percent of PetroCan that is owned federally is being marketed shortly. Obviously we do not want government running things because they are the worst people to manage business.

Going back then to last year's Estimates, and I see the member here that was here last year. As the minister probably knows, his colleague the Member for Elmwood (Mr. Maloway) and the former critic for his department, spent a good deal of time in past Estimates extolling the virtue of shipping gas through the Port of Churchill and down from the North. If the minister would look at past Hansards, he would find the member felt, and I would assume probably still feels, that this supply route would reduce prices because of the ability to access a new distributor.

Could this minister advise the committee how he feels about this proposal today? That is only two years ago that this was apparently the right thing to do, was to come out of Churchill.

\* (16:10)

**Mr. Smith:** We still believe that a national policy on gasoline certainly is a strong, strong backing for consumers, and a way to go. Just in response to the member's question, prior fuel taxes, I know the member opposite knows full well that the fuel taxes out of Manitoba, a high 90 percent goes back into our road system and into repairs and maintenance of our system, where the federal, quite on the contrary, is almost the opposite.

I tend to agree that the federal government could maybe look at re-establishing in putting certainly more dollars. I would stand side by side with the member any time he would wish to take that federally with us, that we have more of the federal fuel tax dollars redistributed back into the province of Manitoba. It certainly would go a long, long way.

As far as the issue with distribution through the northern climate, I will take the member's statements under advisement and consideration.

**Mr. Jim Penner:** I would like to refer specifically to the 1998 Estimates, where the Member for Elmwood stated when the NDP returned to government they would be taking trips to Churchill to examine the possibility of shipping gas through that port. Can you advise as to whether those trips have been taken?

**Mr. Smith:** Although members on this side certainly have some excellent ideas and some suggestions, I cannot put a time frame on when that might happen. Certainly I have not booked my trip to go up and do that and in fact have not considered it in my immediate schedule.

**Mr. Jim Penner:** It is a wonderful trip, I might add. I have watched the polar bears and the arctic foxes and the arctic hares and the partridge, all these white creatures. It is just beautiful. Everybody should go there at least once.

Mr. Chairman, I would like to change direction a little bit now and just talk a bit about franchise legislation. We know that in the business world—again, the mandate of Consumer and Corporate Affairs is to establish fair practices—in the business world we have numerous franchises. We know that the chain of IGA stores, food stores known as IGA are often franchised out to single owners. The chain of M&M stores, or the frozen meat stores, they are franchised out. Gasoline stations are often franchises. I have some involvement myself with real estate. There are things like a Dollar Store as a franchise, and the fast food restaurants, you know, the Wendy's, the McDonald's and all those.

Then we have the Pizza Huts and the subs and the doughnut shops. The lube and oil change, the drive-thru lube and oil change. We have all these things. I am just touching the tip of the iceberg with my comments here. These are franchises. Much of our business in Manitoba and Canada is done on a franchise basis, as it is in North America.

My first question on this is: Does the department do any monitoring on franchisee-franchisor agreements?

**Mr. Smith:** No, they do not.

**Mr. Jim Penner:** Mr. Chairman, I am wondering if the department is aware or can provide statistics on the rate of franchise failures in Manitoba.

**Mr. Smith:** The data is not collected on the number of franchise failures in Manitoba by the department. Whether that information would be available through such avenues as the local chambers of commerce, Manitoba chambers of commerce and such, I would suggest that avenue. They may record those statistics.

**Mr. Jim Penner:** I do not know how these departments work, but is it not possible that it would be available through business registrations?

**Mr. Smith:** It is not recorded as many businesses come and go. Certainly it is not recorded, whether it is by failure or default or whether, in fact, the department knows the reasons for business coming in and out of businesses. The department certainly has received very, very few complaints regarding franchises here in the province of Manitoba.

**Mr. Jim Penner:** Does the department monitor the type of financial disclosure that is provided by franchisors to franchisees in a typical agreement? I know this was discussed a year ago when we worked on the farm machinery bill, and now we are looking at many more franchises than the farm machinery bill, so I am wondering if we monitor the type of financial disclosure that was provided by franchisors to franchisees in a typical agreement.

**Mr. Smith:** No, the department does not.

**Mr. Jim Penner:** Can the department advise if it would be typical for a franchisee to contract away rights of litigation in a franchisee-franchisor arrangement?

**Mr. Smith:** Mr. Chair, we as a department do not look at the terms of the actual agreements of franchisees or franchisors. It is something that is done through their legal counsels and certainly in the agreements that they come to terms with

themselves through their agreements. I know that I had the opportunity to meet with a fine group of folks, the Canadian Federation of Independent Grocers in April to discuss the organization's views on some of the franchise agreements here in Manitoba, and I was told by the Canadian Federation of Independent Grocers that there was potentially—I am aware of the franchise legislation that was currently enacted in Ontario recently and certainly in Alberta, and in our discussions with the folks from the Canadian Federation of Independent Grocers, I had mentioned that I would certainly be interested in hearing from others who felt that franchise legislation would be a good idea. It is an open discussion we had spoken about and they had mentioned that certainly they may get back with some specifics of others that had some problems with franchise legislation here in Manitoba.

Our department, looking up any problems that have been directed specifically to franchises in terms of problems here in Manitoba by any franchisees, is not there. There is very, very little information in the department directed by the franchisers.

\* (16:20)

Certainly the Federation of Independent Grocers that I know the member is quite familiar with, I believe sat on the board of directors or as the president for a number of years, had that concern, and we had asked them and looked at other avenues to see if there is any information available on potentials for problems in franchise agreements here in Manitoba.

We will be waiting for the Canadian Federation of Independent Grocers to get back to us. That is the only one I have had into my office regarding franchise agreements here in the province of Manitoba.

**Mr. Jim Penner:** I am wondering, Mr. Chairman, if some of this information could not be achieved through the Attorney General's Department or from the Law Society. I know as a landlord, the Mark's Work Warehouse franchise was purchased by people who were sincere about buying the franchise, one of them being myself. At some point, the company

determined that they did not want people owning a franchise, that they wanted to own the businesses themselves, so they just ran us out of business. I did not have a legal leg to stand on, and that is probably why so little of this information is being put forward as statistics.

I think one of the issues is the people who are buying the franchises, are they people who were previously business owners, or are they first-time businesspeople?

**Mr. Smith:** There would be no way of us knowing that. Certainly records are not kept as to whether they are first-time businesspeople or people that have been in a number of businesses.

The member opposite suggested some of the avenues that people may want to look into to provide our office with information. Certainly they are good suggestions. If, in fact, one took the time to provide our office with that information through the avenues that the member opposite had mentioned, good suggestions, certainly we would be more than willing to accept that information and consider it.

**Mr. Jim Penner:** Well, I have not really familiarized myself that much with what other provinces are doing, although some of that material is lying on my desk. I would just like to suggest that in many legal transactions between two parties, such as in the purchase of, let us say, life insurance, there is a cooling-off period, when the high-pressure salesman has to wait so many days during which time the purchaser can walk away.

I noticed in some of the legislation proposed for e-mail purchasing or Internet purchasing, that a service or merchandise that does not arrive in 30 days can be cancelled. I am thinking that some protection, some form of protection for this large segment of our economy which we agreed, I think, employs so many people—we have seen numbers as much as 90 percent of people employed are employed by small business.

So it is such a significant area that I do not think the rate of complaint is indicative of the size of the problem, because there is very little that you can complain about when you get

involved with a franchise. Like I say, I have had a relationship in quite a few franchises, either as a landlord or even as an owner, and I am thinking that the province's future would be benefited by Manitoba introducing some form of fairness.

I would not like to see anyone getting the upper hand, but some fairness that the inexperienced or that the small operator cannot be manipulated out of business or lose their investment, and that there should not be some remedy for that at the same time that the operators of a franchise should be responsible for their undertaking.

So I would like to continue asking about how our mandate of department goals is being fulfilled. The concerns of many people have involved legislation, not only the franchise legislation, but the people who do appraisals in Manitoba, the appraisal organization, feel that they have some situations that they would like to deal with.

The home renovation people feel challenged because people with integrity are being compromised by scam artists who inevitably paint a bad picture for all concerned. I guess it is the same thing if one politician can denigrate a whole bunch of politicians just through his inadequate behaviour. We see groups of people being hurt. Also we know that the insurance adjusters are looking for some remedy.

Travel agents are talking to us about need for control. We talked about rent controls. That is just the wide range of issues that come under the purview of Consumer and Corporate Affairs. I wonder if I could ask a question posed by a certain Mr. Bannerman in his capacity as a public adjuster. He notes that there are two sections—Mr. Chairman, can I quote from the law?

There are two sections in The Insurance Act that seem to discriminate against the supplying of services by a public adjuster, one of them being 387(1), that "no person shall, on behalf of himself or any other person, directly or indirectly, (a) solicit the right to negotiate, or negotiate or attempt to negotiate, for or in expectation of any fee, gain or reward, the

settlement of a claim for loss or damage arising out of a motor vehicle accident resulting in bodily injury to or death of any person or damage to property, on behalf of a claimant."

Now, this says that an insurance adjuster cannot negotiate a claim. I think that was not intended to go as far as it did, but obviously people like Mr. Bannerman would like to have this discussed, he says, in the upcoming Estimates process. Adjusters are also asking that sections 387(1) and (2) be eliminated. Section 387(2) is: "Except as to soliciting the right to negotiate, this section does not apply to a barrister or solicitor acting in the usual course of his profession."

So an adjuster has to give way to a barrister or solicitor when dealing with a critical issue that a claimant may have. I think probably I have to side with the insurance adjusters and consultants that this a highly discriminatory piece of legislation that I am thinking may have not even been intended to have been there.

Have the minister and his staff had a chance to see this correspondence and to study this?

**Mr. Smith:** Mr. Chair, on a number of issues raised by the member opposite, the initial questions he mentioned, home renovators, and he mentioned travel agents and licensing, as well as some of the concerns that Mr. Bannerman had brought forth. Certainly, just starting from the last question forward, we had received some correspondence from Mr. Bannerman recently on sections 387(1), 387(2), issues have been raised. We are beginning a comprehensive review of The Insurance Act. Mr. Bannerman's concerns will certainly be taken into account during that review. Five other provinces have similar restrictions on adjusters, as in 387. Two provinces do not. A dialogue within the department, and the issues raised from Mr. Bannerman certainly will be taken into consideration.

\* (16:30)

In concerns with the home renovators' regulation, concerns have been raised by representatives of the industry related to substandard work done by transient contractors.

Because these contractors direct-sell their services to consumers, licensing and bonding under The Consumer Protection Act is required. Departmental staff does continue to enforce licensing requirements and where compliance is not attained prosecution of offenders is recommended to Justice.

On the issue of travel agencies licensing the member had raised, I know Minister Lemieux previously had met with representatives of Manitoba Association of Canadian Travel Agents, which had proposed several options for regulating the travel agency in the industry. I understand that travel insurers, such as Manitoba Blue Cross, do provide insurance to protect the travelling consumer from default by travel service suppliers to a maximum of \$5,000. It may be that information about the availability of this product needs to be more readily available to the travelling public. Manitoba Association of Canadian Travel Agents could establish a voluntary industry program toward members and clients that they serve similar to the one that is in place right now in Alberta.

At this stage I am not considering recommending regulation of travel suppliers in Manitoba, but have asked the department to focus future discussion with the Manitoba Association of Canadian Travel Agents certainly on education and information initiatives on a voluntary industry program, which, I believe, would be very, very beneficial to consumers in Manitoba with the assistance of those folks.

The ongoing dialogue and inquiring pertinent information from those folks in supply, that certainly is always helpful. The dialogue continues on an open-door policy. We certainly feel that any solution that we can come up with in that regard in the deliberations is beneficial to everybody.

**Mr. Jim Penner:** Maybe I could deviate a little bit from commodities exchange and real estate appraisers act, and so on, by asking one of my favourite questions in Consumer and Corporate Affairs, again, to identify and monitor marketplace issues and recommend appropriate action. Would the minister or staff have an answer for me in regard to why the price of milk

in Manitoba is different in rural areas than it is in urban areas?

**Mr. Smith:** Certainly in Manitoba there is a maximum price setting on milk and retailers can certainly charge under that pricing. The maximum price that is set cannot be exceeded.

**Mr. Jim Penner:** I am familiar with the price setting by the Milk Prices Review Commission, because I have worked in the Soviet Union and they have the same thing. The Milk Prices Review Commission sets the price at a higher rate in La Broquerie or Piney or Thompson than it does in Winnipeg. Can the minister explain why people in those areas would have to pay more per litre?

**Mr. Smith:** I guess I would have to refer the member to the minister responsible for that. He had mentioned the system being similar to that in the Soviet Union. I imagine he is in favour of the system just in his comment. The minister responsible would be able to better answer the question, and certainly I am sure, as a long-time member of the Canadian grocers association, they followed these types of things quite closely and might add some suggestions over the past decade, certainly the previous government and to our Government on this issue. I am not sure if the regulations have changed since our administration on the issue the member has raised, but he may want to speak to the minister responsible for this.

**Mr. Jim Penner:** I just thought that the Department of Consumer and Corporate Affairs would take an interest in a consumer issue, because where there is a quota system and a price-setting system. Obviously, it is not supply and demand. It is not the health of the industry. It is politics. I guess the people in rural Manitoba, which often get ignored, they wonder about the price difference. I do not think very much of the milk is produced in Winnipeg. It is produced way out in the boonies very often, way out in the corners of the province. It is shipped at the farmers' expense to Winnipeg. Then it is processed and shipped all the way back again, but the burden of the freight is added to the rural price and not absorbed by the urban price.

So the country people buying this much-needed ingredient and a very important product

are paying the freight both ways. I just always thought that if I ever got to government or got into the position that I am in now, I would certainly want an explanation of why, in a marketplace in Canada—I have to tell you in the Soviet Union, there would only be one price in 11 time zones, but then I am not in favour of the Soviet system; otherwise I would not be sitting here today.

As far as I am concerned, it should be an interesting point for the Minister of Consumer and Corporate Affairs to wonder about the treatment of consumers on such a vital product as milk, having to pay the freight both from the farm to the city for processing and then back from the city to the rural grocery store for resale. It seemed just very unusual to me that we even would try to just pass this off to another minister when it is really a consumer issue. It is not an agriculture issue as far as I am concerned.

\* (16:40)

Further to the proposed real estate appraisers act, getting off the milk and honey issues, the Manitoba association has recognized the need for appropriate legislation to establish self-regulating status in order to maintain the quality, integrity and protection of the public with regard to real estate valuation. Currently almost any individual can provide a real estate appraisal, and without such legislation the public is clearly at risk from unqualified individuals providing such a service.

I might add, Mr. Chairman, that the risks resulting from unqualified individuals providing appraisal service results in failures. People overpay, overmortgage a home, or people overpay for a business site. This results in bankruptcies and failures. As you know, the bankruptcy and failure rate determines to some extent the interest rate that normal people pay. People who pay interest at a bank on their car or on any other loan are affected by the failure rate of loans. The failure rate is affected by fraudulent appraisers, or inadequate appraisers, I should say, not necessarily fraudulent, but incompetent.

The Manitoba association representing real estate appraisers in Manitoba wishes to see legislation brought forward that would allow them to self-regulate similar to what pharmacies

do. Pharmacists self-regulate. Lawyers have their own Law Society; they self-regulate. The people in the real estate appraisal business would like to be in a situation where they can self-regulate.

*Mr. Jim Rondeau, Acting Chairperson, in the Chair*

I am just wondering to what point this Government, the Consumer and Corporate Affairs Department, has addressed the need that has been expressed to them.

**Mr. Smith:** The real estate appraisers have been in contact with our office certainly over the last number of years, actually going back a number of years, regarding this issue. Dialogue with all concerned certainly has taken place. In fact, as early as today discussions with folks regarding some of the concerns the member has raised and almost verbatim actually with a lot of the information that they supplied to us certainly in February of this year and March of this year.

The member mentions some of the other folks that are regulated. Certainly, he has mentioned verbatim with the correspondence they have given to us as examples. We have had good, frank, open discussions with the folks on this issue. Again, the number of complaints received, if you will, by our department are very, very minimal regarding this issue. Certainly, in terms of an issue if people were being unjustly treated or being bilked, if you will, out there quite often by this. It is not as much through the use of financial services other than folks maybe using cash money and getting this form of appraisal done by people that are not recognized.

I had asked and been informed that the department has had very, very few complaints in this area. I have asked the group as early as today and met with four specifics in this area. Hopefully, before too much time elapses, they mentioned to me that they would try to put together some specifics and some areas that they had concerns with and return that to our office in writing.

They had mentioned a number of cases verbally to me, nothing in writing or specific cases. Once we establish some of that



information, we will consider it, look at it, and if it is a problem action will be taken.

**Mr. Jim Penner:** In a September 6, 2000, news article, a Winnipeg judge calls on the Government to regulate the home inspection industry. Judge Schwartz ruled: A Winnipeg resident should be compensated after an inspector failed to find significant structural problems with her new home. The judgment was made and the case was settled, but in subsequent releases it says home inspections on the increase. You have the right to hire an expert, but there is no way of certifying a home inspector.

The Better Business Bureau has not outlined a way of handling home inspection. The home inspectors tend not to be insured for errors and omissions. They just disappear into the night when things do not go well for them, but if you had a proper home inspection for first-time homebuyers the industry could become regulated. I know the Department of Consumer and Corporate Affairs may not have much to do with the price of milk, but they do have a lot to do with regulation of specific areas in business relationships between consumers and corporations, relationships between agencies and service industries and consumers.

What we are hearing today is that, well—there were no complaints. I know that if people do not know who to complain to and if people do not know of the responsibilities that the Government has or says they have, they probably will not get many complaints. It would almost be necessary to poll the industry and poll the new homebuyers and see what the issues are out there, because people will not voluntarily come and complain to the minister not knowing even necessarily what his responsibilities and commitments are in his office.

I wonder if I could ask today if the industry of home inspection is in any way under review for some form of regulation and licensing.

**Mr. Smith:** As the member mentions milk there, again, I come back to consideration of—I know I have heard the member and certainly many members on that side opposite quite often, and I tend to agree, which is not always the normal

practice with members opposite. I do tend to agree that duplication of department overlap and costs is not necessarily the best way to go. Certainly with government, with the managing of public funding and just with milk, when it is the responsibility of another ministry, I am sure the member would agree that we do not want duplication of services through our department on the milk end.

*Mr. Chairperson in the Chair*

\* (16:50)

Milk aside, the member mentions home inspections. Certainly home inspections have been brought to the attention of the department. Consumer and Corporate Affairs—many of the public and certainly people that have problems—we certainly do not have a lack of people coming to our department with concerns, and quite often, we notice certain areas where there are problems, and problems have been recognized, certainly, by a level of complaint driven by whatever sector of a problem there might be. There is no lack of people responding to Consumer and Corporate Affairs—very, very well known throughout the business community and throughout the community at large as being exactly what the name would suggest, Consumer and Corporate Affairs. So there is not a lack of contact with our department. Certainly a very, very busy department, and folks working within it certainly do not have a lot of extra time on their hands but are very busy constantly throughout the day. Normally, it is a practice and recognized that, when there is a problem in Manitoba, people do not hesitate to contact Consumer and Corporate Affairs on whatever issue is prevalent out there.

The home inspectors, we certainly know that CMHC is developing a national standards, and we are watching these developments to see which direction the national standards are developing, certainly watching that closely. Again, on a national standard basis with input from each and every province certainly as part of the solution, we will see the development of the national standards and how they develop.

**Mr. Jim Penner:** Thanks for that answer. Although I have been in business for 36 years, I had not realized how many statutory

responsibilities came under the purview of the Minister of Consumer and Corporate Affairs. I see a whole page of them on your page 7 in your Estimates Book. It is just amazing. Then you have the corporate structure on page 8. Certainly there is a lot more activity there than I had ever realized. That is why I said I do not think that people who, in fact, are not in business would be aware of this thing and would know who to complain to, so I really do not think we have all the facts, but I appreciate that we have gone on the record on a whole bunch of things today. Maybe one more and we can pass this.

Let us talk about the Securities Commission legislation coming up. Is there some indication that the venue or the method of trading in the Manitoba Securities Commission will be changed?

**Mr. Smith:** I know the member mentions generally and broadly, and we have had discussions certainly. I am just wondering if he is interested in specific to the Commodity Exchange or if he had specifics in mind that we could maybe respond to.

**Mr. Jim Penner:** I guess the concern that I am getting—

**An Honourable Member:** Pass.

**Mr. Jim Penner:** Are you ready to pass?

**An Honourable Member:** Yes, go ahead.

**Mr. Jim Penner:** Okay, why do we not go ahead and pass this? I will leave that for another day. I am getting booted out of here.

**Mr. Chairperson:** Item 5.1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$348,700—pass; Other Expenditures \$49,700—pass.

1.(c) Administrative Services (1) Salaries and Employee Benefits \$576,500—pass; (2) Other Expenditures \$216,000—pass; (3) Less: Recoverable from Legislative Assembly (\$180,500)—pass.

1.(d) Research and Planning (1) Salaries and Employee Benefits \$173,500—pass; (2) Other Expenditures \$32,400—pass.

1. (e) Vital Statistics Agency, no amount.

2. Consumer Affairs (a) Consumers' Bureau (1) Salaries and Employee Benefits \$948,200—pass; (2) Other Expenditures \$279,300—pass.

2.(b) Residential Tenancies Branch (1) Salaries and Employee Benefits \$2,702,900—pass; (2) Other Expenditures \$748,100—pass.

2.(c) Automobile Injury Compensation Appeals Commission (1) Salaries and Employee Benefits \$448,800—pass; (2) Other Expenditures \$123,000—pass.

2.(d) Residential Tenancies Commission (1) Salaries and Employee Benefits \$470,000—pass; (2) Other Expenditures \$109,600—pass.

2.(e) Grants \$87,700—pass.

Resolution 5.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,917,600 for Consumer and Corporate Affairs, Consumer Affairs, for the fiscal year ending March 31, 2002.

**Resolution agreed to.**

3. Corporate Affairs (a) Financial Institutions Regulation (1) Salaries and Employee Benefits \$726,100—pass; (2) Other Expenditures \$304,200—pass.

3.(b) Public Utilities Board (1) Salaries and Employee Benefits \$579,000—pass; (2) Other Expenditures \$752,500—pass.

3.(c) Manitoba Securities Commission, no amount.

3.(d) Property Registry, no amount.

3.(e) Companies Office, no amount.

\* (17:00)

Resolution 5.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,361,800 for Consumer and Corporate Affairs, Corporate Affairs, for the fiscal year ending March 31, 2002.

**Resolution agreed to.**

5.4. Amortization of Capital Assets \$233,900—pass.

Resolution 5.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$233,900 for Consumer and Corporate Affairs, Amortization of Capital Assets, for the fiscal year ending the 31st day of March, 2002.

**Resolution agreed to.**

The last item to be considered for the Estimates for the Department of Consumer and Corporate Affairs, item 5.1. Administration and Finance (a) Minister's Salary \$28,100—pass.

Resolution 5.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,244,400 for Consumer and Corporate Affairs, Administration and Finance, for the fiscal year ending the 31st day of March, 2002.

**Resolution agreed to.**

That completes the Estimates for the Department of Consumer and Corporate Affairs.

The next set of Estimates that will be considered by this section of the Committee of Supply is the Estimates of the Civil Service Commission.

Shall we briefly recess to allow the minister and the critics the opportunity to prepare for the commencement of the next set of Estimates? *[Agreed]* For how long?

**An Honourable Member:** 10 minutes.

**Mr. Chairperson:** 10 minutes, so ordered.

*The committee recessed at 5:03 p.m.*

*The committee resumed at 5:40 p.m.*

**Mr. Chairperson:** Committee, please come to order.

**Report**

**Mr. Harry Schellenberg (Chairperson of the section of the Committee of Supply meeting in Room 254):** Mr. Chairperson, in the section of the Committee of Supply meeting in room 254 considering the Estimates of Conservation, the

honourable Member for Arthur-Virden (Mr. Maguire) moved a motion as follows:

Whereas there are currently 60 unfilled vacancies in the Department of Conservation which has resulted in diminished services to Manitobans; and whereas the Minister of Conservation (Mr. Lathlin) has failed to achieve savings through the amalgamation of the former departments of Environment and Natural Resources; and whereas the Minister of Conservation missed the majority of meetings while he was a member of the Treasury Board; and whereas the Minister of Conservation, because of lack of attendance at Treasury Board meetings, was asked to step down from that board; therefore be it resolved that the Minister of Conservation's salary be donated toward infrastructure development aimed at ensuring the safety of Manitobans' drinking water.

Mr. Chairperson, this motion was defeated on a voice vote, and, subsequently, two members required that a formal vote on this matter be taken.

**Formal Vote**

**Mr. Chairperson:** A formal 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 Room 254 considering the Estimates of Conservation, the honourable Member for Arthur-Virden (Mr. Maguire) moved a motion as follows:

WHEREAS there are currently 60 unfilled vacancies in the Department of Conservation which has resulted in diminished services to Manitobans; and

WHEREAS the Minister of Conservation (Mr. Lathlin) has failed to achieve savings through the amalgamation of the former departments of Environment and Natural Resources; and

WHEREAS the Minister of Conservation missed the majority of meetings while he was a member of Treasury Board; and

WHEREAS the Minister of Conservation, because of a lack of attendance at Treasury Board meetings, was asked to step down from that board;

THEREFORE BE IT RESOLVED that the Minister of Conservation's salary be donated towards infrastructure development aimed at ensuring the safety of Manitobans' drinking water.

This motion was defeated on a voice vote, and, subsequently, two members requested that a formal vote on this matter be taken.

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 17, Nays 28.*

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

The sections of the Committee of Supply will now continue with the consideration of the departmental Estimates.

**Hon. Gord Mackintosh (Government House Leader):** Is it the will of the committee to call in the Speaker, Mr. Chair?

**Mr. Chairperson:** Is it the will of the committee to call in the Speaker? [*Agreed*] Committee rise.

Call in the Speaker.

#### IN SESSION

**Mr. Deputy Speaker (Conrad Santos):** The hour being 6 p.m., this House is adjourned and accordingly stands adjourned until 1:30 p.m. tomorrow (Tuesday)

# LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 14, 2001

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