

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

Official Report
(Hansard)

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Ninth Legislature

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 28, 2010

The House met at 1:30 p.m.

Mr. Speaker: O Eternal and Almighty God, from Whom all power and wisdom come, we are assembled here before Thee to frame such laws as may tend to the welfare and prosperity of our province. Grant, O merciful God, we pray Thee, that we may desire only that which is in accordance with Thy will, that we may seek it with wisdom, know it with certainty and accomplish it perfectly for the glory and honour of Thy name and for the welfare of all our people. Amen.

ROUTINE PROCEEDINGS

INTRODUCTION OF BILLS

Bill 30—The Strengthened Enforcement of Family Support Payments and Miscellaneous Amendments Act (Various Acts Amended)

Hon. Andrew Swan (Minister of Justice and Attorney General): Mr. Speaker, I move, seconded by the Minister of Innovation, Energy and Mines (Mr. Chomiak), that Bill 30, The Strengthened Enforcement of Family Support Payments and Miscellaneous Amendments Act (Various Acts Amended); Loi sur le renforcement des mesures d'exécution relatives aux paiements de pension alimentaire familiale et modifications diverses (modification de diverses dispositions législatives), be now read a first time.

Motion presented.

Mr. Swan: Mr. Speaker, this bill will strengthen the enforcement tools and options available to the Maintenance Enforcement Program to ensure that Manitobans, especially children, benefit from financial support as agreed by parties or as ordered by the courts. It will also set the stage for the new computer system that will be implemented in 2011. The bill will also address other family law issues, including genetic testing to determine parentage and the requirement to advise the court when a party refuses to co-operate with a family evaluator. Thank you.

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

PETITIONS

Whiteshell Provincial Park—Lagoons

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

And these are the reasons for this petition:

Manitoba's provincial parks were established to protect our natural resources and the environment for future generations.

In July 2009 the lagoons in the vicinity of Dorothy Lake and Otter Falls in Whiteshell Provincial Park overflowed, creating concerns that untreated sewage made its way into the Winnipeg River system and ultimately into Lake Winnipeg.

In addition, emergency discharges had to be undertaken at lagoons in the Whiteshell Provincial Park four times in 2005, once in 2007 and once in April 2009.

Concerned stakeholders in the Whiteshell Provincial Park have repeatedly asked the provincial government to develop plans to address the shortcomings with the park's lagoons and to ensure the environment is protected, but the plans have not materialized.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Conservation to consider acknowledging that more timely action should have been taken to address the shortcomings with the lagoons in the Whiteshell Provincial Park in order to protect the environment.

To request the Minister of Conservation to consider immediately developing short- and long-term strategies to address the shortcomings with lagoons in the Whiteshell Provincial Park and to consider implementing them as soon as possible.

And this petition was signed by A. Giesbrecht, E. Sokoloff, J. Pitura and many, many others.

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

Ophthalmology Services—Swan River

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

These are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

And this is signed by L. Barteski, H. Maya, J. Kreshewski and many, many others, Mr. Speaker.

Bipole III

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

Background to this petition is as follows:

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

Since this will cost Manitoba ratepayers at least \$640 million more than an east-side route, and given that the Province of Manitoba is facing its largest deficit on record, the burden of this extra cost could not come at a worse time.

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

And this petition is signed by W.D. Allinson, R.D. McIntyre, B.R. Spencer and many, many more fine Manitobans.

PTH 15—Traffic Signals

Mr. Ron Schuler (Springfield): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

In August 2008, the Minister of Transportation stated that traffic volumes at the intersection of PTH 15 and Highway 206 in Dugald exceeded those needed to warrant the installation of traffic signals.

Every school day up to a thousand students travel through this intersection in Dugald where the lack of traffic signals puts their safety at risk.

Thousands of vehicles travel daily through this intersection in Dugald where the lack of traffic signals puts at risk the safety of these citizens.

In 2008, there was a 300 percent increase in accidents at this intersection.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Transportation consider the immediate installation of traffic signals at the intersection of PTH 15 and Highway 206 in Dugald.

* (13:40)

To request that the Minister of Transportation recognize the value of the lives and well-being of the students and citizens of Manitoba.

This is signed by G. Brown, C. Taylor, K. Brown and many, many other Manitobans.

Mount Agassiz Ski Area

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

And these are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

To request that the appropriate ministers of the provincial government consider working with all stakeholders, including Parks Canada, to help

develop a plan for a viable, multiseason recreational facility in the Mount Agassiz area.

This petition is signed by M. Zalizniak, B. Andrews, I. Yanicki and many, many other fine Manitobans.

Multiple Myeloma Treatments

Mr. Hugh McFadyen (Leader of the Official Opposition): Mr. Speaker, I wish to present the following petition to the Legislative Assembly.

These are the reasons for this petition:

Health Canada has approved the use of Revlimid for patients with multiple myeloma, a rare, progressive and fatal blood cancer.

Revlimid is a vital new treatment that must be accessible to all patients in Manitoba for this life-threatening cancer of the blood cells.

Multiple myeloma is treatable, and new, innovative therapies like Revlimid can extend survival and enhance quality of life for the estimated 2,100 Canadians diagnosed annually.

The provinces of Ontario, Québec, British Columbia, Saskatchewan and Alberta have already listed this drug on their respective pharmacare formularies.

We petition the Legislative Assembly of Manitoba as follows:

That the provincial government consider immediately providing Revlimid as a choice to patients with multiple myeloma and their health-care providers in Manitoba through public funding.

Signed by K. Wilson, P. Wilson, J. Daly and many, many others.

TABLING OF REPORTS

Mr. Speaker: I'm pleased to table the Annual Report of the Legislative Assembly Management Commission for the year ended March 31st, 2010. Copies of the report has been placed on members' desks.

Hon. Jennifer Howard (Minister charged with the administration of The Workers Compensation Act): Mr. Speaker, I'd like to table the 2010 to 2014 Workers Compensation Board of Manitoba Five Year Plan and the 2009 Appeal Commission and Medical Review Panel Annual Report.

Hon. Flor Marcelino (Minister of Culture, Heritage and Tourism): I'm pleased to table the

2010-2011 Departmental Expenditure Estimates for the Department of Culture, Heritage and Tourism.

MINISTERIAL STATEMENTS

National Day of Mourning

Hon. Jennifer Howard (Minister of Labour and Immigration): Mr. Speaker, I have a statement for the House.

Mr. Speaker, today, April 28th, is the Day of Mourning for workers killed or injured on the job.

On this day, we remember the men and women who did not return home safely from work last year. Eighteen workers died on the job in Manitoba, and 19 others died of diseases related to their work. Many more Manitobans were injured severely, affecting their ability to work, participate in family life and enjoy their regular activities. The gravity of these workplace incidents is enormous, and their toll on families and communities in Manitoba is all the more tragic because they are preventable.

This day has special significance for Manitoba. In 1991, Manitoba Member of Parliament Rod Murphy introduced private member's legislation that prompted the Parliament of Canada to officially recognize April 28th as a day of mourning. Seven years earlier, Manitoba union leader Dick Martin was instrumental in the Canadian Labour Congress initiative to designate April 28th as the National Day of Mourning.

The Day of Mourning is a reminder to all of us—to us of the ongoing challenges we face in creating safe and healthy workplaces. Working with employers, workers and workplace injury prevention experts, the time-loss injury rate has been reduced by almost 30 percent since 2000, but we cannot slow our efforts.

Today, as we remember and honour those workers who were killed or injured on the job, we must strengthen our commitment to work together to put an end to these preventable tragedies.

I ask, Mr. Speaker, that following the remarks of other members, this House stands for a moment of silence to honour the memory of men and women of Manitoba who were injured or killed in the workplace this past year. Thank you.

Mr. Peter Dyck (Pembina): I am privileged to rise in the House today to observe the International Day of Mourning.

Today members of the Progressive Conservative caucus will join with others from across the world to recognize those who have been killed or seriously injured as a result of workplace accidents or illness. It is a troubling reality that too many people go to work but never come home. In 2009, nearly three Canadians died each day from injuries or illness sustained while on the job. In Manitoba, there were 37 workplace fatalities in 2009. These are haunting statistics.

We must remember those who have fallen, but we must also remember those who have sustained serious injuries or illness as a result of unsafe workplaces. Many people are forced to take time off or, worse, are unable to ever return to the work force. We often define ourselves by our work, and suffering a debilitating injury not only takes a toll on one's finances, but it can have a tremendous effect on our self-confidence.

I was fortunate to participate in the Leaders' Walk and the moving ceremony here at the Legislature today, which was held to commemorate those who have been impacted by workplace injury and illness. Beginning at the Union Centre, we walked up Broadway to the Manitoba Legislature to show our support.

This Day of Mourning is an opportunity for everyone to commit to making their workplace a safe and healthy environment, and it's vital that we all work together to create this culture of health and safety. It is unacceptable that in Manitoba anyone should go to work and fear for their well-being, health or even their life.

Mr. Speaker, I want to commend all the workers and employers that strive to make their workplaces a safe and healthy environment. And again, I want to recognize and remember those who have been impacted by workplace injury and illness. Thank you.

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

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

Mr. Gerrard: Mr. Speaker, I join other members of the Legislature in mourning today those who have died at work and in recognizing this important international day.

The impact of these deaths—and not only those who have died at work, but those who have died as

the result of diseases related to their work—the impacts is huge on families and on friends as well as on the individual.

*(13:50)

I believe that we must dedicate ourselves to preventing workplace deaths and to preventing the diseases related to conditions in the workplace. It is time for all of us not just to mourn, but to dedicate ourselves to a better and safer future. Thank you.

Mr. Speaker: Is there agreement for a moment of silence? [*Agreed*]

Please rise for a moment of silence.

A moment of silence was observed.

Introduction of Guests

Mr. Speaker: Prior to oral questions, I'd like to draw the attention of honourable members to the public gallery where we have with us today, we have Girl Guides of Manitoba celebrating their 100th year in Canada and who are the guests of the honourable Minister of Water Stewardship (Ms. Melnick).

And also in the public gallery we have from Red River College Language Training Centre, we have 20 English as an Additional Language students under the direction of Ms. Rita Prokopetz. This school is located in the constituency of the honourable Minister of Labour and Immigration (Ms. Howard).

And also in the public gallery we have from Faraday School, we have 35 grade 6 students under the direction of Ms. Claretta Shefrin. This school is located in the constituency of the honourable member for Burrows (Mr. Martindale).

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

ORAL QUESTIONS

Probation Breaches High-Risk Offender Statistics

Mr. Hugh McFadyen (Leader of the Official Opposition): Mr. Speaker, in the days since the details around the tragic death of Antonio Lanzellotti became public, the Premier and his Minister of Justice (Mr. Swan) have been stonewalling the Legislature and the people of Manitoba when it comes to the number of high-risk individuals that are today known to be in breach of court orders and who remain in the community.

Mr. Speaker, this morning, in what I believe was a very constructive contribution to this debate, there

was an op-ed in the *Free Press* by Jan Henley who indicated that there was somewhere between 10,000 and 12,000 outstanding warrants existing today within the province of Manitoba.

Mr. Speaker, if this op-ed writer can provide information about the current number of outstanding warrants, why is it that the Premier and his Justice Minister can't provide us with information about the number of high-risk offenders there are who are currently in breach of court orders and who remain free in the community without any consequence?

Hon. Greg Selinger (Premier): Mr. Speaker, that's exactly why the Minister of Justice brought together the chief of police, with the head of probations and the head of prosecutions to follow up on specific concerns about how we allocate resources to ensure that high-risk offenders, the ones that are at the greatest risk of harming public safety and security, are more quickly acted upon in terms of allocating resources and ensure that whenever there is a probation order in place—put in place by the courts, that the conditions are followed without fail 24-7.

And that's exactly what we intend to do, and that's exactly why we brought the key administrators of the justice system together to take further steps to strengthen the ability to protect public safety.

Mr. McFadyen: Mr. Speaker, the record that has been reported in the media tells a very different story in terms of this government's ineffective approach to dealing with these issues. And the concern that Manitobans have about their ineffectiveness is magnified when they refuse to even release basic data about information that is within the hands of his government and his department.

This writer, this morning, has indicated very constructively, that there are somewhere between 10 and 12 thousand outstanding warrants today, Mr. Speaker, which seems like a very high number. We know that the number of very high-risk individuals, who are currently in breach of orders, would be a smaller number than that, but we understand that the number remains significant.

I wonder if the Premier will just be forthcoming with Manitobans today, indicate how many high-risk offenders there are that are known to be in breach of

court orders, so that we can begin to have a discussion about the steps that need to be taken in order to improve the safety of communities here in Manitoba, Mr. Speaker.

Mr. Selinger: Mr. Speaker, steps are being taken. Much is why, since 2004, auto theft suppression strategies have reduced auto thefts in Manitoba by 75 percent, which is why since the incident that the Leader of the Opposition references that auto theft suppression has resulted in a reduction of auto thefts by 38 percent.

There are very specific strategies in place to increase public safety and security. The experience of applying those strategies is now being applied more broadly within the probation field to ensure that there is a high-risk strategy in place that gives additional attention to those individuals on probation that are considered to be of a high-risk nature that can include electronic monitoring, and we've been very clear that we want those conditions to be fully applied. It also includes use of GPS technology, which is the first province in Canada to do that.

So we support our officials in using the best practises possible to ensure the maximum amount of public safety and security in this province.

Mr. McFadyen: Well, Mr. Speaker, the individual reported two days ago was somebody who was involved in a home invasion who beat somebody in front of that individual's girlfriend and two young children. That wasn't an auto theft. That was a person who's breaching conditions of probation, who went on to be involved in a home invasion.

And so, he can try to change the subject and create diversions all he likes, but the fact is there is somewhere between 10 and 12 thousand outstanding warrants as indicated this morning. There would be a smaller number of people who would be deemed high-risk individuals, who would currently be in breach of court orders, who would be free in the community creating risk for Manitobans.

How can we begin to have a debate on the issue when he won't release that basic data? Is it just because he doesn't want Manitobans to know how completely and totally ineffective he and his government are in these issues?

Mr. Selinger: Mr. Speaker, this is the government that has added an additional 219 police officers in Manitoba. That's a very significant public investment in public safety. We have also put in the budget an additional 48 prosecutors and an additional

24 probation officers. And in this budget alone, which the members opposite are going to vote against, there is 13 additional police officers. There are more prosecutors. There are more staff to support the justice system effectively and efficiently following up on all of these matters which pertain to public safety and security, and our probation system has moved towards a high-risk intervention model which devotes resources to those people at the greatest risk to the community and are following up on that, including the use of technology such as GPS monitoring.

Probation Breaches Government Policy Review

Mr. Kelvin Goertzen (Steinbach): Mr. Speaker, currently there are 10 to 12 thousand outstanding warrants in our province, and undoubtedly most of those are in the city of Winnipeg. Those 12,000 outstanding warrants represent individuals who have breached their court orders. They also represent individuals who are wanted in relation to violent crimes. It's a staggering number and it puts at risk law-abiding individuals and law-abiding families in this province. Those warrants represent criminals who will be on our streets this summer, in our communities, in our parks, in our playgrounds, in our neighbourhoods.

Why does this minister and his government have so little concern about leaving these criminals free to roam in our communities?

Hon. Andrew Swan (Minister of Justice and Attorney General): I'm glad the member opposite, I think, is now beginning to understand that the system doesn't just depend on probation officers. The system depends on probation officers working with police working with Crown attorneys. That's why last week I called together a meeting of the chief of police in Winnipeg, the RCMP, the head of probations and the head of prosecutions. That's why we met yesterday to talk about ways we can continue to improve the system, understanding that our probation officers stand side by side with our police officers and Crown attorneys to make sure the system operates as it should, and we are going to work together with those different groups to make sure our system continues to be strengthened, Mr. Speaker.

* (14:00)

Mr. Goertzen: Mr. Speaker, also in our communities are individuals who have been sentenced to conditional sentences, house arrest. The

number of people doing house arrest in Manitoba has gone up in Manitoba from 700 on an average month to 800 in an average month over the last two years.

When these numbers were revealed to the Minister of Justice last month—or last week in Estimates committee, he said he had no idea why house arrest sentences were going up in the province of Manitoba.

Well, given the pattern of buying Slurpees, doughnuts, baseball tickets for car thieves, isn't it the case that the reason these soft-on-crime house arrest sentences are going up is because this minister is soft on crime and they continue to recommend them, Mr. Speaker?

Mr. Swan: You know, Mr. Speaker, I would think the Justice critic would know that young offenders can't actually receive a conditional sentence, but every day we can learn something new. What's more important, is that this government is putting more resources towards high-risk offenders. That's why programs like the Winnipeg Auto Theft Suppression Strategy—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Swan: Thank you. That's why WATSS, which has brought together not just probation officials but also the police, MPI and Crown attorneys, has been greatly successful at tackling auto theft in the province of Manitoba. Auto theft is down 75 percent in the past five years; it's at its lowest rate since it's been since 1992 because of intensive monitoring. I would also point out the GRASP program, which again, is helping to monitor the highest risk offenders to make sure there are tough consequences.

Mr. Goertzen: Mr. Speaker, last week in Ottawa, the federal Conservatives introduced legislation that will end the use of house arrest sentences for serious and violent crimes and those individuals who are convicted of property crimes related to violence. That means that this NDP government will be forced—will be forced, finally, to bring down the number of house arrest sentences in the province thanks to the federal government legislation. As of last week in Manitoba, we were 500 beds short in our provincial jails.

Will this minister acknowledge he is not at all prepared to deal with the changes coming from Ottawa because they've taken a weak approach, they've taken an approach that isn't planning for this

change. What is he going to do when the federal legislation comes into force, Mr. Speaker?

Mr. Swan: Well, Mr. Speaker, this is a great day in this Legislature because for the first time, I believe, since he's come to Legislature, the member for Steinbach now recognizes that the federal government makes criminal law.

And now maybe he'll appreciate the effort this government has made calling on the federal government to improve that criminal law, on improving the Youth Criminal Justice Act. Maybe now he and his colleagues will understand why Manitoba has had such a strong voice working with our provincial partners across the country to call on Ottawa. And frankly, when the federal government moves in the right direction, we give them praise, and we have said that we are quite happy to have the federal government open up the Youth Criminal Justice Act.

But in terms of what we're doing, I think the House should know that, in this year alone, shovels are in the ground to add 289 new beds to our provincial jails, nearly the equivalent of a new Milner Ridge, voted against by that opposition, Mr. Speaker.

Provincial Debt Increase

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, yesterday the governor of the Bank of Canada repeated that households need to watch debt levels as interest rates begin to rise. Well, so does this NDP government.

Given that they have increased the debt of our Province by almost \$10 billion since they took office in 1999, \$2.253 billion last year alone, and is projecting at least another 2 billion over the next four years, will the minister admit that she has left our province in a vulnerable state, especially as interest rates begin to rise?

Why is she ignoring the signs of the governor of the Bank of Canada? Why is she mortgaging our children's future, Mr. Speaker?

Hon. Rosann Wowchuk (Minister of Finance): Mr. Speaker, I would remind the member that the—we have, indeed, improved Manitoba's situation because our debt to—we were spending 13 cents on the dollar on debt. Now it's down to 6 cents on the dollar. It's down to 6 cents on the dollar.

Mr. Speaker, the member—I listen to what the member opposite says. The member opposite thinks that we should cut everything, pay down the debt, and that would mean that we would fire people, we would shut down hospitals, we would not be able to protect front-line services.

They just talked about more jails under their scenario where they want to pay—to use all the money to pay down the debt. They would be closing jails, Mr. Speaker, and they would be closing hospitals. We have—

Mr. Speaker: Order.

Mrs. Stefanson: Mr. Speaker, I know the Minister of Finance is obsessed with the 1990s. Perhaps she is unaware of the fact that she—had she adhered to the Filmon government's debt retirement plan, they would have paid down more than a billion dollars in debt, freeing up more money for those vulnerable—those most vulnerable citizens in our society.

Mr. Speaker, debt-servicing costs alone represent the largest increase in expenditure in the budget, some 10.7 percent, more than double that of health care, and that's based on current rates. Had the NDP paid down some of the debt over the years, they would have freed up more money for the services for vulnerable Manitobans.

Will she admit that as interest rates rise, so will these debt-servicing costs, so will the deficit, ultimately, the debt, Mr. Speaker, leaving future generations to clean up this NDP government's mess?

Ms. Wowchuk: We have freed up money. We've freed up 7 cents on the dollar. Under their administration, we were paying 13 cents on the dollar. Under this administration, we are paying 6 cents on the dollar. We have made changes, Mr. Speaker. We have made investments.

But we all know, Mr. Speaker, if they were in power, we would not have the kind of investments. We would not be protecting front-line services. We just have to look and hear what the member opposite is saying. Her priority is to pay down the debt. Our priority is to make investments in people.

We will make investments in stimulus. We will make investments to protect front-line services, Mr. Speaker. And that is why we have put in place a five-year plan that will help us get through this, bring us back into balance, and protect front-line services.

Mrs. Stefanson: The fact of the matter is that 11 years of NDP waste and mismanagement has left our province in the debt-laden state that it is in today.

Mr. Speaker, why is there no plan to retire the debt in our province when other provinces are doing that? How does she expect to pay for core services for the most vulnerable citizens in our society if increasingly more money is spent on servicing the debt? Where is their plan?

Ms. Wowchuk: Our debt management plan is in place and does have many components. For example, this year we are paying \$96 million on general purpose debt, Mr. Speaker, from the rainy day fund. We are paying \$142 million into the employees' share of the current pension plan that the members opposite ignored every time when they were in office. We are investing \$155 million in capital.

Mr. Speaker, we are making payments on the debt, but at the same time, we are investing in people, we are keeping front-line services going and we have changed the structure of this province, because we are not paying 13 cents on the dollar for debt, we are paying 6 cents on the dollar for debt.

Manitoba Hydro Bipole III Export Sales

Mr. Hugh McFadyen (Leader of the Official Opposition): Mr. Speaker, their accounting policies change to include Crown corporation revenue in their statements but exclude the debt. That's what they've done in order to create the phony numbers that the minister is spewing in the House today.

The reality, Mr. Speaker, is the debt is at 23 billion and growing, including the debt at Hydro. And a part of the projected debt at Hydro—which is expected to worsen the company's position over the next 14 years, according to Mr. Brennan—is driven by their foolish decision on bipole.

And yesterday morning on CBC Radio, the minister went on, before she was very unfortunately cut off in the middle of that interview, she said, Mr. Speaker, that the bipole project was required in order to help exports to Minnesota and Wisconsin.

I wonder if the minister can indicate why it is they're running the line west when, in fact, Minnesota and Wisconsin are south and east. I want to ask the minister: In the NDP fantasyland world, is west the new east?

Hon. Greg Selinger (Premier): Mr. Speaker, the good news about Manitoba Hydro is it's available to

all customers, east, west, as well as south. And it's a premium product because of the way it's been developed for reliability and to enhance its reputation as a clean product, by having low-head dams, no flooding, doing it in partnerships with First Nations people.

* (14:10)

None of these things the members pursued while they were in office. They were the mothball party. They did absolutely nothing. They did nothing to increase reliability within the system. They refused to build a bipole after '97 when the existing two bipoles had a serious weather hit on them and they almost lost their ability to generate and transmit energy in Manitoba.

They're the do-nothing mothball party. We're increasing reliability. We're building to increase the ability of Manitoba Hydro to generate wealth for all Manitobans.

Mr. McFadyen: Well, Mr. Speaker, if running a major transmission line through tornado alley, through the Red River Valley, and over 400 kilometres of terrain that makes it more vulnerable to outages is increasing reliability, then he is even more out of touch than we originally thought.

The Premier, who is on his tour of mismanagement, went from Crocus to being the minister of bipole. Now he's the minister of a stadium, the third stop on his tour of mismanagement. But to go back to the second stop, bipole, Mr. Speaker, I want to ask the Premier: Given that the minister said this was driven by sales to Minnesota and Wisconsin, why run a power line 200 kilometres to the west, down the west side of the province, 200 kilometres back again, in order to transmit power to the south and to the east? The dams start out directly north of Minnesota and they ended up running down the west side of the province.

Where is the logic in this, Mr. Speaker? They've gone from defining deficits as surpluses. Are they now going to bring in a bill to define the west as the east?

Mr. Selinger: Mr. Speaker, just before I get to my main answer, let's remember this is the political party opposite that didn't even put the pension liability on the books. It was completely hidden. They had—they took—not only did they not recognize it, they did absolutely nothing about it.

Now this is what Manitoba Hydro has said with respect to the Bipole III. The probability of a Bipole I and II outage, due to a tornado hitting the bipoles I and II in the Interlake, is one in 16 years. The probability of a three-bipole outage, with a western route Bipole III line, improves to one in 3,650 years. That's why we're building the bipole, to dramatically increase the reliability and the reliability of Manitobans to receive hydro in Manitoba.

They did nothing about it while they were in office. They stuck their heads in the sand and spent all their time privatizing MTS. We're building more reliability in Manitoba.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. Remember we have guests in the gallery here. Let's have a little decorum. The honourable Leader of the Official Opposition has the floor.

Mr. McFadyen: Thank you, Mr. Speaker, and I'm glad he's regained the support of caucus after half of them lined up with the east-side member for Minto (Mr. Swan) just a few months ago. I'm glad they're all back on board. The people of Manitoba will have an opportunity to judge their position on this insane decision in due course.

But I want to ask the Premier if he'll take a close look at the map of Manitoba, Minnesota and Wisconsin. And I'll table a copy for the Premier, but it shows very clearly, unless the NDP has tried to rewrite this map as well, that Minnesota and Wisconsin are to the south and to the east of Manitoba. This is where the power starts. This is where they want to bring it before bringing it south of Winnipeg, back up around and then somehow south and east of Minnesota and Wisconsin. Will he study the map today, Mr. Speaker, and will he reverse this insane decision?

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. Just remind members that exhibits are not permitted in the House. If you have something to table, you give it to a page to table, and it doesn't have to be held up for exhibits. So just a reminder to all honourable members.

The honourable First Minister has the floor.

Mr. Selinger: We've made it abundantly clear that there is an enormous long-term value in protecting the east-side boreal forest as an intact ecological zone in this province with outstanding environmental attributes as well as outstanding cultural attributes.

And that UNESCO World Heritage designation, we believe, will put Manitoba on the map, not only for ecotourism, but also as an environmental leader in protecting one of the largest carbon-storage sinks in North America, which will have a profoundly positive impact on climate change issues.

We've made that very clear. The members opposite would like to rip that up. They would like to just plough their way through it and pretend it doesn't matter.

I'm here to inform them, not only does it matter to the people in Manitoba, it matters to the people all around the globe that we do our part to help address this global climate change issue, not only on the boreal forest, but by developing our clean hydro resources, so that we can displace the carbon dioxide throughout North America and make this country a better place to live, Mr. Speaker.

Livestock Industry Anaplasmosis Disease Reduction

Mr. Cliff Graydon (Emerson): It's difficult to understand how to keep borrowing money and not paying it back will make Manitoba a better place.

Mr. Speaker, the economic viability of Manitoba ranchers and dairy farmers is tied, in no small part, to their ability to access export markets. Our cattle and their genetics are highly sought-after because of Manitoba's recognized herd health status.

Mr. Speaker, the Minister of Agriculture knows that there's been an outbreak of a reportable disease, anaplasmosis, in eastern Manitoba. What steps has his government taken to assist the Canadian Food Inspection Agency in eradicating it?

Hon. Stan Struthers (Minister of Agriculture, Food and Rural Initiatives): Mr. Speaker, I'm really pleased that the member brought forward the term "CFIA," because it is a federally reported disease that we're dealing with. We have indicated to the CFIA and to the feds that our department stands ready to help in any requests that they have of us to do so, because we know, we understand, that if we don't act quickly, all of us, then this is a disease that could wreak havoc in ranch country in Manitoba.

So we take it very serious, and I want to stress it is a federally reported disease, and CFIA is doing a good job of addressing it.

Mr. Graydon: Mr. Speaker, it appears just standing ready hasn't helped any.

Mr. Speaker, we know the Minister of Agriculture, in his former life as the Minister of Conservation, had little concern for agriculture as a whole and ranchers in particular. He made no significant effort to eradicate the bovine tuberculosis in the Riding Mountain area.

At the public meeting held last week in Vita on anaplasmosis, an official from Manitoba Conservation acknowledged that his department's funding has been slashed.

Mr. Speaker, will the minister tell this House today if the source of infection has been identified, and will he commit to seeing the complete eradication of anaplasmosis in eastern Manitoba?

Mr. Struthers: We're going to work very hard and we are going to support the CFIA and the federal government in whatever steps they need to take to protect the cattle ranch industry here in Manitoba.

I wish that the member had been around and a little more supportive when we were looking to build the slaughter capacity in this province and I wish that—I wish the Tories had taken the advice for the member for Carman (Mr. Pedersen) and paid no attention to rural Manitoba, because what they did was even worse. They got involved and they undermined a very—I think, very productive road towards building a slaughterhouse in Manitoba. You undermined it.

Mr. Graydon: Mr. Speaker, I would remind the member opposite that I did own \$7,500 worth of hooks in that plan, and it also helped to get his community \$448,000 grant that they had not done anything with since.

Mr. Speaker, the minister continues to pay lip-service to the livestock sector when they need the most. He enacted a new tax on dairy. Some on—some of these herds are exposed now to anaplasmosis, and if it continues to spread, it will cause great economic hardship to these people.

The minister knows that the cattle herds in eastern Manitoba will need to undergo testing again, and I wonder if he's prepared to help these producers offset these costs. The lab work for anaplasmosis isn't done here in Manitoba; it's done in Alberta and North Dakota, although the minister's department has indicated that it could be done here.

* (14:20)

Mr. Speaker, is the minister committing to have the lab work for anaplasmosis done in Manitoba, or

is it not possible because of his indiscriminate service cutting?

Mr. Struthers: Well, I look forward to another round of Estimates this afternoon so I can help the member understand these issues even better, Mr. Speaker.

Mr. Speaker, here we have a Department of Agriculture that had been working very diligently with producers in his constituency, very diligently along with the federal—*[interjection]* I don't think he's interested in an answer or he would be quiet enough to let me finish. A Department of Agriculture in Manitoba has worked very hard with the CFIA staff, with farmers in his constituency, and he tells us today that he put a bunch of his own money into Ranchers Choice.

How could, then, he—*[interjection]* Yes, your money. You know, his money, Mr. Speaker. How could he sit back with money in the project and let his colleagues run around and undermine and tell other farmers not to put money into it?

Do you think you could run the finances of this province? I don't think so.

Crop Insurance

Mandatory Excess Moisture Premium

Mr. Leonard Derkach (Russell): Well, Mr. Speaker, we should allow the Minister of Agriculture just a minute to catch his breath. But the Minister of Agriculture, when he was the Minister of Conservation, took a broad-brush approach to waste-water ejectors in this province, and created a situation that was unworkable, unpractical and, certainly, nonsensical. And it took a new minister to clean up the mess, and I congratulate the new minister for that.

But, Mr. Speaker, I want to say to the Minister of Agriculture that he has once again taken a broad-brush approach when it comes to premiums on excess moisture in Manitoba. There are areas in this province that will never have excess moisture, regardless of how much rain they get, and yet they're forced to pay a premium.

I want to ask the minister why he was so insensitive to those producers who live in those areas and caused every producer to pay a premium, regardless of whether they're going to have excess moisture or not.

Hon. Stan Struthers (Minister of Agriculture, Food and Rural Initiatives): Mr. Speaker, the

member for Russell referred to it as an insurance plan—an insurance plan. People pay premiums when they opt to buy insurance. That is the same with excess moisture insurance. We can—you can—I think it's only fair, it's only right. It's what insurance plans are based on. It's a premium based by the—based on the ability of the farmer, in this case, to return money from the program that we put in place.

So, Mr. Speaker, it's not uncommon to have an insurance premium in an insurance scheme.

Mr. Derkach: Well, Mr. Speaker, once again this same member from Dauphin is using the same logic that he used with waste-water ejectors.

And, Mr. Speaker, I am asking him to take count of the different types of soil zones we have in this province, and to ask himself why farmers who are farming in areas where there will never be excess moisture are forced to pay a per acre premium when they can never, ever collect. And I'm asking the minister whether he can show some flexibility in his policy by allowing farmers to opt out if they live in areas where they will never collect the insurance on excess moisture.

Mr. Struthers: I'm not sure the farmers of the province would be very secure in what the member for Russell just put on the record. Never, ever is a long time in farming, Mr. Speaker.

I can remember, not too many years ago, going down into the Melita area where there was a—excess moisture, excess moisture everywhere in the southwest part of the province, and then, last year, it was totally different conditions in the southwest and it was dry. Those conditions change, Mr. Speaker. Those conditions change from year to year, from decade to decade.

You know, the member for Russell, I know he's spent some time on a farm. I know he knows that conditions change from one year to the next. I can't believe he's—that he's put on the record what he just did, which makes no sense at all, Mr. Speaker.

An insurance scheme requires that insurance premium.

Mr. Derkach: Well, Mr. Speaker, if the minister would do a little bit of homework, and perhaps look at the historical maps of moisture in this province, he will know that there are areas in this province where there is never excessive moisture. And those are the

sand areas of our province, where you can pour water with a bucket and it'll never have excess moisture.

But, Mr. Speaker, he is taking the same approach as he took with waste-water ejectors, where he was wrong. And I'm asking, to him, to show some sensible judgment in his approach with excess moisture and allow farmers the option of opting out if, in fact, they live in areas where they will never experience excess moisture.

Mr. Struthers: And I want to ensure the—I want to assure the member for Russell that those numbers have been done. Those—that homework has been completed. We have very good people within the Department of Agriculture who have done the exact homework that the member and others have asked for. And, Mr. Speaker, I want to reiterate, it's an insurance plan, and it requires an insurance premium that is paid for people who are paid out through the program.

Criminal Offenders Electronic Monitoring Devices

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I wonder, in terms of whether or not the Premier (Mr. Selinger) really understands what ankle bracelets are in terms of—as a technology to use for great valuable purposes. Yesterday, he stated, and I quote from *Hansard*: We were the first province to bring in the monitoring using GPS technology.

Mr. Speaker, the Premier again said that today, and that is factually untrue. The province of Manitoba was not the first, nor were they the second. I'm not too sure if we were the third or the fourth. All I know is what the Premier said yesterday and said today is not true.

Mr. Speaker, I wonder if the minister—if the Premier could tell this House: Does he know the difference between a GPS ankle bracelet and a home-based electronic bracelet? And can the Premier tell us how many of each one do we actually have in the province of Manitoba, if he actually understands the difference?

Hon. Andrew Swan (Minister of Justice and Attorney General): Mr. Speaker, I'll try to help out the member for Inkster.

As a matter of fact, Winnipeg was not the first. We are the second city in Canada, after Regina, Saskatchewan, to begin using the electronic monitoring bracelets. But, together with our partners

in Nova Scotia, we are the first jurisdiction to use GPS technology to assist in monitoring those individuals who have electronic monitoring bracelets. With the level 4 auto thieves who are being monitored, the GPS monitoring provides—they can be checked as frequently as every three minutes to ensure that they are complying with the conditions that have been put upon them.

I hope that'll be helpful to the member for Inkster, and the members of the opposition chattering across the way. That is the way it works in Manitoba. Thank you very much.

Mr. Lamoureux: Mr. Speaker, I see the problem. The Premier's source of information is inaccurate and doesn't know what he's referring to.

Mr. Speaker, years ago, I questioned the government, and asked the government to bring in electronic ankle bracelets. And, at that time, the Minister of Justice says it was kind of a crazy idea, and it wasn't necessary. I then took a trip to Ontario and met with the Minister of Justice over there, where they had GPS ankle bracelets, and they were exploring a more comprehensive program dealing with ankle bracelets.

The Minister of Justice and the Premier do not know what it is that they're referring to. My question to the government is and, specifically, because, obviously, the Premier is going to the source, the Minister of Justice, my question to the Minister of Justice is: Are there people in Manitoba today that should be wearing ankle bracelets that are not, because we do not have the required number of ankle bracelets in order to justify the high demand for those bracelets?

Mr. Swan: Mr. Speaker, and I know there's certain things I can't talk about, but I should correct the record that, indeed, no Liberal asked a single question about justice at any time during the Estimates process. So I will try and provide some information to the member.

The electronic monitoring program is a pilot in Manitoba. We're working—we are working with our partners in Nova Scotia to bring in the electronic monitoring system. It is a pilot project. There are 20 electronic monitoring bracelets available in the province of Manitoba. When someone is sentenced, the judge can make an order enabling that person to wear the electronic monitoring bracelet. It is then put on. As we've said, there are things we can do to make sure those individuals continue to wear those

bracelets for the entire time. It is emerging technology. We rely on a vendor out of province. We are continuing to improve the system. We'll get a recommendation, and then we'll decide if it's good for the people of Manitoba to continue the—

Mr. Speaker: Order.

* (14:30)

Mr. Lamoureux: Mr. Speaker, I think the Legislature, and through this Legislature, Manitobans, as a whole, need to be concerned when the government doesn't even understand the issue that's before them.

Ankle bracelets can play a critical role in terms of providing a valuable service in identifying individuals that are high-risk, and others, in terms of knowing where they are, if they're violating a curfew, if they're violating any other sort of court action or a potential use for probation officers. There is so much that can be done within ankle bracelets, and this government's inability and incompetence in being able to deliver a sound policy, a sound government policy.

My question is very simple to the Minister of Justice. Are there people in Manitoba today that should be wearing ankle bracelets that are not because of this government's inability to provide the necessary ankle bracelets?

Hon. Greg Selinger (Premier): Mr. Speaker, I'm going to keep this very brief. The court decides what measures should be put in place to monitor people on probation. If they believe that an ankle bracelet should be in place, that will be done and it will be done to the full extent of the law. The member knows that and the member should support that.

Workplace Safety Government Initiatives

Mr. Mohinder Saran (The Maples): Mr. Speaker, today being April 28th International Day of Mourning for workers killed or injured on the job. Could the Minister of Labour and Immigration appraise the House on the important work this government is doing and has done to ensure everybody gets home safely from work?

Hon. Jennifer Howard (Minister of Labour and Immigration): Thank you for that question. I want to thank everybody who came and joined us at the Legislature to mark the Day of Mourning, and for me the most emotional part was hearing the stories of young workers who'd been killed on the job and

meeting the parents of one of those young workers, and it's important when we do that to rededicate ourselves to safety.

We've gone from 1,600 inspections a year in 1999 to over 10,000. We've seen the injury rate drop by 30 percent in the last 10 years, and we've just recently, in this last budget, committed to hiring five more workplace safety and health inspectors. So we are going to continue and we are going to today rededicate ourselves to creating a Manitoba where everyone comes home safe. Thank you.

Crop Insurance Mandatory Excess Moisture Premium

Mr. Cliff Graydon (Emerson): The Minister of Agriculture only pays lip-service to the agricultural industry, then he brags that he is so supportive of, when in fact he uses socialistic terms of compulsory and mandatory to place an added tax on the grain farmers through the AgriInsurance for excessive moisture claims for insurance. Other provinces include that in the basic insurance policy.

Why does this minister choose to continue to tax agriculture?

Hon. Stan Struthers (Minister of Agriculture, Food and Rural Initiatives): Far from it, Mr. Speaker, and I wish the member would get past all those cold war 1950s ideologies that are floating around in his head, and maybe, then, we can engage in a real conversation about how to help the farmer in Manitoba. You know, I'll be there for that conversation. I'll be there with Budget 2010 that is supportive of the Manitoba farmer. This government will be there. I don't think members opposite are too interested in rural Manitoba anymore.

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

Introduction of Guests

I'd like to draw attention to the loge to my left where we have with us, we have Binx Remnant, who is the former Clerk of the Manitoba Legislative Assembly.

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

MEMBERS' STATEMENTS

Oak Park Raiders Women's Hockey Team

Mrs. Myrna Driedger (Charleswood): I rise today to congratulate the Oak Park Raiders ladies hockey team as they celebrate a championship season.

Congratulations to the Oak Park players and coaches for winning the 2010 championship. Congratulations to the fans and family for all their great support of this team. Following a 19-1-0 regular season play, the Raiders won their second straight Winnipeg Women's High School Hockey League Free Press Division Championship. They accomplished this as they beat the St. Mary's Academy Flames 2-1. Goals were scored by Jaclyn Fraser and Danielle Leslie in this second game of the best of three series. After a resounding win in the first game, with a score of 6-0, the St. Mary's Flames came out skating. They fought back hard, but not quite enough to force another game.

This was the second time the team won back-to-back championships, earning the first in its first and second year in the league. Between those back-to-back championships they also captured two silver medals, both against the St. Mary's Flames.

Congratulations to coaches Brian Boulton, Mike Doig and Caitlin Thompson and players: Samantha Black, Kallee Ewanchuk, Aundra Ford, Jaclyn Fraser, Jessie Hilton, Kelsey Johnson, Danielle Leslie, Maggie Medd, Hannah Nordman, Jacklyn Ormel, Sara Oswald, Aly Robinson, Lauren Ruud, Megan Stefanson, Jasmine Stromberg and Nicole Leslie.

Mr. Speaker, Charleswood is very, very proud of our Oak Park Raiders ladies hockey team, and we congratulate them on their great season and we wish them all the best in their next. Thank you, Mr. Speaker.

Girl Guides' 100th Anniversary

Ms. Bonnie Korzeniowski (St. James): Mr. Speaker, I rise today to celebrate a momentous occasion, the Girl Guides' 100th Anniversary.

The Girl Guides were founded after a large group of girls showed up for an organized scouting rally for boys in England in 1909, claiming they had been practising scouting and demanding entry. Organizer Lord Baden-Powell was so impressed he asked his sister Agnes to create a program just for girls. Agnes was later joined by Olave Baden-Powell who toured the world to promote Girl Guides.

In 1910, Girl Guides came to Canada. The Manitoba Council of Girl Guides of Canada was founded in 1910 in Winnipeg with the mandate of providing educational and recreational programming for girls. The first Brownie pack was organized in Winnipeg in 1921.

Manitoba's Girl Guides have a long tradition of community service. During World War I, Girl Guides were instrumental in fundraising and morale-boosting efforts. Manitoba was the first province to incorporate first-aid work into its program. On July 19th, 1928, two Gimli Girl Guides, Jean Lawson and Helen Benson, were awarded the Girl Guides Canadian Council Silver Cross after rescuing two young boys from drowning in the Gimli harbour.

During the Great Depression, Girl Guides laboured to outfit young children and families with toys and supplies during the holidays. The Girl Guides' impressive commitment to the community continues in over 145 girls' chapters throughout Manitoba. Member girls, ranging in age from 5 to 30, are divided into six groups according to their age: Sparks, Brownies, Guides, Pathfinders, Rangers and Link. They do everything from holding local and international camps and trips to earning badges in subjects like eating local and raising awareness about the issues they care about.

A former Girl Guide, I learned alongside some of the best women in our province about problems that affect our society. I would like to thank Girl Guides throughout the world for their 100 years of dedicated service and activism. Whether they are learning to cook or fundraising for the Heart and Stroke Foundation, girls in guiding are making a difference in our community. Thank you.

Neepawa Homecoming 2010

Mr. Stuart Briese (Ste. Rose): Mr. Speaker, yesterday I had the pleasure of sharing with the House the homecoming celebrations that are starting in Neepawa on May the 12th.

Today I want to highlight a few more of the events that will be taking place in Neepawa. These concerts and talent shows will showcase some of the talents—some of the talent that is emerging and continuing to grow in Manitoba and across our country.

During the homecoming celebrations, the Neepawa Lily Festival will be hosting a *Stars of Tomorrow* youth talent show. The talent show will showcase young Canadian talent and will allow the participants to improve their performance skills. Allowing new stars the opportunity to perform helps them to gain the confidence they need to be successful in life.

This competition has a history of producing first-rate Canadian artists such as Michael Bubl , Alanis Morissette, and I invite all Manitobans to come out and support young performers in the youth talent show.

On Saturday the 15th of May, Neepawa will be hosting another event that will put Manitoba talent on display. In conjunction with other towns, Neepawa will attempt to make it into the *Guinness Book of World Records* for hosting the world's largest social.

Socials are a uniquely Manitoba tradition that brings communities together to support each other and so there is no better way to celebrate Manitoba Homecoming than to hold a social.

The social will be completely free and feature a full concert by Manitoba artists, Katherine Penfold, Bryce Pallister and Sierra Noble, as well as Saskatchewan group, Streetheart. All of these excellent performers will bring the prairie flavour to this festive event.

* (14:40)

Mr. Speaker, we live in a province that is full of natural beauty and promise, and the homecoming events taking place at so many different communities are a great way to celebrate all that Manitoba has to offer. Again, I would like to invite all the members of this House, indeed, all Manitobans to make the trip out to Neepawa and to celebrate the birth of Manitoba and the talent that it holds from May the 12th to May the 15th. Come help us hold the world's biggest social. Thank you.

International Guide Dog Day

Ms. Sharon Blady (Kirkfield Park): Mr. Speaker, I rise to speak about the significance of this day, International Guide Dog Day. Guide dogs provide an invaluable service to the visually impaired, aiding them to safely navigate the world and experience freedom and independence.

Guide dogs are trained to provide special services and are carefully selected for the process. As puppies they are introduced to as many everyday environments as possible until they are comfortable with the routine and are prepared for the unexpected. Months of professional training follow, and finally the dog and its new handler are matched and they train together. Dogs that make ideal trainees have quiet and calm dispositions, high levels of initiative

and concentration while working and a strong desire to please their handler.

Raising awareness and recognizing the role of guide dogs are so important because these incredible animals are the eyes and mobility and sensory aids of the visually impaired, greatly increasing their quality of life. I am pleased that this day of acknowledgment is celebrated annually around the globe.

We must also be cognizant that a guide dog is a working animal. The very safety of their handler is dependent on the dog's ability to perform its job properly. Curious passers-by who pet, feed and distract guide dogs may place both the dog and their handler in danger.

My concern over this issue led me to introduce a bill that outlined the protection of service animals. This bill, which was passed in this House, made it an offence to interfere with service animals or to allow other animals to do so without consent. It is my hope that this legislation will bring the public's attention to the special role of guide dogs and other service animals, not only on International Guide Dog Day, but every day. Thank you, Mr. Speaker.

Early Childhood Education Week

Hon. Jon Gerrard (River Heights): Mr. Speaker, this week is the Week of the Early Childhood Educator. Early childhood educators play a very important role in our education system and in our economy. Our early childhood educators provide expertise in the development of Manitoba's youngest citizens.

Our early childhood educators provide a nurturing and stimulating environment for many, many children in Manitoba, and their skills play a very significant role in the brain development that takes place early in life.

We should take this week to salute all of Manitoba's early childhood educators and to celebrate their contributions to our province. A large number of studies speak to the importance of high quality early childhood education in preparing children for school and for life.

Children who are participants in an early childhood education program are much more likely to do well in school and to do well in society. Kids who start life with a strong focus on early childhood development have a higher chance of being employed as an adult and a decreased chance of getting into trouble as an adolescent. A long-term

benefit resulting from the work of early childhood educators is a decrease in crime and a decrease in the cost of our justice system.

I want to recognize Manitoba's early childhood educators and also those who work to support the cause of early childhood education and child care, people like Michele Henderson, present president of the Manitoba Child Care Association, like Pat Wedge, the executive director of the Manitoba Child Care Association, like Karen Ohlson, a former president of the Manitoba Child Care Association, who runs the KIDS Inc. early childhood education program in my constituency, and like Susan Prentice, professor of sociology at the University of Manitoba, who has spent a lot of time promoting, teaching and helping early childhood educators. Thank you.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

House Business

Mr. Speaker: The honourable Government House Leader, on House business.

Hon. Bill Blaikie (Government House Leader): Mr. Speaker, at this time the Chamber would resolve itself into consideration of Estimates.

Mr. Speaker: Okay, orders of the day. We will deal with Committee of Supply, and in the Chamber will be Education; room 255 will be Infrastructure and Transportation; and room 254, Agriculture, Food and Rural Initiatives.

Would the respective Chairs please go to the appropriate rooms they will be chairing.

The House will now resolve into Committee of Supply. Madam Deputy Speaker, please take the Chair.

COMMITTEE OF SUPPLY (Concurrent Sections)

AGRICULTURE, FOOD AND RURAL INITIATIVES

*(14:50)

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

The floor is now open for questions.

Hon. Stan Struthers (Minister of Agriculture, Food and Rural Initiatives): What I want to do is introduce some new staff that have come to the table. I'm joined again by my very, very capable deputy minister, Barry Todd. But, also from the Manitoba Agricultural Services Corporation, we have the president and chief executive officer, Mr. Neil Hamilton; Charlene Kibbins, senior vice-president, Lending Operations for MASC; and Jim Lewis, the vice-president, Finance and Administration, for MASC.

And I want to thank the member for Emerson for the co-operation that he showed, to set aside today for some MASC questioning, and I think it's very good that we could get everybody here all at once and answer any questions that him and his colleagues may have. So, thank you.

Mr. Cliff Graydon (Emerson): Mr. Chairman, and thank you for the introduction of the staff today, Mr. Minister, and really I—what I'd like to say is that—we could make your life very easy if you would just listen.

Well, maybe I'll start off today with the pilot program of Pasture that was announced way back in January at some time that you had announced, Mr. Minister, and we haven't heard any more about it. Is there a pilot project going at this time or not?

Mr. Struthers: Yes, absolutely, there's a pilot program that's moving forward. It was an announcement that we made at a very successful Ag Days in the fine city of Brandon. And we've—we're really very serious about moving forward with this, and it appears that the farm community is very serious about it, too. Fifty-four farmers have signed up for the pilot program, which works out to three per agency office that we have. That gives us, we think, a good cross-section across Manitoba and I think we will learn a lot. I think we will learn a lot from the farmers who participate in this.

Mr. Graydon: Thank you for that, Mr. Minister. As you may know, the—in Alberta, the livestock, or the government has looked at implementing livestock insurance. Is that something that's on the horizon that we can look forward to here in Manitoba?

Mr. Struthers: Yeah, the MCPA has spoken with—met with MASC. They've met with myself, as the minister. They've talked about doing a price insurance program. This actually was a conversation, as I mentioned yesterday, it was something that was

brought to the First Minister's table back on February 5th by the Alberta minister. And he fielded some questions about that program there, and some concerns of some of my colleagues were around possible trade implications which all ministers, including the Alberta minister, understands that we have to understand, we have to know what the push back could be.

So those sorts of things are being considered. As the member knows, it's for fed cattle and that the MCPA has talked to us about that as well. So we're investigating a price insurance scheme. We want to be sure-footed as we move forward with whatever it is that we do move forward with.

We know that it's been tough in the cattle industry, '09, with cattle and hogs, especially. We know that any idea that comes forward, we will certainly consider. And I've been very impressed with the meetings that I've had, in terms of the amount of forethought that, whether it be the MCPA or others, have put into the insurance proposal that they've made. And we're open to listening to good suggestions.

Mr. Graydon: Thank you for that.

I'd like to ask a question about the compensation for livestock that have been killed by predators. It's come to my attention that we get 80 percent of the value of that particular animal. When this insurance is—where this compensation is backstopped by the federal government and their policy is 100 percent, I am wondering why we're only getting 80 percent.

Mr. Struthers: Yes, I want to make sure that the member's clear in what the 100 percent is for, and what the feds are still in for 80 percent on. The 100 percent—thinking back to question period today and his answer—his question—his question, my answer on anaplasmosis. If there is a disease that requires the elimination of a herd, then the federal government is in for 100 percent of that, not on the predator side. My understanding is that the feds are still involved to 80 percent. Twenty percent of what the farmer gets back is the deductible that the farmer would have paid into. Okay, so 80 percent—he gets 80 percent of the loss from federal sources. Okay, he gets 80 percent back. It's a 60-40 split with the feds and us. I have good staff, don't I?

The other—[interjection] you bet, it helps us all. The other role that MASC plays is a role in a program that we do in conjunction with Manitoba Conservation, who have agreements signed with the

Manitoba Trappers Association, in which MASC would report losses to Conservation. Conservation has signed some agreements with trappers associations to get out and deal with problem coyotes, problem wolves, whatever the problem predator is. And, I mean, I can speak from past experience on that. There have been some success stories and there's been some frustrations, too. It has to be real frustrating for a farmer to lose part of his herd, to lose a calf, to lose something that he's—that he or she's, you know, sunk a lot of time and energy and money into, only to have some predator come along and snatch away.

* (15:00)

So we want to not just deal with this after the fact at a compensation level; we want to try to get out ahead of it and work with ranchers, work through the MCPA, work through the Manitoba Trappers Association, work with Conservation, to get ahead of the problem so it doesn't cost anybody anything. That is, I understand, a tall order, and I think we need to have good, strong programs in place right from the trapping and eliminating of the predator right through to helping the farmer with the—some compensation.

Mr. Graydon: Well, the information that I have, Mr. Minister, and I don't mean to be confrontational, but I'll read from the information and a release that I have of March 11, 2010, from the federal government, and it does say that producers will be compensated for 100 percent of the market value of their livestock killed by predators, and up to 80 percent of the market value for injured livestock requiring veterinarian services.

So that's contrary to the answer that you gave me.

Mr. Struthers: Well, in my last question, I tried to orient the member for Emerson into the correct program. This time I'm going to try to orient him into the correct province.

That's not Manitoba that he's talking about. That—it looks to me like that's Saskatchewan, and it may be that the Saskatchewan government is topping up, I don't know. I'd be interested to find that out, but—and maybe I'm setting the member up for his next question with that, but that—but I think that is a different province than what we're dealing with here.

Mr. Graydon: It is a Government of Saskatchewan release, but it's also the minister, federal Minister Gerry Ritz, that made the announcement that the

wildlife compensation would be 100 percent of market value. I'm surprised, then, if it's happening in Saskatchewan that we're not doing the same thing here. It does make perfect sense to do that, after all.

When you're getting 80 percent, and I have heard people make the comment that, while there is no premium, if I'm only receiving 80 percent of the value, then I'm paying a 20 percent premium. That's just farmer logic, and you can spin it however you want, but the fact is I'm paying a 20 percent premium.

I'm not seeing that, then, matched in the 60-40 at all. It's coming out of somebody's share. Now, is that coming out of the federal government's share? Is that coming out of the Province of Manitoba's share?

Mr. Struthers: In Manitoba, if a cow is taken down by a wolf, and we're going to compensate, we compensate up to a maximum of 80 percent of that market value, and that 80 percent is—consists of a 60-40 split between the feds and the Province. Saskatchewan may be getting from 80 percent to 100 percent on their own, but that's not the program in Manitoba, and that's where the 60-40 split occurs.

Mr. Graydon: Can the minister or his department indicate whether the claims have risen this year above what they have been in the past?

Mr. Struthers: What we noticed in the last few years is a steady decrease in the number of claims, for—not quite as steep a steady decrease as this minister would like but, you know, we keep working at it. In '07-08, 1,766 claims; the next year, '08-09 went down a bit to 1,637, and then we're projecting this year to be down a little bit from that 1,637 number. I think it's due to a whole number of things. Some of my colleagues in—over in Conservation have told me that in different regions of the province a couple of things have happened.

One, there has been a little bit of success with the—through the Trappers Association, and that helps. There have been some parts of the—some regions of the province where numbers of predators have declined due to one reason or another, and I, not so long ago, saw a mangy-looking coyote on the side of the road, and Mother Nature has her way of partly taking care of what's going on.

Also, a number of different programs that I think we've been successful at. I was at a constituent of mine—place up near San Clara, out on the farm site, and I was having coffee with the farmer and his wife and, just at that moment, one of the Department of

Agriculture folks showed up with a guard dog. With the—they had these two dogs that they had volunteered to take on as a pilot project up in our area, and I talked—and that was about three years ago. And I talked with them more recently and they were quite happy with the way it had worked out with these dogs, and they had prevented a lot of the claims here that we have been talking about.

So that—while guardian dogs and mules and Trappers Association, there's no silver bullet out there, and I'm not going to pretend and I'm not going to rely on Mother Nature. We need to keep putting these kind of programs together, and we need to keep finding ways that we can prevent the predation from happening in the first place, and I'm really very pleased with the kind of advice that I've received through the Cattle Producers Association, different farm groups up in my area, in the Parkland, who've spoken to me about different ideas that they'd like to see implemented.

Having—my goal is to get the number of predations in the first place down to a minimum. I don't think there's any farmer out there who would—as much as the folks in MASC are nice folks and they'd rather be out there dealing with a live animal than dealing with a government compensation package. So we want to take it from the perspective that we prevent these in the first place as much as we can, and then have a good program in place to deal with the claims that do come forward.

Mr. Graydon: Well, thank you, Mr. Minister. I don't want to dwell on this much longer. But I know personally that my claims are about seven times what they've been, maybe eight times. Normally, I have one or two claims. I believe I'm over 10 right now. I just got an e-mail this morning—another dead and another one that's got their back legs bitten just the way the coyotes work, and I don't know if you know how nature works, but the coyote likes to keep their meat fresh. They'll follow a calf and follow a calf until the calf is tired, the calf is sweaty and then they'll just hamstring it. They'll keep it alive as long as they want and when they need it, they just take it down and eat it.

This is the second hamstringing that we've had. We have shot a number of coyotes. But they're certainly—and some of them are mangy, but they still eat, and it's the mangy ones that'll go after the calves, and because I run a purebred herd, there's no differential in the insurance for the calves. My

calves, I believe, when they're born are worth a lot more money than a commercial calf.

Is there any thought to how the purebred industry can be and will be treated going forward?

*(15:10)

Mr. Struthers: That—I found that to be a very interesting question that the member for Emerson posed. If we're dealing with registered purebred cattle, then they are treated differently than commercial.

The information I have is that the value would double to a maximum of 80 percent in 2000 for 1,600—for a mature animal. So there is a distinction between commercial and registered purebred.

Mr. Graydon: I've been in the cattle business for almost 50 years, and as long as the insurance has been around, I've never been aware that there's a differential on predator kill. But I'm happy to hear that, and I'll certainly be talking to the agent about it. And I'm sure that the cattle industry will be happy to hear that.

At any rate, my good colleague from Carman has some very pressing questions, and he was just texting me that he would like to ask them now. So he won't bother texting, he can ask. I'll—[interjection] Go ahead.

Mr. Struthers: I'm told that the—I appreciate what the member has said. I'm told that there was—two or three years ago that this measure was brought forward and that the MCPA do have knowledge of that and—but I would encourage the member and everyone else to—you know, if there are cattle producers that are asking those questions, that we make sure they know that distinction. I thank the member for that.

Mr. Blaine Pedersen (Carman): To the minister, while we have MASC in here today, I thought I'd ask a couple questions about them.

The BSE loans, are they still—are there still BSE loans out there and the number of producers and the amount of money that's still owing under those?

Mr. Struthers: Yeah, the BSE loans, the loan recovery program when it was really active, there was 1,815 loans that were approved for a total of \$70.2 million. As of the end of January, 010, the total that was left was \$32.9 million, and that covered 1,184 loans.

Mr. Pedersen: There's obviously been a lot of producers have gone out of business, in the cattle business in particular, since May of '03. Of these 1,184 producers, there must be some of them that are out of business. Are they—is—what is the status of those? Are they still repaying, and I'm—you know, I'm a little reluctant on here to push too hard on here too, because there is financial difficulties and we don't want to push. But what is the status of that?

Mr. Struthers: I had said earlier, 1,850 in loans for \$70.2 million, and out of that—where am I here, they're here—and out of that, 31 BSE recovery loans were written off for a total of \$1.065 million.

Mr. Pedersen: And of those 31 written off, that's as of when? Like, when is—

Mr. Struthers: January 31st, 2010.

Mr. Pedersen: Is the stocker loan with MASC still active?

Mr. Struthers: Yes.

Mr. Pedersen: It's hard to have a conversation through the Chairman but he's doing an excellent job here.

So what is the current number of participants and the dollar value of the contracts out there as of this year?

Mr. Struthers: As of January 31st, 2010, there were 263 stocker loans for an amount of—got to get my zeros correct here—\$16,102,000.

Mr. Pedersen: And are there—what number of contracts are there that—and the dollar value of the—in default, right now?

Mr. Struthers: Okay, so we had in—as of January 31st, 2010, there were 52 loans in arrears. And I'm going to give a dollar number here but there is an explanation that goes along with it. I'm going to try my best to give that to the member for Carman.

A \$2.206 million—now that isn't a number that's absolutely set in stone because, the member would know, when there's a delay in marketing, we don't just write off the whole amount. And if it can be repaid, if the farmer takes some animals to market and gets some money, then they can continue to pay down. So that number is—it's accurate but it's kind of not accurate, if he gets what I mean. As the cattle continue to be marketed, that number can come down.

*(15:20)

Mr. Pedersen: So when is the loan considered to be in arrears, because, correct me if I'm wrong, but I believe it's a year term that's on the stocker loans. Normally, it's a year loan, and then—so when is it considered to be in arrears?

Mr. Struthers: Yeah, the member for Carman is accurate. It is a year that it's considered in arrears, but if, at the 13-month mark, if a farmer has marketed some cattle, if it's taking a little longer than 12 months—what I'm saying is that, at one year, it's not a bad loan. It's still in a position where it can be continued to be paid down.

So that number that I—the 2.206 million could actually come down.

Mr. Pedersen: So, out of those 52 that are in arrears—and realizing that some of them may be still collectable—out of those 52 producers, or loans, producers, that are in arrears, how many of those are no longer in production—in cattle production?

Mr. Struthers: That's not a number that we can pin down for the member. We—what we wanted, I think, probably mostly in an effort to do two things: realize, sort of, the nature of buying and selling cattle, and wanting to maximize the ability for us to allow farmers to come through with the payments on their arrears. We want to be sure that when, even if they are considered to be in arrears, that that's not the end of it. That, at one year, that's not, you know, the curtain doesn't come down. At one year they're in arrears, but it's not considered a bad debt. We are still secure on that. I mean, if it's a case where a farmer is in arrears, and within two or three weeks after the 12 months, they can still come forward and pay down.

We don't want to make an assumption that, black and white, at the end of a year, that these are all bad debts. We want to continue to work with the farmer to make sure that we continue to bring that number down that I gave you earlier. But we can't come up with a number—because of that kind of fluidity we can't come up with a number out of the 52 of which falls into those categories.

Okay, yeah, and a good example is that, like, last year we wrote off \$18,000, which is 0.1 percent of the total. So there will be—that wouldn't include people who came in after—two weeks after the one-year cutoff, who we still would work with.

Mr. Pedersen: Perhaps a different way I should ask this question and—is—and I realize that you don't write off loans, because I know of an individual who came

to me after 25 years of owing MACC money—back 25 years ago—that it's still on the books. It's never written off, and I understand that. And that's—I don't have a problem with that. Maybe a different way of asking this—and of the 52 that are in arrears—*[interjection]* I'm not mentioning any names. Of the 52 producers that are in arrears on their stocker program, how many of those have other loans with MACC so—or MASC? So they would have—whether it's land or machinery loans, or anything else, is that 52 that are in arrears, is it only on stocker loans or do you have other collateral to secure that loan?

Mr. Struthers: Of the 52 loans—52 stocker loans that we have in place, those are just stocker loans. The collateral is the cattle that go with it. So we don't see the need to cross-reference. We haven't—the experience tells us that we don't need to cross-reference with other loans, the other loans who have their own form of collateral—separate from this. So that's that.

Mr. Pedersen: Mr. Chairman, then I'll move to a different animal—Manitoba Hog Assistance Loans. What was the uptake on the hog assistant loans—again, numbers of producers, the amount of loans, and, obviously, we're pretty early in that program in terms—there wouldn't be arrears in that, as I understand it, right now.

Mr. Struthers: In terms of the hog assistance loans, there was 150 loans that were approved for a total of \$45.3 million, which meant that the average loan size was \$302,000.

Mr. Pedersen: Thank you for that, and we certainly hope the hog industry gets back on its feet and gets going paying that back.

What's the terms—are the terms different on all those depending on the individual producer? Is there a set time that they're—is it based on individual producer or is there—or if they're—I guess, if it's based on an individual producer, then what is sort of the average length of repayment terms on that?

* (15:30)

Mr. Struthers: I share the member for Carman's hope that the hog industry does see some better days in the very near future. Attending the Manitoba park—Manitoba Pork Council AGM the other day, there were some people that were actually—you know, they're worried about feed cost, they're worried about the parity of the dollar, they're worried about country-of-origin labelling, but they were kind of buoyed up that there was, many of them thought, a

light at the end of the tunnel in terms of pricing. So I'm really very hopeful.

These loans that came forward was very much a response by my predecessor to meetings that she had had with the pork industry, with Manitoba Pork and with others. This is—they talked to us about cash flow and putting a program in place that would address their need to get their hands on some cash. So this was in response to that. And I must say it was very well received by Manitoba Pork, and by others involved.

One thing I want to make clear from the beginning is that the principal—for 11 percent, the people who are outstanding today, and that's 11 percent, that principal won't be required to be started to pay until November of '011—November of '011. The remainder of those loans will be—start to be paid back in 2012. And I think that that's an important point because I think there's—there may have been some confusion out there, caused wherever, by whoever, that those payments would be earlier than that, but it's November of '011.

The member asked about some terms. I think the easiest is just to take it right off the briefing note that I have here. In the first year, the interest rate is set at 2.25 percent on the first \$1.5 million of the loan, and 4.5 percent on an additional \$1 million. In years 2 and 3, the interest will be charged at 4.5 percent, up to \$2.5 million. Loan portions in excess of 2.5 million were set at 6 percent for the full eight-year term.

Yeah, I think I should make this point again. When the program was announced, the principal payments were deferred for the first three years. And that's—that relates back to my comment about November of '011, and then the bulk of that in 2012.

In year 4, the loan will be amortized over the remaining five years at 6 percent on the principal and interest payments.

Mr. Pedersen: On all of the hog assessments loans, the BSE loans, stocker loans, what is the feeling of MASC about lending rates? Will they—do they see them rising in the coming year?

Mr. Struthers: What the Manitoba Agricultural Services Corporation does is dependent on what happens with the Province's borrowing rate. And what usually happens is that we have a borrowing rate; MASC adds one and a half percent, and that becomes MASC's lending rate.

So thank goodness the good—the due diligent work of our Finance Minister in receiving a whole number of bond rating agency credits to improve our position in terms of borrowing rates, so that when MASC adds on one and a half percent, they're not adding it on to that high percentage that was there previous to our government being in, and that really pays off for farmers.

Mr. Pedersen: Well, we hope that that certainly pays off in the long run but if—you're certainly not on the same page as Mark Carney and Minister Flaherty federally.

I just want to thank MASC for the information and it's—and I'm not—I am concerned about the arrears but it's something we will work through, and just that light at the end of hog—light at the end of the tunnel for that hog issue, it's probably the Bill 17 train coming through. Thank you.

Mr. Peter Dyck (Pembina): I'm sure the minister and the deputy know some of the questions I will be asking, but I will ask them again; and just wondering if MASC has made a decision regarding the corn that was harvested—well, first of all, condemned and then harvested.

Mr. Struthers: The—I appreciate the question again from the member for Pembina. He's very consistent and has been consistent in the advice that he's been giving me as minister, and I appreciate that. We—I have met with MASC on this issue a number of times. I've met with the corn growers. What my goal has been is to try to sort through—you know how you meet with different groups and you get differing answers on things.

I think MASC has been pretty straightforward in the way they've approached this whole issue. I know a letter in November went out indicating how things would be. My assessment always is that—is if there's a way that we can—if there's a way that we can move forward and send the right signal in terms of—well, first of all, the 10 percent or so, probably 10 percent still, it's still out there. *[interjection]* Since, yeah—if there's some corn still out there, I want the message to be out that you're better off to—I think you're always better off to take the crop down rather than destroy it.

* (15:40)

When I meet with corn growers and I meet with MASC, I think people understand that we got to—get this framework in place that accomplishes that. The—I'm also very—I'm—I was very impressed that Husky

was able to do what they could, you know, test the corn, see if it's still, you know, at the point that they can use it and they did, and I think they helped the situation by purchasing corn that I know some farmers were worried that it was past the point of, you know—if they tested, it was past the point of being useful for a company like Husky. So I was really very glad that part of it worked out.

I want to—I mean, at some point we—I think we have to have this whole thing resolved. I think we have to move on to the next crop year. I think that's important, and a number of farmers have told me that.

But from what I can see right now, the—what we have seen happen with—on our side of it from MASC and the corn growers, there's still a difference of opinion. But I do want to say that, in the meetings that I've had, the Manitoba Agricultural Services Corporation have been pretty up front in their position on this.

Mr. Dyck: And I would agree with the minister that your best option is always to try and harvest what you can, and I would refer you back to the fact of insurance, whether it's house insurance or crop insurance, you hope that you'll never have to access that. But producers do buy crop insurance, you know, with the idea that should they need it, that it would be there for them.

Now, you referenced a letter in November. I will reference the first letter that was sent out, which was in September, and this letter indicated, very clearly, that if more than 5 percent of the cobs have more than 10 percent mould, the crop can be appraised as zero.

Okay, and then, further down, it says, what happens if I harvest poor-quality grain corn. The guaranteed grain for—or grade, rather, for grain corn is No. 2 CW.

Okay, my question, then, would be of the minister: What is the value on the crop if it's appraised as sample?

Mr. Struthers: The—if the question was related to the Canadian Grains Commission sample grade, what MASC would do, if the farmer had—if they had a—if they had some grain, if they had some corn that was at sample grade, and Husky is out there offering 360, MASC would say, go get that 360. If you can't, come back to us, and then we would top up to that higher price.

So that—well, that's—I hope the member—members opposite don't want us to go to the lower price for the farmers. I'm quite pleased, as I said earlier, that Husky would come in, offer 360—that's TCW. If it's below that, then MASC has said that they would top up to that price.

Mr. Dyck: So, then, really there is no point in the—in MASC sending out a letter on September indicating the direction that the producer should go, and then it was confirmed by another letter in November stating the same thing—a guaranteed price with TCW, I just don't understand. You know, this is like—it puts you a little sceptical of any insurance company where they change the rules as they go along. And that's exactly what has happened here.

They—I mean, how is a producer supposed to go out there, and he looks at the frame of reference that he has on his crop insurance, and then he finds out after the fact that crop insurance goes and look and say, I think maybe we can screw these guys here. And so we'll change the rules in the process, then we'll go back and—as we'll do—you know, I don't understand this. I really don't and—but, I mean, I asked and I think it could be confirmed with some people seated at the front of the table. I asked for a price for some of the producers back there in November when they were harvesting. They could give a price of what they thought this crop would be worth, and there was no price that was given.

So, you know, that's sort of like 20-20 hindsight. It's like the producers now asking me if it's a good idea to start seeding early in the year, and I tell them, you know, ask me in November and I'll give you the answer. That's not really satisfactory. I would say this is very, very similar to that, that you find out that, wow, you know, things have changed a little bit, although we told the producers at the time of harvesting. We gave them a different message.

But now they're going to change that and I, Mr. Minister, I don't understand that.

Mr. Struthers: Yes. I mean, I've been very—I think, I've been very open to hearing, you know, the member from Pembina and taking the concerns on, and a number of his constituents have been very concerned about this.

I would hesitate to go so far as to say that anybody is trying to screw anybody on this. I think that's a very unfortunate turn of phrase. Certainly, MASC isn't out to screw anybody. Nobody around this table is. So I think if—I think we need to continue

to be focussed on exactly what has been—what has—we need to focus on what has transpired, and I think we need to be able to distil this down to the things that we can do to help the member's constituents and to set in place a framework in—on a go-forward basis, which, I think, is the most important angle of this, so that we're not at this table again next year in Estimates having the same kind of conversations.

It seems to me that MASC has been pretty consistently saying that they would, if a sample grade according to the CGC came forward, they would top that up to the TCW price. And Husky, to its credit, was willing to pay that and to buy that product from the farmer to use in their processes. That—from what I can see, I think MASC has been pretty clear in that and consistent. If there's ways that we can solve this on a go-forward basis, I'm open to that, but I think we have to be careful about how we characterize the discussions and, I think, the good reputation that MASC has built up.

I understand it's a difficult issue with the corn growers of MASC, but I think we need to remember that MASC does have a long-standing reputation that is a good one and I don't think—we should be really careful with how we describe the actions that are going on.

* (15:50)

Mr. Dyck: Well, I guess I would come back to the comment I made at the outset, and that is when you buy insurance, you have the frames of reference put out there. I mean—and again, as I indicated in the letter sent out, they are confirmed that these are—this is the frame of reference that you need to follow.

When I look at what has taken place, there certainly is—you know, they have not lived up to the, you know, to the commitment that they made. And so—I don't understand that. I think that, like, there needs to be consistency, and as I indicated, on insurance, that's why you buy it. And I think this is what the producers were looking at and saying, these are the guidelines, we know what we're dealing with.

The adjusters, when they came out there, they indicated to the producers that, you know, you will be compensated for harvesting this crop, and that was a directive that came from the head of MASC. I don't think that the individual guys who do the insurance and come and do the adjustment on the fields would make up that kind of a story. And so, this was what they were instructed to tell the producers.

And that's why I see that there's a real inconsistency here with what has happened. And I think that you need to look at this very closely and deal with the situation, and as you said at the outset, I think it needs to be dealt with sooner rather than later.

Mr. Struthers: When the adjuster comes out to—or when the adjuster went out to the field, the adjuster wasn't telling farmers, do this or do that. The adjuster was saying, here's your options. You know, if you've met this threshold, you've got a couple of options: you can write it off, you can harvest. The decision was the farmer's to be made, as it should be. That seems to me to make sense. It also seems to me that MASC was pretty straightforward in what would happen if you did—whatever decision you—that you took as a farmer.

What we can't have—and I know the member for Pembina would agree. I shouldn't assume that, but I know he'd understand—we can't have a situation where the farmer makes a decision, it ends up being the wrong decision, given whatever his or her situation is, and then come back to MASC looking for compensation. That doesn't fit into the bounds of an insurance plan, either. And it relates right back to what farmers were told in the first place.

Neither the farmer nor MASC nor me or anybody else around this table wants the goal post to be moving throughout, either way. And, you know, the corn growers made that case to me pretty strongly. And I don't want goal posts moving. I don't want goal posts—whether you're the farmer trying to move them or MASC or anybody. A strong insurance package is based on something that's agreed to at the beginning, when decisions are made, and it lasts through the crop year.

And we always sit and talk about how we make our programs better. How do we change the goalposts, but not in the middle of the game? So, that's been pretty clearly expressed to me, both by MASC and by the corn growers.

Mr. Dyck: Okay, I would agree with the minister on certain points. And, I mean, at the outset, he also said that—you said that the best option would be for the producers to harvest the crop. And that's exactly what the field officers told the producers. And you're right that they make that decision, but they did say that the best option—yes, they did. I know that there's disagreement here, but that's what they were told. And, yes, they did make that decision on their own as producers. But, I mean, as the minister has said,

that still would be, that's what we would all like to see, is that a crop is harvested.

I won't belabour this forever, but I would come back to the point of, you know, if 5 percent of the cobs have more than 10 percent of the mould, it's appraised at zero. That's, I mean, that's, you're talking about moving the goalposts. I think that's pretty straightforward. And so, consequently, that's—on the information that the producers had, that's what they go by, and I can't see how you can go and change the rules in the middle of the game. That's my point, and I see that that's what's happened.

Now, subsequent to that, I'm going to now ask, so that these producers, as they're planting the corn for this year, as we speak. So what are going to—what are the terms of reference going to be now? You know, are they going to be caught with a pile of surprises again? Oh, we decided that might be better later on when we see what's happened, we might do it a different way.

So my question is, are—you know, are there any changes that are in store for the producers this year?

* (16:00)

Mr. Struthers: There have been some changes that have been talked about with the corn growers, MASC and the corn growers, having to do with 50–53-pound corn versus 56-pound corn. The—but what I want to really be clear on is that any changes that we—now, I'm going to back this up one step further. I hope the heck we don't have a summer like we had last summer, where we have to—

An Honourable Member: I agree.

Mr. Struthers: We can all agree on that—where we have to deal with cold, wet temperatures and mouldy corn. All the indications now—I'm going to knock on wood as I say it—is that we're not into that kind of a season—of a growing season. So we—I think we can have—I think we can take some time to look at a number of changes that I think can accomplish some of the things that the member and I agree to. I'd—we both would like to see less corn, less mouldy corn to begin with, but less mouldy corn ploughed down or taken off, destroyed, and more harvested.

We'd both like to see very clear rules from the beginning and have those rules set for that growing season and not changed. I'm not saying that that's what went on. But it makes sense to me if you're dealing with an insurance program that it's—things are set in place early on so farmers can make decisions. I

don't want farmers coming back asking us to change those goal posts, either. I think what's fair for one is fair for the other.

But any of those sorts of changes in the future I think should fall underneath that kind of a framework, and I certainly remain open to, not just advice from this member, but I'm certain that we'll be getting together with the corn growers and talking about any kind of contributions they can make that fit into that kind of a framework.

Mr. Dyck: Okay. So I'm trying to understand this. What you're saying is, then, for this year there are no changes that have been made to the level of insurance that the producer would be getting, because—I mean I think that's very important. Right now they have made a decision on the information that they have. They are somewhat sceptical, though, because of some of the letters that they got last fall and some of the things that took place. But they are making the decision on the information they have today, and I think it's very important that that decision be accurate and that they can make the best decision for themselves.

Mr. Struthers: Yes, I want corn growers to have as much solid information as possible while they are out there making decisions on what they're going to do. I'm not saying there won't be any changes. What I'm saying is that when decisions are made, corn growers will be informed, and I want those decisions to reflect the principle of harvesting corn rather than destroying corn. I want them to be very clear in the terms that they are dealing with so that they can make the correct decisions, and then not come back to us, you know, not have the goal posts change and not come back to us and say, I didn't know this, didn't know that. In a perfect world, if I could wave my magic wand and have that all happen, I would be a very happy minister.

Mr. Dyck: Yeah, and just to, you know, expand on that. You're absolutely right, and I don't think there's any producer who would rather take the insurance or you'd rather harvest than take the insurance. I mean, that's a given. I mean, they're not out there to play the insurance game.

But on the flip side, though, as I indicated at the outset, right now they're putting that crop in the ground and with the information that they have, and I believe it's only a matter of not many days, they're going to have to indicate to MASC what they're—what they planted, and so in all of this they're using the information that has been given to them as to the

insurance that they would get. Hopefully not to use it, but that's why—how they're making their decisions. It doesn't matter whether it's corn. I mean every one of the crops is the same, and so I would hope—and you've indicated, well, they will be in discussions and then you will tell them if there are changes. I would say that that's a little late. If there are changes, they should know about these changes because they're going to be buying the insurance and they're going to be paying thousands of dollars for it, and so they should know what they're getting into and what they're going to get out of it, should they need it.

Mr. Struthers: I take the member's point, that time is of the essence and that things—I want things to move very quickly.

Mr. Graydon: I just have one question on this corn. I don't quite understand it all yet, and because I'm a rookie, I have to admit that I need a little bit of help from the minister and from his staff.

But today I had a phone call, and someone was telling me that they're going to have 80 percent coverage but with a 15 percent deductible. How does that work? What was this individual trying to tell me on the phone? I didn't understand it and I didn't have time to go into it any further, but when I hear 80 percent coverage and 15 percent deductible, I'm thinking that he got 65 percent coverage.

Mr. Struthers: What I understand has been discussed with corn growers is—again, as we were speaking before—based on whether you choose to harvest or not. If you're a corn producer, you're eligible for 80 percent now, as the rules stand. If you decide that you're going to harvest that corn, then you get that 80 percent that you incur for costs of harvest and all the rest of it. If you decide you're not going to harvest that corn, then—and you've opted and paid for 80 percent coverage, if you don't incur the costs of taking off the corn, if you decide you're going to destroy it, then you would be paid 85 percent of 80 percent, 85 percent of your total, of your maximum.

This fits in to what we were talking about in terms of encouraging the farmers to do the harvest rather than destroy the crop. If you've opted for 70 percent—that's another one of the options—and you harvest your corn, you get 70 percent, as you paid for. If you decide to destroy your crop because of the mould situation, then you'd get 85 percent of the 70 percent that you've paid for.

Mr. Graydon: Okay, I now understand the 15 percent, and what I'd like to ask, then, is, we went from a No. 2 corn coverage to a harvested sample last year, could happen again this year; we don't know that.

In the case that it does and a producer works it down—he has that option to work it down—he's going to get 65 percent coverage. However, he will get the 80 percent coverage if he harvests it.

*(16:10)

Now, I would suggest that Minnedosa may have used corn that they had bought to lower the price of good corn as competition. That's outside of what we're asking about now. However, we had a situation with sunflowers last year that were harvested. The sunflowers had no market. That could easily happen to the corn.

So the producer has taken a risk. He has done exactly what you said and what you wanted him to do, and what he wants to do. He wants to take—he wants to get his money out of the crop. That's where the money is, and there's no money in insurance. But if there's no market for that, he is still stuck at 65 percent because there's no market. The guy that worked it down is laughing, because the guy that has harvested it has all those built-in costs and no opportunity—no opportunity—to capitalize on that expense.

I don't think this has been well thought out. You may have a lot of product like you did this spring with sunflowers—and I give the staff a lot of credit on how they dealt with that, finally, in the end. At first, it was a hard-line thing. You either spread it on your field or you burn it. And the staff at crop insurance, then, gave it some consideration and said, well, if there's a cattle producer that can use that feed and as long as there's no cost to him, you're destroying it, you're giving it to him, that's fine, do that, and you still get your coverage on your sunflowers. But, if you have mouldy corn, you're not going to feed that to cows. You're not going to feed that to any livestock.

What Minnedosa did was took that mouldy corn and they blended it off on some corn that wasn't mouldy, and so the DDGs could be used as livestock feed. But they also dropped a price of the good corn. It caused the price of the good corn to come down because they only have a capacity to do so much.

Mr. Struthers: Yeah, I think, first thing, I understand the argument that the member for

Emerson is making. I think there's only—if I heard him right, there was one thing that didn't jive with what I've been told.

If somebody harvests, they're not going to have 65 percent, I don't believe. They—if somebody harvests, they will be paid out either 70 percent or 80 percent, whichever it is that they've bought into, right? If they've harvested. And that's why we want them to—I mean, that's what we've all agreed is the best thing, to have farmers actually harvesting.

If—and I understand this doesn't happen very often, but if you are in the predicament that the member for Emerson has outlined, I think the option of the farmer, then, is to get three letters from different places where he's tried to sell that mouldy corn. And if there is no market, then MASC, my understanding is, will pay out, not at the 65 or whatever percent, they'll pay out either to the 70 percent or 80 percent, whichever it is that the farmer has bought for—whatever the premium is he's paid for.

So I understand the argument that you've made. I think it's something that has been thought of by MASC in terms of different scenarios out there that'll face farmers. And what we're trying to put in place is for the, you know, for the next time we end up with a bunch of mouldy corn, some rules that are there that are clear that will help farmers harvest rather than take down their crop.

Mr. Graydon: Just one last point of clarification for my benefit and so that I'll be able to explain this to the corn growers, going forward.

If a corn grower works it down, he's penalized 15 percent. That 15 percent should represent the cost of destroying the crop. If, in fact, he harvests it, then, as you said, he is supposed to get 80 percent or he gets 15 percent for harvesting it. So the harvesting and the drying is equal to the shredding?

Mr. Struthers: It sounds like I better interrupt this conversation, from what I've just heard.

Let's just deal with the 15 percent. And I can see where the member for Emerson is going with this. First of all, the 15 percent is—isn't something that's new; it's used with vegetables and with other crops already. And it's—and I would think of this as the cost of harvesting, not so much the cost of destroying. There are some costs, in terms of destroying a crop of mouldy corn; I get that. But I want the member to understand that that 15 percent is more based on the cost of harvesting a crop of corn.

Mr. Dyck: Okay, just to follow this, then, I would like to ask the minister, in the case of those who harvested their corn as high-moisture or harvested it as coblage, how did Manitoba Crop Insurance—how did they deal with those producers?

* (16:20)

Mr. Struthers: On the whole area of coblage, the—if the farmer—well, first of all, it all comes off a little moist, right? So, if the farmer decides he's going to put it in a pile for silage and not allow it to dry down to grain, then they are treated differently.

And I think MASC has been pretty clear with farmers in terms of that treatment. MASC would use a different percentage in terms of payout for silage as opposed to grain corn. And there is a difference of—a difference in that of 25 percent. And my understanding is that that was clearly outlined, and that farmers knew that at the time.

Mr. Dyck: I wouldn't argue that it was clearly outlined. I guess my argument would be, there were letters that were sent out in September and November that were clearly outlined as well. And so there are exceptions that are being made, and that's the point that I would make.

So my next question would be: Is that going to be the same then this year, or not?

Mr. Struthers: Just to add to what we were saying before. The approach, I think, needs to be that there is still value, and we've seen that this year. There's still value with mouldy corn. There's still—Husky's still out there willing to pay, I understand, a 2CW price for the corn that's out there. So what we don't want to do is start writing that down, because that doesn't help either Husky or the farmer. That just pays the farmer out less. So I think it's a good step that we can recognize that there's value there.

And then—so, I think, the next logical step is that we're not going to be concerned about the thresholds that we were—that we have been in the past, if we can deal with it that way. Then we can base on what potential yield could be, which, I think, is another way that we can help the farmer to harvest the corn rather than take the other decision to destroy it.

It fits into where I want to go in terms of setting that framework that the member for Pembina and I have talked about, of making it clear that it's—the best thing to do is to harvest, because there is actually some value to that corn. If my late father ever thought that I was going to make an argument

opposite—and in his terms, a waste to the corn—I think the member for Pembina's dad and I would agree, too, that you want to get this corn off because there is some value to it, value to the farmer and value to the next value-added link in the chain.

Mr. Dyck: I appreciate the comments. And, you know, I don't want to discount the information that's put forward. All I will say is that, you know, when you—it doesn't matter and I've said this before, but if you're going to buy insurance, you want to know what the frame of reference is. You don't want that goal post moved midstream.

And I guess I would argue that that's what has taken place, because it's not consistent with what the letters were that were sent out. And I just really feel you can't do that. I feel that's being not fair to the producers, who, again, with the information that they had, that's how they bought the insurance. That's what they were relying on. And, again, if I could use the term of fire insurance, I don't want a fire, but when I do have a fire, I want to be—I want to know that I'm covered. And I would say this is no different. And I just feel that, you know, that has not taken place.

And so I want to thank the minister for the discussion that we've had here, and, hopefully, that this can be resolved as time goes on because—and, again, as I said, I think sooner rather than later would be good.

So, anyway, with that, I will turn it over to my colleague here from Carman.

Mr. Struthers: Without prolonging the debate much, I understand exactly what the member is saying. The only adjustment I would make to his analogy of fire insurance is that there has to be a fire and there has to be—and I think for those folks who harvested and did sell their grain to Husky, it wasn't like their house burned down.

They got 2CW, 360 but they—I understand the fire insurance analogy and, I mean, I want—that's a good way of seeing this on a go-forward basis, but there was value in that—in some of that corn. Many farmers did take that corn off and got some value for that. *[interjection]*

Mr. Dyck: Yes, you did prompt another question. Now you got me interested in this. How can you make—when you said in your letter that anything that's got 5 percent of the cobs and has 10 percent or more mould, that now all of a sudden that becomes a No. 2CW corn.

Now you got me, because now the rules of the game are really changing.

Mr. Struthers: Without getting too much into the weeds and some of the numbers, the farmer had the choice, right, of harvesting or destroying the corn. Those who harvested got a value out of that, whether it be a 2CW, whether it be—whatever that number was, that was a value, and that was my—the only point I was trying to make in terms of the, you know, the fire insurance analogy.

I don't think we can lose sight of the fact that there is some value. It's not that we just write off that corn with some mould in it. We—Husky I think showed us that there is some value to that if we can get it to them. And, as much as we can, I think we should maximize that value for the farmer. And that's all—that's the only point I wanted to make in terms of the member's fire analogy. And I thank him for his advice.

Mr. Dyck: I was going to say that I would stop the line of questioning before this—the questions become mouldy but that—*[interjection]* Yeah, okay, so the minister—*[interjection]* Yeah, the minister indicated that—well, actually he didn't explain this whole part of how mouldy corn could become a No. 2CW. That still is of interest to me, but what I will say, though, is that the people that harvested also incurred a cost, and I think that that is something that needs to be recognized.

* (16:30)

And those that harvested and dried it, they incurred an added cost, and so, consequently, I think that as crop insurance looks at this, they do need to recognize that fact, that there are costs that have been put out there, again, with good intentions. And I realize you can't have crop insurance out there for good intentions. I will—you know, I can realize that, but I just hope that as you deliberate on this, that you will take some of these things into consideration.

I want to thank you for the information.

Mr. Pedersen: There's a few other subjects we'd like to get wrapped up before our time is done today.

Now, the Manitoba Forage Assistance Program: How many claims were filed and how much were paid out? And I'm—we would be talking about 2009.

Mr. Struthers: This is the—the question was about the Manitoba Forage Assistance Program, and this is the program that we use to help farmers transport feed or livestock, and it was because of, you know, I

guess either drought or excess moisture, we had 816 claims and the compensation payments were 2.245—oh, sorry, I'll do it again—\$2,245,000.

Mr. Pedersen: So have these—has this money been paid out now? Are there—and I'm assuming these have been—that was the claims. Has all the money been paid out? Are there any outstanding claims being brought forward?

Mr. Struthers: All of the payments have been made. There's nothing left outstanding in the program. We think it worked very well.

Mr. Pedersen: And the Manitoba Livestock Feed Assistance Program, this is the joint federal program. In the designated area and secondary designated area, we were short of hay and grain due to excessive moisture. How many claims were filed and how much was paid out in that?

Just some clarification, this one is the fed-prov joint, and the other one was a straight provincial. I'm talking about the fed-prov one, and just—if I—I have it as the Manitoba Feed Assistance Program. Is that the same as what you're talking about?

Mr. Struthers: Yeah, this is the numbers from the Manitoba livestock forage assistance program. This is the one that the member refers to as a federal-provincial program. You know, we got so many good programs, it's hard to keep track of them all: 1,492 claims, and we've paid out \$11,168,000.

Mr. Pedersen: And, again, this is for 2008. I'm assuming there was nothing in—was there a program again in 2009 under this?

Mr. Struthers: Yes, the payment was made over two different fiscal years, but it was the same winter—the conditions were in the same winter, based on 2008 numbers, sorry, 2008 weather, moisture conditions and drought. So they—on—the program was announced on the 5th of March, 2009, and then that's—the secondary designated area was announced May 15, 2009, a couple of months later. *[interjection]* Oh, May 15.

Mr. Pedersen: Just two additional questions about this. Are there any outstanding claims on this, or is the program paid? And, secondly, just enlighten me on the fed-prov share on this.

Mr. Struthers: This has been a program that has been completely paid out, and it was a 60-40 split between us and the—and our friends in the federal government.

Mr. Pedersen: They're our friends too.

The Manitoba Forage Restoration Program in—for the designated Interlake-Westlake areas designed to restore forage fields damaged by excessive moisture in 2008, how many claims, and how much was paid out?

Mr. Struthers: There were 748 claims for the Manitoba Forage Restoration Assistance Program, \$5,589,000 were paid out. It's totally paid out and it was paid to producers in the Interlake-Westlake area. That's good.

Mr. Pedersen: In the—in this past—the budget that was just passed here, for Budget 2010 there was a promise of aid for flood-affected Interlake producers this spring. Can the minister tell us what the program—what will be the program and when is it going to be announced?

Mr. Struthers: The—we've been working really well with the federal minister on this particular request that was made by a number of farmers in the northern Interlake area. A number of farm groups have approached us—Keystone Agricultural Producers, to name one—and they have very clearly made the case that attention needs to be drawn, and support, from both levels of government, to farmers who lost two years of crop in that northern Interlake area. I was shown some figures that were absolutely stark looking at that part of our province compared to, you know, the member's part of the province or my part of the province, they were very stark.

Our government really early on committed that we would be part of a program. We approached the federal government. I found Minister Ritz to be very receptive and supportive. And, I would think, in a matter of days we'll be coming forward together with some details of a support package.

* (16:40)

Mr. Pedersen: So this is for both 2008, 2009 production years. Most of this land, I would think, because I haven't been up in there, but I'm assuming, based on the weather in the rest of the province, that a lot of this land has been seeded—restored and seeded. So is there—what will be the procedure for claiming this? Like, how will you know which land there is—how will you determine whether there was flood damage on it, now that it's been somewhat restored? And I know it takes years to restore some of this land.

Mr. Struthers: This was, well, we know in—we know the number of unseeded acres and who did not seed in the 2009 crop year. We know that virtually nobody did much seeding in 2008. So we're, I think—oh sorry, seeded but didn't harvest, in '08. Yeah, that's an important distinction. So it's based on the loss of two production years. So we can—I think we can very quickly determine who would qualify and we would, very quickly, get that support out to farmers, once we get the green light from our friends in Ottawa.

Mr. Pedersen: So if there's producers—excuse me. If there are producers who don't have crop insurance, will there be a system of compensation, or—?

Mr. Struthers: The first line of defence for farmers is crop insurance. So we know who we can—given that—given those who opted not to purchase crop insurance, we can very easily know who would qualify based on the '09 and '08 unseeded numbers that we talked about in the previous question.

Mr. Pedersen: And what will be the area that will be covered under this program, geographically? My notes just say Interlake but I know the Westlake was affected. Is there specific areas that you're going to have this program included?

Mr. Struthers: I had said earlier that there was some pretty stark numbers that I saw, in the northern Interlake section, numbers that really were much worse than, say, over in my part of the world, or in other part of—in any other part of Manitoba.

But I think that in speaking with the feds and coming forward with an announcement, all of those sorts of things will become clear to everybody, including the exact geographical location of this support.

Mr. Pedersen: We'll wait with bated breath for the announcement.

Manitoba Bovine TB Mustering program. How many producers have participated since the inception? How much is paid out? And, most importantly, will this program continue?

Mr. Struthers: Yeah. They're—the first thing I want say is that the level of co-operation that I have seen in this whole question I think is unprecedented, and to a large degree should be held up as a model.

When you look at the number of—when you look at the federal government being involved, Agriculture and Parks Canada, when you look at the Province being involved with Conservation and

Agriculture, all of those R.M.s that encircle the area, encircle Riding Mountain National Park, some of which are my own constituents and municipalities, when you look at the contributions of the cattle producers, the First Nations, the Wildlife Federation, there has been a lot of very good work that has gone on in this whole area.

And I was really pleased that my predecessor was able to step forward with this mustering fee and make a three-year commitment on this. There have been 521 claims brought forward, paying out \$291,700.

Mr. Pedersen: And is there a commitment to continue this program for the next number of years?

Mr. Struthers: We haven't had that discussion at this point. I think we want to continue to be part of the group at—you know, that's making these kind of decisions and really be in tandem with the CFIA. It's CFIA that makes decisions on the testing that's being done. So we want to continue to work with them, in particular, but also take some advice from the group around—that's dealing with this problem around Riding Mountain. They've come a long way to get that—to get the rest of the markets of the world to understand and lift that—lift the ban, the—that zone. Lift that zone off of our area up there.

Mr. Pedersen: So there's no commitment to pay a mustering fee this fall. Tests will continue. We're not rid of TB. There's herds that will continue to be tested. But right now, there's no commitment out of the Province for the fall of 2010—into the fall of 2010 to do—to pay a mustering fee to Manitoba cattle producers.

* (16:50)

Mr. Struthers: I—yeah, I should—I should make—be sure I was clear on my first answer. There was 521 claims. The 291,700 figure was the total for all of the three years. Right? And that's right. And the 521 was the total claims for the whole of the three years since the program began, right through.

I don't know if I was clear on it the first time I did that, but since the program started, there were 521 claims, and since the program started, there was \$291,700.

Mr. Pedersen: And that \$291,000 is the Province's share of—because the MCPA was also putting some money in, and the—was the federal? They weren't putting money in. But the MCPA was putting money in as—when? Could you clarify how that was paid?

Mr. Struthers: I'm really glad that the member brought that up. This—the 291 is—the 291,700 is provincial money. We've put in—for every \$6 we put in, the MCPA puts in \$1, so in the neighbourhood of \$50,000. And my understanding is they weren't in for the first year. They were in for the last two. Actually, so that 50,000 number could be a little smaller, but that's close ballpark. And there's no federal money going towards this. We gave the feds the opportunity to participate with us, arm-twisted them pretty hard, I understand, but they're not putting money forward for a mustering fee.

Mr. Pedersen: That MCPA money, I might remind the minister, is producer money too. We've all paid into that, because everybody over the province realizes the seriousness of this issue. And, correct me if I'm wrong, but I think we're one TB positive test away from losing our status again as an exporter.

Mr. Struthers: Yes, and, you know, the MCPA needs to be given a lot of credit for stepping forward and participating, and each individual cattle rancher does too. And each individual cattle rancher that's participating in fencing programs and all the rest of the things that have gone on around there, I think, need—I agree with the member, the member for Carman, that's money coming out of their pockets that is very helpful. And if he has any contacts with the federal government that he can arm-twist a bit, that would be great, too, because I think they should be part of this as well.

And, in terms of being close to losing this status that we've gained back, I think the member is pretty accurate, which underscores the seriousness of how we need to treat this and how we need to continue with our testing and continue being vigilant about this problem that we have in the Riding Mountain area—Riding Mountain National Park area.

Mr. Pedersen: We could spend a lot of time talking about all the mistakes that have been made on the TB issue up there and Parks Canada and the Province and a lot of people that have affected hardworking ranchers' incomes in that area. And all of Manitoba cattle producers have been affected.

But I will move on. I'm not going to—*[interjection]* Well, it's just an issue that's not going to go away. We're living within a hair's breadth of losing our export status, and that is serious. And—but Parks Canada has come to the table much more

willingly now, and that's a good sign. And it's the hard work of a lot of people in that area, the cattle producers in that area, that have made the difference. And it's something that we, you know, when we're cattle producers away from that area, we just—we don't live with it day to day, but when you talk to them, we realize how serious it is, and it certainly affects where we buy cattle from, too, just within the province. You don't want to move breeding heifers around and—out of that area, so they've paid a big penalty in there.

But I want to move on into Bridging Generations Initiative, and there are several different areas in this.

First of all, I'll start with the mortgage guarantee, the uptake on it in terms of number of producers, amount of money put out in it.

Mr. Struthers: The program has paid out \$260,000 to two producers—oh, two loan guarantees.

Mr. Pedersen: And there's another component to this, the flexible financing. Is there uptake on that, and how many producers?

Mr. Struthers: There's a couple of different options here for farmers under 40. The first one is a five-year interest-only. It's—in '09-'10, there's four loans under that category for a total of \$825,000. On the—90 percent funding is the other option. There's 45 loans under that option for a total amount of \$6,108,000.

Just in conversation here, it appears that if there is an increase in interest rates as we talked earlier, we suspect the five-year interest-only loan will become a little more popular.

Mr. Pedersen: Under this program—and there's also the young—I should probably ask about the Young Farmer Rebate first. Can you give me an update on the Young Farmer Rebate?

Mr. Struthers: There are a couple of things on this that need to be pointed out. It's a lifetime maximum of \$15,000. In '09-'10 there were 1,166 clients. The amount paid out: 1,367,000.

At this point, I want to just add in that we've—I've changed part of the criteria on this. If you can remember the last time the Maple Leafs won the Stanley Cup, you're not a young farmer. You don't qualify.

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

INFRASTRUCTURE AND TRANSPORTATION

* (14:50)

Mr. Chairperson (Rob Altemeyer): Will the Committee of Supply please come to order.

This section of the Committee of Supply will now resume consideration of the Estimates for the Department of Infrastructure and Transportation. As has been previously agreed, questioning for this department will proceed in a global manner, and the floor is now open for questions.

Mr. Larry Maguire (Arthur-Virden): Mr. Chairman, it's a privilege to be able to ask a few questions in the House today, or in the committee here today with the minister—goes back a number of years when we were doing this before. He was the minister, and I was the critic in some of those days as well.

So, anyway, I just wanted to say that there are a number of quick points that I want to make as well in regards to some of the things, particularly one that I was asking the minister on last week in question period. And that's the situation with the road from—in Cromer, the bridge over the Pipestone Creek and in relation to a particular—a few particular situations, if I could, first. And it's just I'm wonder if, as has been pointed out—and I know his department has met with the heavy exploration industry in that area. They're calling it petroleum, particularly.

Can he indicate whether the—with all of the traffic going down No. 2, up 83, and back on 255, to get to the pipeline—the Cromer Enbridge—the Enbridge pipeline at Cromer for the oil to be put into the pipeline—can he indicate whether or not, presently, the empty semis are being allowed to travel south on No. 256 Highway from Cromer back to No. 2?

Hon. Steve Ashton (Minister of Infrastructure and Transportation): That is the case with spring road restrictions. However, we're working with the industry to accommodate this particular needs on the oil exploration side. So we're actually currently moving to have an earlier lifting of spring road restrictions, but targeting, in this particular case, the particular circumstances of the oil industry. Of course, they operate both in Manitoba and Saskatchewan. There is a different regime there for spring road restrictions. So we are working to accommodate the needs but, at the same time, you know, recognize that we do have spring weight

restrictions for good reasons. So we've identified the specific concern in the oil exploration side.

Mr. Maguire: Yes, thanks. I know that the industry had met with part of the Infrastructure Department a year ago at a meeting that I was at in Virden, and I know they've had meetings again this spring in regards to a number of issues there.

I know the—a common concern is the difference in weight restrictions and movement between Manitoba and Saskatchewan in some of those areas, and we have a flourishing industry out there right now. It's creating a tremendous pile of employment in southwest Manitoba, and construction of new homes and everything else in some of our smaller communities, I guess, if you will, in virtually all the communities in that area. And, while I may not have used the word "booming," as the minister did last week in the House, I certainly would say that it's flourishing, and there's to be a projection of—I'm told by the industry, at least—that there will be a huge number of rigs come into Manitoba, from Manitoba's standard, once restrictions are off. So I'm pleased to see that there's some accommodation being made.

So far, and I know we're predicting three days of rain coming up here, but so far it's been a relatively dry spring, and the roads have dried up fairly well. I've been down through some of the area, in the Goodlands area, Waskada area, Pierson area and the roads—and the area west of Turtle Mountains and seen the heavy trucks that have been moving, and the rigs that have been moving in that area and looking at the activity that'll take place when restrictions are off. So can the minister indicate just if it's only 256 that he's looking at taking the restrictions off earlier, or perhaps other roads in that area, if we can?

Mr. Ashton: Well, first of all, I'm glad that we're in agreement on the flourishing or booming state of the oil industry. We can pick or choose the words. I was actually a bit surprised by the reaction in question period from member's colleagues because I think it's good news for Manitoba. You know, we are seeing a significant amount of exploration, and I think member knows that.

And I was surprised that it became a bit of a question period issue but, you know, we're aware of that at MIT, because we're working with industry on specific roads that are of concern to the industry. We've identified the unique circumstances of the industry, so we are working on just some of the road that the member has identified, but on other roads as well. And I can provide him a list. If he wishes, we

can compile that for his information. Perhaps, you know, since we're in Estimates next week again, I can provide that information on Monday.

Mr. Maguire: I would appreciate that. I thank the minister for that, and if he could provide me with that information and the list of highways that they're looking at early removal of restrictions, and does that depend on, of course, what happens in regards to moisture conditions I assume in the next week or so? But we're about a month away yet from restrictions coming off on a normal pattern, if I understand it. And I know Saskatchewan has that more flexible movement of 48 hours in and 48 hours out sometimes. And I understand it is in regards to that area.

I could be corrected on the timing, but it's a more flexible mechanism, and I know that the minister indicated and as a result of a joint meeting with the Saskatchewan government in Yorkton, that weights and measures were one of the areas that they could look at, some harmonization in that area. And I'm thankful for that. I would recommend that myself to the minister as well and from our side of the House.

And I just wanted to see if he's—if he can give me any indication how soon he expects those to come up—

* (15:00)

Mr. Ashton: May 12th, which is ahead of the schedule for spring road restrictions for the rest of the province. That's a significant recognition of the unique circumstance of the petroleum industry.

Mr. Maguire: And has the industry been notified of that?

Mr. Ashton: Yes.

Mr. Maguire: I wanted to ask the minister if—I know there's been a number of projects that have been put in place, and I notice the increase in spending in the budget in regards to road construction and the number of infrastructure developments that we have around the province.

And I wonder if the minister can indicate whether his department received any Building Canada funds and how much money the department did receive, if any, from the Building Canada Fund for the projects in which it's involved.

Mr. Ashton: Yes, I know this was raised yesterday by the critic. We did undertake to provide a list and we do have that list available.

And PTH-15, we have a project there, cost-shared with the federal government. CentrePort Canada Way, again that's cost-shared, and this is funded through the PT Base Fund, Provincial-Territorial Base.

Under Asia-Pacific Gateway and Corridor Initiative, again CentrePort Canada Way, we have construction there that is being cost-shared. PTH 1 at 16, the interchange will be cost-shared.

And in terms of Gateways and Border Crossings Fund, PTH 75, and this is 1.5 kilometres north of Morris to PR 205. There's been cost-share work on the highway itself, similarly, from Aubigny to Ste. Agathe on PTH 75.

Infrastructure Stimulus Fund: PTH 1, and this is from 100 to PTH 12; PR 201, bridge replacement; PR 313, various locations in terms of paving; PTH 2, from the R.M. of South Norfolk to 244 west of Rathwell; bituminous paving on Highway 1 from 340 to 351; paving, as well, Highway 1 again, east junction of 10 to 340; paving of the shoulders, PTH 1 from PTH 5 to—this is in around west of Carberry, same thing; again, bituminous paving on PTH 1 from 21 east to the junction of PR 250; PTH 1A in Brandon from PR 457 to PTH 1; paving from 513—and this is PTH 6; Dauphin River First Nation, various locations, spreading gravel; surfacing in Sapotaweyak Cree Nation, various locations Highway 10; and 373, there's work that's under way from Sea Falls to north of PR 374, it's grade, base and AST.

So that's a comprehensive list of cost-shared projects in the 2010-2011 fiscal year, some of which are under way and some of which will be under way shortly.

Mr. Maguire: Yes, and I just wondered if the minister could supply me with how many dollars that was. I was looking for a dollar value that may have come into his department from the Building Canada Fund.

Mr. Ashton: Yes, as I indicated yesterday, it's 100 million is the cost share this year.

Mr. Maguire: And, just to be clear, the \$100 million is what came from the Canada building fund, or is that including both the federal and provincial shares of the money?

Mr. Ashton: That's the specific federal funding, and I did identify the specific funds. There's the PT Base Fund, Asia-Pacific Gateway and Corridor Initiative,

Gateways and Border Crossings Fund and the Infrastructure Stimulus Fund. It's basically four separate infrastructure funds. So the \$100 million is the federal cost share of the total projects that were identified. It's done on a project basis, and each one has its own criteria. So it's—as I indicated yesterday, it was \$100 million out of the total capital.

Mr. Maguire: Yes, some of my colleagues have a question or two here, and so I'll turn it over to my honourable colleague from Brandon West.

Mr. Rick Borotsik (Brandon West): Mr. Minister, I'm going to start off with a hypothetical question, and I know it's hypothetical, it's—and you don't have to answer, if not, but I'd like to have the question on the record anyway.

If the minister, hypothetically, went out and asked for a liquor licence and was awarded a liquor licence by Manitoba Liquor Control Commission and, based on that licence, the minister went out and spent a quarter of a million dollars in lease-hold improvements developing his enterprise, and then, shortly after he did that, the Manitoba Liquor Control Commission came back and removed that licence from the minister, would the minister believe that there should be some recourse against the licensor at that time?

Mr. Chairperson: Just before recognizing the minister, I'll just highlight that it is a hypothetical question which doesn't have to be answered, and that it also isn't immediately related to the Estimates for the Department of Infrastructure and Transportation. That said, I will recognize the honourable minister.

Mr. Ashton: I'm not minister responsible for the Liquor Control Commission, and, you know, the first part of the member's hypothetical question here is both hypothetical and doesn't relate to the responsibilities I have. But I expect there's a second follow-up question. I'll wait for that to see if it does connect somehow to the department.

Mr. Borotsik: Oh, there's definitely a connection. I just tried to make some sort of an analogy, if I could, because the minister is responsible for the Manitoba Motor Transport Board. He appoints the members to that board. And the Manitoba Motor Transport Board is responsible for issuing transport licence within the province of Manitoba.

I have a not—a non-hypothetical question right now. I have a constituent, and I can mention their name; it's called Prairie Coach. And on June the 7th of last year they applied for and did receive from the

Manitoba Motor Transport Board of which the minister is responsible, a licence to—for internal and external, interprovincial and extraprovincial, licensing for a bus.

Prairie Coach, upon receiving that licence from the Manitoba Motor Transport Board, went out and purchased a \$250,000 bus, hired a driver and was in the process of putting in additional routes within the province of Manitoba, when, in fact, he then received a letter from the Manitoba Motor Transport Board, saying that they had made a mistake and that they would now be rescinding the licence after the investment has been made. There's quite a sorry—a sad story that goes along with this.

As you're well aware, when a licence is issued, one would expect that you then had approvals to go forward, but the Manitoba Motor Transport Board made an issue—a mistake because they did not gazette that particular request for licence. On July 29th, due to the error, he was—the licence was removed. They then had—on August the 8th, they gazetted that particular request. There was, in fact, some opposition to the licence. There was, in fact, some support for the licence at the same time. But, unfortunately, my constituent, the Prairie Coach, received a final letter from the Manitoba Transport Board that said that the licence was denied.

My constituent has only one of two requests. One is to allow the initial licence that was allowed back in July, or, in fact, simply have a full hearing, so that he can make representation on behalf of himself and his corporation with respect to the licence that was originally granted.

I know the minister—and I have had discussions with the minister on this issue. In fact, I received a letter—a copy of a letter—from the minister saying that he will not, nor does he ever get involved in decisions made by the Manitoba Motor Transport Board.

* (15:10)

However, I think there's always exceptions, and I think that there should well be rights that are wronged—or wrongs that are righted. I believe that there is a moral requirement here, after an individual has expended a large sum of money, to at least have the opportunity to give their side of the story.

Would the minister be prepared to tell me, now, whether, in fact, the Manitoba Motor Transport Board should, in fact, be at least—should at least give

Prairie motor coach an opportunity to make a presentation with respect to the original licensing?

Mr. Ashton: Well, the member is aware that he did raise—he does have a written response. The difficulty, of course, is that, as minister, I do not, and ministers do not, interfere in individual decisions. I'm sure the member will be aware that, if ministers were to be directly involved in Motor Transport Board decisions, they would be accused of political interference, and I have no intention of interfering politically. I think the member has raised this both here in the public record previously with me, and I know, certainly, there have been representations to the Motor Transport Board. And I want to stress, again, I am not in a position to interfere politically in this. There are numerous applications, and the current regulatory framework is a very controlled regulatory framework. The member knows that, whether it be in terms of scheduled bus carriers or in terms of charter bus operators.

I can, in a more general sense, indicate to the member that I have already indicated, as part of our strategy with Greyhound, which has been to act very decisively to buy time and maintain bus service in many locations throughout rural and northern Manitoba, including the bus service to Brandon, that we have also indicated—and I've indicated—that we will be looking at the regulatory framework itself, which will include both scheduled bus carriers. We have a single bus carrier that, you know, gave very short notice that they were leaving the scheduled bus service category of service. We also have many chartered bus operators right now and others that are seeking to be chartered bus operators. So we'll be looking at the regulatory framework.

One of the things we will be looking at is whether there's any advantage of using the same kind of system that we have with rail lines federally. There's a main line category, and then there are various processes put in place where, if the main line carrier does not continue to operate, that there's an abandonment process, an opportunity for other operators to enter.

So, in a general sense, we will be looking at the regulatory framework. But in terms of specific interference, I don't think it would be appropriate for the minister to interfere. I think, certainly, the member is more than entitled to make representations on behalf of this or any other applicant, or a grieved applicant. I am not questioning that and, certainly, you know, I think

that, putting this on the public record, he has stated his concerns in terms of that.

But, believe you me, whether it's Motor Transport Board or any of the other arm's-length, quasi-judicial bodies that we have, the policy is very clear, and that is those boards have clear authority. They have a process and I don't believe it would be appropriate for the minister to directly interfere in terms of a specific application, and I think that was the content of the letter that was sent back.

I do appreciate the member raising this. That's what Estimates is for, but, again, we're not in a position to interfere, in this case, in an arm's-length agency.

Mr. Borotsik: Yeah, and, please have it noted for the record that I'm not asking the minister to interfere. I am not asking for the minister to change the decision of the Manitoba Motor Transport Board. I am not asking for that, nor would I ever ask for that. All I'm simply asking is for the minister to suggest to the board that there could well be clarification in this particular case, with a full and fair hearing. That's all; no change of decision, no licence-free issue, just simply a full hearing where, in fact, the applicant could be—could have the opportunity to put their position forward to the Manitoba Motor Transport Board, who, in fact, then, would make the final hearing, the final decision.

The only other alternative, and it is already by letter been indicated by the Manitoba Motor Transport Board that they, in fact, made a mistake, a serious mistake that impacted this particular operator, this particular bus operator quite substantially, financially. They've admitted that; it's in writing. The only other alternative would be legal action, and I don't think the minister believes, nor do I, that legal action is the best, or it's only as the last resort, in my opinion.

What I would much rather have is that the Motor Transport Board have a full, open hearing to listen to the applicant, to listen to the opponents and then make a decision, with the proper regulations followed. They did not follow the proper regulations initially; they made a serious mistake. I don't think the government should be held accountable, nor should they have to go through a legal battle, nor they should they be found at fault with serious financial consequences, when all we're asking, or all my constituent is asking for is a hearing, a fair hearing. Is that too much to ask, that the minister

could pass on to the Manitoba Motor Transport Board?

Mr. Ashton: Well, I think the member has advocated. He's put it on the record. He's asking that as minister I interfere in the process.

An Honourable Member: Not interfere.

Mr. Ashton: Well, I mean he's asking for a hearing. He's asking for me to what—direct the Motor Transport Board to have a hearing? That's process. I mean, there's process, a hearing, there's the end result, which the member's expressed his concern about. I think he's put it on the record. He's certainly entitled to do that. I don't think it would be appropriate for the minister to interfere.

Definitely, then, I'm sure, I would be hearing members of the opposition accusing ministers of political interference in both the process and in terms of the end result. And that may have been the case years ago. It's not been the practice of this government, and I appreciate there will be contentious issues, both in terms of process and in terms of end result. I think the member has raised some of the concerns in terms of that, but again, I think beyond raising it on the public record, I don't believe it would be appropriate for a minister responsible for Motor Transport Board to be directing either process or end result.

Mr. Borotsik: Positions are taken, perhaps not agreed to, but certainly have been taken on both sides of this table, and I thank the minister for his response.

One other question to do with Infrastructure, and I do appreciate that in Brandon the new twin bridges should be open very shortly. I go by them on a regular basis, albeit the original budget of \$17 million, I'm told, is now \$28 million. I wonder if the minister can give me an update on that. Does he have any update on the actual capital cost of the two bridges that were—that should be completed very shortly in the city of Brandon?

Mr. Ashton: The member's quite correct about the current figure that remains the budget.

Mr. Borotsik: So I—from that answer, the 28 million is the final number? It won't be anything over that \$28 million?

Mr. Ashton: Well, we're almost finished the bridge. Unless there's some unforeseen circumstance right at the tail end of the construction, that's a figure that's mostly a reflection of actual expenditures. So we're—

unless things change, we're pretty confident of that figure.

Mr. Borotsik: Thank you, and I'm sure we'll see the minister out there with a photo op with the opening of the second bridge, and we do appreciate his attendance to Brandon on a fairly regular basis.

* (15:20)

I wonder if the minister can tell me if there are any initial plans or any preliminary plans, currently, for the additional lane that's required for the—what we refer to as the 18th Street overpass. It's the overpass that goes over the railways.

There is a bottleneck—there was a bottleneck, as the minister's aware, on the bridge on 18th Street going into the new retail centre. That bottleneck now simply will be put a little further to the south with the 18th Street overpass. Are there any preliminary decisions made or any preliminary drawings with respect to an additional lane on the overpass?

Mr. Ashton: Yeah, of course, the bridge has been a significant project, as the member knows. We're also working on the east bypass, and what he's talking about here in terms of an 18th Street overpass would require conceptual work, you know, scoping, even to get it to a preliminary stage. So, certainly, we can look at that. I want to indicate that we're, again, in Brandon, dealing with some of the significant growth that's taken place, which is good news for Brandon, good news for the province.

We play a significant—we play a very significant role in Brandon because clearly MIT is responsible for a number of the key arteries with the significant industrial development, the significant retail development we're seeing, in the growth population generally. It has put pressure on our highway system and we've been working quite significantly to address that challenge.

I also want to indicate that we look forward to the naming of the bridge as well, and I don't want to pre-empt any question the member might have, but, certainly, as the Province, we are responsible for that. I, personally, as minister, can indicate that I don't think we do enough in a lot of cases to recognize the significance that bridges play in terms of symbols and in terms of history, and I do want to acknowledge that the member—I think the only time I've ever had both the member for Brandon East (Mr. Caldwell) and Brandon West (Mr. Borotsik) lobby me simultaneously—and I just want to put on the

record—was when it came to the naming of the bridge.

And, without prejudging that, I want to indicate that I take the member's suggested name and the member for Brandon East's suggested name quite seriously, and I do think that—I actually think that we need to do more to name and recognize a lot of our other bridges.

So I don't know if I pre-empted a question from the member, but I thought I'd get that out before he did.

Mr. Borotsik: No, actually, I wasn't going to bring that up, but I can honestly say that the member from Brandon East and the member from Brandon West do work in concert when it's for the best of the community, and I think that that's important. Withal we don't agree philosophically in a lot of—our ideologically, but we do believe in the community. So I do thank the minister for bringing that and putting it on the record, and he will have a request from—a joint request from both members.

The 18th Street bridge is a—in the community's eyes is a priority. I guess the simple question, and I guess the simple answer, would be: Does the department of highways, or now MIT, actually see the 18th Street overpass as being a priority infrastructure requirement in the community in the not-too-distant future?

Mr. Ashton: Well, I can't resist this from the previous discussion—what's the expression—east is east and west is west but ne'er the twain shall meet. Well, I guess on the 18th Street bridge they met.

An Honourable Member: And they will on the overpass too.

Mr. Ashton: Well, I'll wait for the joint—I think it's important to stress on the overpass, that's sort of preconceptual stage. I appreciate the member lobbying for it. I was—again, I want to stress our focus has been on the bridge on the east bypass. Over the last number of years, there's been a significant number of projects in and around Brandon. We have a separate hazardous goods route.

So I think the best reflection is we're aware of the potential project and it's sort of at the preconceptual stage right now.

Mr. Borotsik: Last question, and this isn't about Brandon. This is about a trip that I take on a fairly regular base from Brandon to Winnipeg—and I know I've brought it up to the minister before—on the east

side of Portage la Prairie, on the No. 1, Trans-Canada Highway that, as MIT tries to do, is keep as a major arterial throughout the province, there's a speed bump. There is a bump in the No. 1 Highway, Trans-Canada Highway, that's been there for quite a while. And there are signs that say, you slow down to 70, there are electronic signs, there are flags, there are a number of ways that one acknowledges that there's a speed bump on the major Trans-Canada Highway.

Is there any intention for MIT to, in fact, fix that speed bump and allow full traffic movements at 100 kilometres per hour, soon to be 110 kilometres per hour, through the Trans-Canada Highway east of Portage la Prairie?

Mr. Ashton: Well, you know, I've raised this with the department a couple of times. I think the member even raised it in Public Accounts. I think there's—by the way, our staff travel that road a lot. And I just want to make it clear that, as much as we want to make sure that the member doesn't speed, this is no speed bump that's designed on the highway.

Well, I know there are various locations around the province where we have undesigned speed bumps that serve that purpose, unintentionally. So I'll just say that I've already taken the department to look at it. But if they—the member wants to meet up with our regional staff, I think there's maybe some confusion on where this is. But I'd love to set it up. And if he wants to clock it on the kilometre, I'd be more than glad to make sure we follow up on that.

I do want to stress, we've been doing a lot of upgrading on Highway 1 in the last period of time and there's still more work to be done. So we're more than willing to look at it.

Mr. Borotsik: I said it was my last question; I'll leave this with my last question.

The regional staff of MIT should, in fact, know where that unintentional speed bump is because the speed limit is reduced to 70 kilometres. There is electronic signs there saying that it's a 70-kilometre speed limit. There are flags there in front of the speed—the unintentional speed bump.

And I appreciate, Mr. Minister, and I'm being somewhat facetious, it is a heave in the highway. We have the Trans-Canada Highway that takes substantial traffic, truck traffic, bus traffic, automobile traffic, and I don't suspect that it's really a difficult thing to slow down to 70, but it is somewhat embarrassing to have a major highway

infrastructure that has an unintentional speed bump built into it when, in fact, I don't think it would be that very difficult to repair that unintentional heave in the highway.

So your regional people are well aware of it. They've identified it with the necessary flags and the necessary warnings before it. So I will leave it with you and your department to see if they can not repair, as I say, an embarrassment, I think, to the province of Manitoba, when there are people driving through the province and have to slow down to 70 kilometres per hour on a major thoroughfare. So I will leave it at that, Mr. Minister. Thank you.

Mr. Maguire: While we're on the speed limit increase—and I know it's 110 from the Saskatchewan border to Virden. There's been substantial work done in regards to the increasing amount of pavement done on shoulders. And, I guess, from my critic responsibilities before, being Infrastructure, Transportation, I expressed concerns in Estimates, I think, in previous years, about making sure that the shoulders are done and that the slopes on the curves are enhanced before we increase the speed limits in those areas. I know the government's working towards doing that as we move east from Virden.

There's been considerable work done to Griswold this year, and from Griswold to Brandon on number—that's number—junction No. 21 and 1 there, at Griswold, and considerable work done around 13 Highway, east of Portage la Prairie and other areas.

Can the minister indicate whether they expect to finish putting the shoulders all on No. 1 this year and increasing that speed limit all the way to Winnipeg, by freeze-up this year?

*(15:30)

Mr. Ashton: Yes, in terms of speed limits, we're continuing to do that work. We're not looking at raising the speed limit in that—in those sections in the immediate sense, and I think the member is aware of some of the background where we have raised. It's very—been very clear. It's where there's been full upgrading of the highway. It's been contained in various different areas, and, in fact, some of the infrastructure projects we've identified earlier relate specifically to that—three of them under the Infrastructure Stimulus Fund, in terms of the paving the shoulder. So we're continuing to upgrade the highway.

One question I know that has been asked, and it's been asked by the media, so I'll just put it on the record, perhaps for the member's interest, is whether we're looking at any major changes in terms of speed limits across the province. No, speed limits are set by the Motor Transport Board. We have no plans for an overhaul of current speed limits, and when I say we, MIT obviously does the technical work, but it's the Motor Transport Board that makes the final decisions. So what we have done here is very specifically a reflection of the specific dynamics of the road itself and is not a more general increase in speed limits. We think that speed limits have a role to play in terms of safety. I appreciate the member identifying that in, I think, in his, you know, in his opening comments of the last question.

And, also, quite frankly, I mean, fuel efficiency—there are some issues there that have to be looked at. But our prime interest is safety, and we think we have balanced, by having the appropriate sections of 75 and 1 where the Motor Transport Board has determined that higher speed limits are allowable, that we'll proceed in that direction, but there's been no wholesale change in terms of speed limits.

On our provincial highways, for example, we continue to have the same speed limits that reflect the design of the road and the safety considerations. There may be some micro-changes. I mean, that happens all the time. Municipalities suggest raising or lowering, you know, the relative traffic authorities. But that—that's an ongoing process. So there's no wholesale change to speed limits that's currently in the works.

Mr. Maguire: I wasn't referring to wholesale changes. I guess I'm just asking the minister in regards to—and I, too, wouldn't recommend those increases until we see the safety features put in place that I just referred to in shoulders. And I'm talking about, more, the national highway system where you've got four-lane highways like No. 1 Highway, and that's the one I was referring to, or 75 or even the Perimeter Highway, which needs a great deal of redevelopment in regards to overpasses, and that sort of thing, with the development of CentrePort and other areas. And I know that we—many discussions about overpasses in that regard, and you could use a budget up pretty quickly. I'm talking about the national highway system, basically, and I know the minister is doing work in regard—or the department is—in regards to Griswold east to Winnipeg, and if there are three sections there that he is hoping to do

on No. 1 this year, I wonder if he could point those out to me.

Mr. Ashton: Yes. I'll just reference the specific ones. I did mention them earlier, but I'll identify them, you know, separately, and they all include work on the shoulders, all on Highway 1: from—this is from 340 west to the junction of PR 351; east junction of PTH 10 to PR 3, no, pardon me, 20.5 kilometres west to PTH 5—to PTH 5 west of Carberry; and also PTH 21 to the east junction of PR 250. And those are three specific pavement projects that specifically are targeted, and including improvements to the shoulder.

Mr. Maguire: I'd just like to point out that I believe the work was finished from Virden to Griswold last year. It looks like it's pretty near finished from—there may be another level of pavement to put on. I wonder if the minister can just indicate to me whether there'll be more surfacing done on the area between 21 and 250 between Griswold and Alexander, or if that particular area has had its shoulders and area repavement finished last year.

Mr. Ashton: Yes, we have work scheduled again that's cost-shared on the westbound lanes.

Mr. Maguire: Is it the intention that when that's done then—I know that the initial announcement was that the 110 speed limits would be a test case, and they'd be looking at that from south on 75 from the U.S. border north for a piece there, and from Virden west to the Saskatchewan border. Can you provide me with any information as to how the—what the Transport Board has found out, or his department can share with in regards to that experiment?

Mr. Ashton: Yeah, the shoulder's only one element. There are other safety factors that have to be looked at: traffic flow, access lanes, a little geometry. I'm just sort of running through the standard factors. So there should be an assumption that strictly doing the pavement work on the shoulders is the only factor that would go into that.

If you look at the traffic issue, design issues, there are, you know, a complexity of factors, and we're going to look at that. You know, each element is—of our highway system, including the National Highway System, including, you know, highways where we have had some increase in speed, is judged on its own merit. There's not a blanket approach. And I think the member can recognize this is a not a one-size-fits-all province. So we want to be very

careful before any change in speed limit. So the paving's only one element, the paving shoulders part.

Mr. Maguire: Because I think I recognize that in my earlier comments, and I appreciate the minister's concern there, that paving is only one. The slope of the curves is another and, as he has pointed out, access roads and other areas, soil types, that sort of thing. But there would be no intention, then, to reduce the speed limits from 110 that's put there now, back down to 100?

Mr. Ashton: Yeah, probably the best answer is that is there is not a plan to do it, but we monitored it, you know, our entire highway system is certainly monitoring this. We monitor traffic flow issues, accident rates, et cetera, and certainly we wouldn't exclude any part of the highway system from that kind of analysis.

But, you know, there has been that increase in various parts of the highway that, you know, there's no plans to roll it back. But, again, you know, our approach, and I think the member's aware of this, when we announced the—this, the Motor Transport Board, again, approved the increase in speed limits. It's no different than anywhere else on the highway system. It was not—you know, we didn't just take a highway and redo the entire highway. It's site specific. So that will continue.

Or we'd like to see a, you know, a return to the 100 from 110? Right now there's no plan for that. Are we going to review it, though? On an ongoing basis, yes.

Mr. Maguire: No, I just wanted to bring to the minister's attention—I live there, in the Virden area, and I don't believe there's been any fatalities in regards to the new road that's been there, the twin road, even with the increased speed limit from the Saskatchewan border to Virden.

I've had positive feedback on the change that's taken place there, and I can pass that on to the minister. And that's why I'm asking if that can be extended, as they do move forward, notwithstanding the fact that access roads are a part of this, as well. But, you know, with accesses being, you know—traffic levels, I guess you could say, being much greater probably between Portage la Prairie and Winnipeg, than they are in some of the other areas of No. 1, because of the Yellowhead Route in the corner there.

If you're looking at traffic flows on a regular basis, I'm sure that there's been a lot of statistics—

statistical work done in that area. And I'm wondering if they've compared any of that work with what's happened in Saskatchewan and Alberta, where the speed limit has been 110 for many years now, and, of course, in Saskatchewan, where they have just recently finished the eastern half of their road from basically the first couple hundred kilometres into Saskatchewan from the Manitoba border and compared it to any accident rates and compares to what has happened in other parts of Manitoba where the speed limit is at a hundred.

*(15:40)

Mr. Ashton: Well, certainly, those factors are taken into consideration. I do want to stress that—the access road situation is an important part of what we're looking at, and the member mentioned 1 and 16, and certainly having, at a major intersection, having lights on an integral part of the national highway system, whether it be 16 or 1, has been an ongoing concern. And certainly it's been identified in our arrangements with the federal government in terms of cost-shareable projects, you know, with the overpass.

And I do want to stress again the challenge with any of our highways, including our four-lane highways, with access roads on the one hand. We recognize some of the historic access that's been in place. We also recognize some of the increased pressure for access, given new development.

At the same time, we are clearly having to factor that into our planning, both in terms of access and safety. I want to flag, for example, that this is key part of our planning with the upgrades for CentrePort. You know, in some cases, you know, the significant upgrading that's taking place, which is absolutely critical for CentrePort, is raising an issue in terms of access, so we're identifying that.

So it's all part of a matrix, if you like. So I—you know, I don't want to put a blanket sense out there that, you know, if we pave the shoulders, then they can increase speed limits. Believe me, I get lobbied in my own constituency on Highway 6, particularly given some of the stepped-up enforcement from the RCMP recently on existing speed limits. But we take very seriously the safety factor. That's why we have the arm's-length review from the Motor Transport Board. That's why their technical work is done by the department. And, you know, we'll continue to look at 75, 1, in terms of some specific stretches of it, but beyond that, there's no immediate plans for a

significant across-the-board raising of speed limits. That wouldn't be appropriate in terms of safety.

Mr. Maguire: Yes, speeding right along, Mr. Chairperson, I got a couple of local issues that I want to deal with, and then I want to ask the minister a few questions on the east-side road before—I know at 4 o'clock, we want to get into the Emergency Measures—some of those issues today as well. And I know that was my colleague's request yesterday.

But I wanted to just ask—I know I had mentioned this to the minister last week, and he's received some letters from a young farmer in southwest Manitoba on No. 3 Highway, Chad Vandaele, in regards to the circumstances around building a new home beside their business and having access off of No. 3 Highway to it.

His folks have volunteered to take out one of the approaches in their own home and, of course, block it off. All commercial traffic that they have goes on to the next mile line, up a gravel road and back into their yard site, their commercial site without access to No. 3 Highway.

And this is a situation where the person received a letter last October indicating that if they were allowed to give up one of the approaches that they'd be allowed to go ahead and get a permit to build their—put an approach in. And, therefore, he went ahead with selling his house in Medora, renting another one that he has to be out of by the first of October this fall and purchased a home package, contractor, electrician and plumber and was ready to build and hasn't received the go-ahead, because of—after having done all that, and on the basis of the letter he received last October, has now received a letter on April 1st and April 8th indicating that he won't be allowed to go ahead and I—because of the—they won't allow the approaches.

And I wonder if the minister can look into that one for me and just check into it. I had mentioned it to him last week. I don't know if he's had a chance to look into it and just where that one's at. I'd be most appreciative if he could bring me up to speed on where they're at with that.

Mr. Ashton: Yeah, I do want to acknowledge the member's written to me and did raise it with me directly, and I've asked the department to look at the specific circumstances.

Mr. Maguire: Just speaking with my colleague there for a moment on another group of questions, but I appreciate that. I know that this family has four sons

in their family and they've—one of them wants to build a unit beside them. I know the mother and father of—very active in the business still, and have blocked off access through their own yard site for any commercial traffic and are willing to give up other approaches. I know you don't get into a trade-off on approaches from one area to another but there's been a great compromise from the family's position on this and I know that there is a distance and maybe the minister can help me out with how far apart the Transport Board recommends that approaches be for access onto a two-lane highway like No. 3.

Mr. Ashton: Again, we'll look at it. I do acknowledge the member did raise it directly with me and I've asked the department to look at it.

Mr. Maguire: Okay.

The other one is the case of Verna Fillion in the southwest corner of Woodworth municipality. In this case there, there's a—the frontage road that the municipality will build themselves and the approaches, I understand, onto No. 1 Highway would be a mile apart. The irony of it is that—and, of course, she's got about 100 acres there. They wanted to put in ten 10-acre lots. They had a few of them. The indication is over half of them would be sold if they were allowed to go ahead.

Certainly, a shortage of housing in southwest Manitoba right now and this is basically something that this couple could do in regards to a retirement, he's—there's some—basically, selling some property to be able to retire because of an accident that's been suffered in the family, and work is not as forthcoming as it might have been at one point for either of them and it's a way that they can use the property to provide not only homes for others but help themselves, and the situation is that it's only two miles to Virden and there is already a frontage road built by department of highways on that particular stretch of No. 1 Highway.

There's a gap of a mile in there with no road and then there's another mile continuing on past other areas. So there would be no more—there is no request for new approaches onto No. 1 Highway in that area at all, just the ability to allow them to go ahead. The municipality is in favour of it. So is the Midwest Planning District in that area, based in Miniota, as far as allowing them to go ahead as well, and I'm just wondering if the minister could consider that and I know the family has written and I've written letters of support. I know the planning board has. The

municipality has. Others, and I know that they've had some discussions with the Ombudsman in this situation but maybe it could be alleviated and development could be allowed to go ahead. I just wondered if the minister could elaborate on that as well or look into it for me.

Mr. Ashton: Yeah. I'll undertake to look into that situation as well. I'm not aware of the details of it but I'll ask the department for a full report on it.

Mr. Maguire: Thank you very much. I have a couple of other ones that I'll talk to him about, as well, some time, but I wanted to ask the minister, you know, one of the areas that I had in my critic responsibilities and, of course, there was a bill passed last fall, the East Side Road Authority bill, and I wonder if the minister could just answer a few questions for me on that. You know, we're supportive of the construction of the east-side road. We know that access is important on the east side. There's many communities on the east side of Lake Winnipeg that need access for serviceability and everything else. We've seen the concerns and problems with the winter road system that is used to get supplies into those villages and communities, mainly First Nations communities, a lot of them, and we'd certainly like to see them have some access in that area.

We know that the East Side Road Authority would be expanded up to—the Rice River Road, or the Rice Road, from where it is up to Bloodvein as well and I'm just wondering if the minister can tell me how many staff are currently employed by the East Side Road Authority, sort of a breakdown of full-time, part-time, and contract staff in that regard.

Mr. Ashton: The minister responsible for the East Side Road Authority is the Minister of Aboriginal and Northern Affairs (Mr. Robinson). I am responsible for the floodway side of the authority. We're completing the construction of the floodway. So detailed questions should be raised to my colleague, and I do want to echo one thing that the member did say which is within the jurisdiction of this department, and that is the continuing uncertainty when it comes to our winter road network.

Because of climate change, we are seeing more and more instability of weather. This year was a very rapid melt of the winter roads that would create significant inconvenience for the communities involved and, certainly, that's been a key element in our government's move forward to expand—to expand

the all-season road network the member has identified. Some of the work that is already under way, and the scope of this is very ambitious. It's to connect the many communities that do not have road access.

* (15:50)

The one thing I can indicate, by the way, is that the winter road system, we do cost share with the federal government. The federal government has not been part of the current discussions in terms of the East Side Road Authority, but certainly we would see a direct parallel between the cost sharing right now for winter roads which primarily serve First Nations communities and the funding of improved transportation in northern Manitoba.

So, in terms of detailed questions, the Minister of Aboriginal and Northern Affairs (Mr. Robinson) can better give the information to the member.

Mr. Maguire: I just—I know that I was critic for Infrastructure, Transportation and Government Services when this bill went through the House, and the minister of highways at that time was responsible for this bill. It was his bill that was put through the Legislature.

And I'm wondering if the minister can just indicate to me, if it's gone to the other department, just what—you know, how many lanes they're looking at, the sort of the road surface, the top type of it, that sort of thing, any—sort of, the size of the road right of way that might be required.

Mr. Ashton: Once again, the responsibility for the East Side Road Authority was given in October by the Premier (Mr. Selinger) to Minister of Aboriginal and Northern Affairs. I think it's public knowledge that the East Side Road Authority has been focussing on a number of partnership agreements. There's work on the route selection, which is obviously a critical part of the decision making. And, in terms of detailed questions, the Minister of Aboriginal and Northern Affairs, I'm sure, would be more than happy to share some of that information, and, you know, there's been some fairly significant work done on a very ambitious project.

And we, as a government, are absolutely committed to this critical expansion. It will help northern communities, obviously its first priority. But the potential for economic development, as the member can understand, is quite significant as a result of this as well, and that's win-win for the

province, but particularly for the communities that are involved.

Mr. Maguire: I'm assuming then, though, that the announcements of dollars for the road, for the east-side road, would come out of the minister of highways' budgets, or does it come out of Northern Affairs?

Mr. Ashton: It's flowed through the department to the East Side Road Authority, but again, the specific responsibility for East Side Road Authority was given to Minister of Aboriginal and Northern Affairs, which is, I think, highly appropriate. The—he's the member of the Legislature for all of the communities that would be served by an all-weather road—there's one that will change out of the boundary changes—so there's a very, you know, significant direct connection that the minister has to those communities.

So it is flowed through, but in terms of the specific details, I'd suggest either—the member is interested in a briefing, perhaps, but again, Estimates being the more immediate opportunity to raise questions on it.

Mr. Maguire: Yes, thanks to the minister for that, and certainly we'll do that. I mean, we'll take that up with the minister in charge of Aboriginal and Northern Affairs at our earliest convenience.

I know there was—can he indicate to me how many other dollars besides the 72.5 that were announced on March 30th have been put into that from his department at this point?

Mr. Ashton: Yes, we do have the current amount available, of which the member is aware, up to 72.5 million this year.

There was some—were some funds that were expended in the first—or last few months of 2009. We don't have that information available currently, but I'll undertake to make sure it's provided at the next Estimates hearing.

Mr. Maguire: The foreman and I was looking at the Floodway Authority and the minister's indicated that he's in charge of it. Will the Floodway Authority finish its work this year? When I was briefed on the East Side Road Authority it indicated that there may be some overlap here for this year between the two. What's the expectation that the floodway work would be completed in the fall of 2010? Will that still be the case?

Mr. Ashton: We did have some weather delays on the inland control structure, so the work may go into 2011. However, the project is, for all intents and purposes, is largely complete, and the key element there is it does bring us the one-in-700-year flood protection, which is very significant.

And I was reminded of that, actually. I had the opportunity to go to Fargo on Friday as a follow-up to the mayor of Fargo's visit here, and if you consider how close they came last year to Fargo being inundated—in fact, I believe it was 40.5 feet above flood level, you get some sense of why they're looking to Manitoba and our initial floodway and our expanded floodway as an absolute model for how they can move towards permanent flood protection. So it was quite something, to go to Fargo on a—as a follow-up to the mayor's visit here and see the degree to which we've come a long way in the last 40 years. And their—the mayor was very clear. He's looking at Manitoba as an example how to do it, which is encouraging and certainly encouraging that we're almost done the latest floodway expansion.

Mr. Maguire: Just a couple more quick questions before we turn this over into the emergency measures as well, and then we can continue the discussion in that vein. But the Floodway Authority, that project was done with a project labour agreement, and I wonder if the minister's recommendation on the east side road would be to have a project labour agreement, as well, even though the East Side Road Authority bill doesn't mention those words in it at all.

Mr. Ashton: Well, you know, again, I'll defer to the minister responsible for the East Side Road Authority, but I will say that the project management agreement has, I believe, provided significant predictability and stability on the project. This is something, by the way, that is reflected in comments that I've heard from both labour and from the business side, as well. We had no work stoppages. That was clearly, you know, one of the benefits.

But the predictability of labour costs, I believe, was very important and I actually believe that the project management agreement, as it was structured, also assisted fairly significantly in the high percentage of Manitoba content because, you know, clearly, labour costs were predictable. There were other costs that contractors factored into their bids to the tender process. So I can comment on what I believe has been, you know, a clear result of the project management agreement and I think, generally

speaking, it's been very successful in achieving the initial purposes.

And this should come as no surprise because it did reflect Manitoba Hydro's experience. In fact, historically, in the '60s, there was a major work stoppage at the Grand Rapids dam which did significantly delay that project and we were, in this case, able to avoid that and have a predictable labour cost and a predictable labour supply at a very intense period of time for the industry. So I can't speak for the East Side Road Authority, but I can speak from the Floodway Authority side, and I would say that the—notwithstanding some of the original disagreement over this, I think the experience has been—that's it's been a success and has achieved exactly what it was stated as its purpose.

* (16:00)

Mr. Maguire: The minister has no intent, though, in—on any other major roads that would be built in Manitoba under his present budgets that he would be looking at using an authority, at arm's length from government like this, given that Manitoba transport has built all the roads in Manitoba's history to date except this one?

Mr. Ashton: Well, certainly, the East Side Road Authority reflects very unique circumstances, same with the Floodway Authority. And I would point out, by the way, that there is a bit of a parallel in the sense that a significant part of the northern road network that was built in the '70s and '80s was actually built under the auspices of the Department of Northern Affairs at the time.

So it reflected, you know, unique challenges of building new roads. I think it reflects also the key element of developing partnerships with the northern Aboriginal communities that are to be served by the roads. Elsewhere, I think our view as a government is that MIT does a very good job, where necessary, to engage the services of the consulting engineers, we work really well with construction companies. And I want to particularly commend the ongoing work we've done with the Heavy Construction Association of Manitoba.

I think it's important to note that, by the way, that 10 years ago, they were calling for a long-term plan and greater predictability on the capital program, we provided that. We are innovative; it's been use-of-design build concepts. We are innovative in terms of technology as well. I think we've shown some very creative solutions, and we'll

continue to innovate. But I can't say enough about how MIT is a department that has a very huge mandate.

But, if you consider the fact that we've quadrupled the capital budget virtually, had significant increases in the last 10 years in its investment in highways. We've had a significant increase in investment in public facilities, ranging from corrections through to colleges. MIT has stepped up to the plate, and I want to put that on the record. There's a lot of really dedicated staff that are able, giving us the ability to deliver what we want to do as a province.

Mr. Maguire: Yes, just to close—the 72.5 million that the minister has announced through Aboriginal and Northern Affairs that comes from his budget toward the building of the east-side road. The minister's indicated that that was all provincial funds. Has he written to the federal minister or has there been contact made and requests made of the federal government to cost share that road with them?

Mr. Ashton: Yes, I know there have been various discussions. I've been part of discussions going back even pre the East Side Road Authority, because we have ongoing discussions with the federal government. The roadside is one element, but there are also, there's also the fact that we as a province are responsible for 23 airports in remote locations, mostly in northern Manitoba. We receive no cost sharing from the federal government at all, even though most of them serve First Nations people, and there is a fiduciary responsibility.

So we—there have been ongoing discussions with that. I think it's fairly important to note, and I think this, you know, in fairness to the federal government on this, that we're only now getting into the construction phase, and certainly we have raised, and I know the Premier (Mr. Selinger) has raised this. I believe the minister responsible for the East Side Road Authority has raised this, as well, the fact that we see a real advantage to a partnership. And quite frankly, there's a significant amount of cost avoidance for the federal government, we believe.

There could be a significant amount of economic development that could come out of a partnership with them. So we will have ongoing discussions with them. We have certainly raised it with them, and I'll put on the public record that we think this is—it's win-win. It's a win for the communities, it's a win for

the province and it's a win for the federal government. So we welcome their participation.

Mr. Maguire: Just noticed that there is a 12-kilometre extension from the Rice River Road to Bloodvein utilizing some of the winter road hydro-line alignment area, and I'm assuming that the, you know, the registry shows that the road would follow some of that area following the existing winter road and the highway alignment where feasible.

And has the minister any other information in regards to SNC-Lavalin's discussion? I've been at some of the public meetings that they had or the—not public meetings, but the displays that they've had, open houses that they've had in regards to the road. And can he confirm that that would be part of the—of where the intent of the road is to go?

Mr. Ashton: I can't comment on the specifics, but I can, in terms of the general situation, indicate that we have, now—for a number of years, had a very clear policy with our winter roads moving to more land-based winter roads. We've had significant movement off ice, which does, in most years, significantly increase the length of the winter road season.

One of the things that we did a number of years ago—well, actually, I was minister of the then department of highways—we actually moved to have capital funding for winter roads from the capital budget, and that allowed us to build a number of bridges. In fact, there's been a significant investment on crossings and bridges throughout the winter road network, and part of the vision for that was always that, where possible, that would also be a potential bridge or structure for an all-weather road.

So we've, for the last number of years, been moving in that general direction. My suggestion, again, is the minister responsible for the East Side Road Authority can provide more immediate information on the current status. I welcome—you know, I encourage the member to ask questions directly to the relevant minister on that.

Mr. Maguire: Last question I have is just, you know, if we're going to be following the west-side road or the winter road routes and we're going to be following the hydro line that's already there, how does the minister reconcile the fact that the road-building work here going up the east side is in direct conflict—or direct conflict of the idea—of the government not building a hydro line down the east side? And because the hydro line is being—the road is being built beside the hydro line that already exists in

regards to the East Side Road Authority, and so how does he reconcile that?

Mr. Ashton: Well, I think the member should be aware that there's a big difference between hydro lines that service communities, which obviously follow the road network for reasons of construction and servicing, and the route of a bipole, which has nothing to do with servicing the surrounding communities. It's part of the broader provincial network. It's tied in with both providing electrical service to a broader network, but also, you know, in terms of export sales, but that will be more—you know, if the member has questions on the hydro line, obviously, that's a question in terms of Manitoba Hydro—but there is a very big difference. There are power lines right now that provide direct-line power to every community on the east side. There are four remaining diesel communities in the province, none of which—actually, maybe, yes, actually—none of which are in the catchment area for the East Side Road Authority. So there's no juxtaposition at all.

I mean, I don't want to get into the east-side, west-side debate. I could. I think any one of our caucus would be more than happy to debate it, but that really is a separate issue here when we're talking about hydro lines to serve communities. It's very equivalent to roads to serve communities. This is a basic, public service. I would actually argue, in a lot of ways, it's almost equivalent to a human right. You know, it certainly is, in my view, is—extending road access is probably the best social program you could ever see. It has huge benefits and I know this to be the case where communities have had road access extended.

But as much as—and I look at the members in the committee right now, and I look at the minister responsible for Hydro. I'm sure she'd love to debate that, but I get the feeling she'll get the chance to do that in question period some time soon. I know this debate's not going away.

* (16:10)

Mr. Maguire: There's lots of questions around this, but I know we need to move on to Emergency Measures, and so I'll hand it over to the member from Ste. Rose, my colleague.

Mr. Stuart Briese (Ste. Rose): I presume the minister wants to move some staff up here, but I don't know whether there's any opening statement you want to make on Emergency Measures or not but—

Mr. Ashton: You know what? I'll just make a very brief comment, one that—which is that I want to put on the record that certainly over the past year we've seen significant activity in dealing with disasters. I think it's important to put on the record particularly the work that took place last year with the second worst flood of the century in the Red River Valley, probably the worst flood of the century north of the Red River because of the ice jamming and some very significant flooding affecting First Nations communities, particularly Peguis.

So I want to thank EMO. I want to thank the municipal partners. I want to thank the volunteers, and we've made some significant strides to improve flood protection since then. I'm sure we'll get into that in these Estimates, but I did want to indicate, it's been a very significant year over the last year, and, again, EMO was there, and I want to thank them on the record.

Mr. Briese: And I will join with the minister in thanking EMO and the municipal people in the area that were involved over the last couple of years and even beyond the flood conditions here, up in the Interlake and West Lake region of the province where there were some significant impacts from rainfalls.

And I think in most cases everything was handled reasonably adequately. There was—there's always the odd glitch, and some of those will be probably what you'll be asked about. So, without further ado, I'll move on to some of the things that we did specifically want to bring up: firstly, the number of claims you've received to date in relation to the 2010 flood and how many of them have been actually dealt with and resolved.

Mr. Ashton: Just to clarify, we're talking about this year?

An Honourable Member: Yes.

Mr. Ashton: Okay.

An Honourable Member: 2010.

Mr. Ashton: Two municipal and two private.

Mr. Briese: And have they been dealt with?

Mr. Ashton: They're in the process of being dealt with. I think—we ended the flood season on Friday, and without commenting on the specifics of any of the claims, particularly with municipal claims—the member knows this as well from his previous life—there often is a period of time which you go through

where you have flooding of, for example, municipal roads. It takes some time before the municipalities are in a position to calculate the costs and actually reconstruct the roads. So we would certainly anticipate that there'll be further information forthcoming.

So—but I think the number of claims—certainly, indicates the degree which we went from a major flood last year to a very different situation this year.

Mr. Briese: There's been some discussion and there's been some media releases about a fairly significant federal-provincial investment into flood protection on the north side of the city. I think the figure I've read is 89 million, and I don't know whether that's strictly the federal part or the total, but there's been no announcement, that I'm aware of, on this, and I was wondering if—at what stage that's at because there's—it's been talked about for quite some time now, for the last several months at least.

Mr. Ashton: Yeah, I've—perhaps I'll just sort of start from the post-flood situation 2009 and move forward and give the member an update on the discussion with the federal government. We acted, both during and after the flood, to enhance our flood-fighting and our long-term protection measures.

I think probably last year the member would be aware of some of the deployment, and again this year of ice cutters, flood tubes, some of the newer tools that perhaps have been used on a more limited basis in the past.

We also, immediately following the experience of last year, moved to buy out flood-prone properties. We're very concerned about not only the exposure of people who live in the properties to the kind of major flooding we saw last year but also our emergency response personnel and certainly that has taken place over the last year and there's been 60 homes that have been bought out.

We identified, after the flood, the need for some specific, targeted flood protection north of the city that would look at individual dikes, community dikes, et cetera. We have identified those needs and the—there are a number of other areas that we see as enhancing our flood-protection capabilities with the federal government. We're still in discussion with them. I think it's important to note that in 1997, post-'97, we had the negotiation of a stand-alone agreement in the Red River Valley which was very successful; \$130 million was spent in flood protection, and you saw that impact last year with

the—there was damage but the scenario was dramatically different from what it would have been without that investment. So we're continuing to focus in on that with the federal government. We're back and forth in the discussions on the specifics.

I also want to indicate, too, that we've flagged the particular vulnerability of First Nations and I want to particularly note the fact that last year, in Peguis, 300 homes were evacuated which shows the particular vulnerability of Peguis. And while this is, you know, the fiduciary responsibility of the federal government, we have undertaken to be meeting with Peguis. We, over the last number of years, have been working with them on LiDAR surveying, some initial flood protection and we've identified with the federal government we certainly feel that it would be appropriate to ensure that First Nations are included. By the way, in—post-'97, this was exactly what happened with Roseau River.

So we're still in discussion with the federal government. Our intent, and I think the federal government's intent, is to achieve agreement—federal-provincial agreement—that will ensure significant investment, particularly north of Winnipeg, the flood-affected areas of last year. I should mention on that, though, that we're not excluding other flood-protection measures and there will be other measures.

You know, I look forward to next Tuesday in Morris, talking about Highway 75 that, obviously, preliminary stage. They're not part of that federal-provincial negotiation in the immediate sense because we obviously have to do the full costing and determination of what the approach is to follow. So what we're talking about now would be one element. We would certainly look forward to talking to the federal government down the line about other projects, such as 75, and by the way, I think we were impacted, what, 70-plus municipalities last year? So we're not—our approach in working with the federal government is not to exclude potential for good flood-protection projects throughout the province. So we're in discussions. I'd say I'm optimistic that we'll be able to reach an agreement fairly soon.

Mr. Briese: Is dredging being considered as part of that overall priority list?

Mr. Ashton: Well, certainly in the past there has been dredging north of Winnipeg, primarily—in fact, exclusively for navigation purposes. There has been an expression, I think, in surrounding areas, of interest in it as to whether it would make a difference

in terms of flood protection. We have certainly recommended to the federal government that they might want to look at it, perhaps on a trial basis. Whether it would make a difference in terms of flood protection is another question, but in our discussions, we certainly flag that there is a certain feeling in the area of some local residents that it might make a difference and certainly they should consider it.

They did dredge before. They are not dredging currently. So, again, they have responsibility for navigable waterways. It's something that we did flag as something they should consider.

* (16:20)

Mr. Briese: It's my understanding that with the—the Amphibexes have dredging capability, and I'm wondering if the Province, because they have those machines, would consider doing some dredging without the feds being part of the picture.

Mr. Ashton: Well, our view is that it is a navigable waterway. We believe that there probably are some arguments outside of flood protection for dredging, you know, in terms of navigability.

I want to stress, by the way, there are other areas in the province as well where we're running into situations where there's a significant impact from silt on navigation. I know some areas, you know, commercial fishers are impacted.

Again, the federal government did dredge previously. We've certainly encouraged them to look at that. I think they have been considering it. As to whether they're going to proceed with it is another question.

Our focus has been on specific items that we know will have an impact. I want to particularly mention the diking. We see some specific advantages, not the least of which is this worked in the Red River Valley south of Winnipeg. And we do have greater experience now because the 2009 flood was the flood of record north of Winnipeg.

So we—you know, we put forward proposals that are consistent with the 1997 program and we're still under discussion, but I'm optimistic we'll be able to reach an agreement with the federal government quite soon.

Mr. Briese: The technology has changed quite a bit on how they handle ice and how you do things on the Red River in the last few years with the Amphibexes and the ice-cutting machines and various ways that it's handled.

I have heard some concerns, and I wonder if you monitor it and whether there are some ongoing records kept that the way they're handling the ice with breaking it up, when it's still definitely winter ice, is maybe part of the reason we're getting—first of all, are we getting more ice jams now than we were before, and secondly, is maybe the method of dealing with the ice possibly causing more ice jams.

Mr. Ashton: What I think is important to know is that ice jams have occurred throughout history. As long as we've had cold weather in Manitoba, which is a good part of our recent history, there have been ice jams, and it's well documented. And ice jams certainly predate the floodway. Not only do ice jams predate the floodway, we saw last year where we had ice jams before the floodway was being operated.

So I start from that premise. The Department of Water Stewardship has taken a lead role in bringing in Amphibexes and the ice cutters. Certainly, the—I think the initial conclusions are that it's been beneficial, and when I say initial conclusions, I want to particularly note the municipalities that—north of Winnipeg municipalities are also co-owners. We have a really unique arrangement there which I think reflects our commitment to municipalities north of Winnipeg.

And what I find interesting is there is a clear indication this year of further success in terms of the ice cutters, and that's certainly the view of not only the staff that have been operating them, but our technical people. So we—we'll continue to look at creative approaches.

I actually haven't heard this theory that the member is putting forward. I don't want to do anything other than, you know, sort of accept it on the public record as perhaps expressing some concerns by some individuals.

But I would say that one thing we've done in the last number of years, I remember being told a few years ago that you couldn't do anything about ice. I think we've, in the true Manitoba tradition here, have said, well, maybe there are some things. And there's no miracle cures. The Amphibex—the ice cutters can't handle 15-foot-high ice jams last year that really were a result of a number of factors. The particular factor that we had, we had ice thicknesses last year that were parallel to winter road ice thicknesses—two and a half feet, three feet and some very unique circumstances that led to that situation.

So, on balance, I think the conclusion is that the ice cutting has been successful, and, in fact, if anything, we are extending the time period in which we're involved, the amount of ice that's being cut and our capability. We've added another Amphibex, for example, and we'll assess after our experience this year, but our general approach is if we need the additional focus in on that, we're going to do it. Because ice jamming is an issue north of Winnipeg—has been historically and will continue to be so.

Mrs. Mavis Taillieu (Morris): I just want to follow up a little bit on a question that the member from Ste. Rose had asked about a flood mitigation program. And I think the minister said, after last year's flood of 2009, that there was a federal-provincial flood strategy program to be in place. And I understand, from his answer, that that hasn't been announced yet. But I did write to the minister last year and asked specifically about that program, and, specifically, for a constituent of mine who's waiting for the announcement of the program. And I guess what appears to have happened is, through a series of e-mails that I've been forwarded, there's an indication that the Province is waiting for the federal government. And the federal government is saying it's a provincial responsibility and they're ready—waiting and ready.

So it seems to be one of these things that both people are blaming the others, and nothing is getting done. But, in the meantime, there's people out there waiting for some program to be available and, specifically, I'm talking about a diking program, which would be part of the program. So can the minister indicate, like, I know he said they're in discussions, but I do have an e-mail from the federal office, and it's saying it's a provincial responsibility. Federal government has agreed to fund parts of it, based on meeting federal program criteria. The bottom line is: until the Province is ready to move, we, like you, are in a holding pattern. And that was to the constituent himself. So what's the status right now? I mean, isn't there some way that this could be—speed up the process here, so that people aren't impacted?

Mr. Ashton: Well, first of all, I want to stress that I'm not pointing fingers at the federal government. I made it very clear right from the start that we see that the federal government has intent to be part of the solution. That's been a clear statement by the former premier, the current Premier, myself as, you know, EMO minister and, right from the start, that's been the accepted premise.

I think it's important to note, by the way, that the 1997 program certainly didn't move as rapidly as we're intending to move here, but it was a stand-alone program. It was unique. It was, specifically, geographically targeted, and, if you weren't part of that geographic target, you weren't eligible.

We are now in a different situation. We have been discussing with the federal government a program, in this case, which the—would be involving existing infrastructure funds. So, obviously, that—the criteria would be established by that fund itself. And we are back and forth in terms of discussions, but I am optimistic we can reach an agreement on this.

I think it's really important to note, though, that we have no national mitigation strategy. We have raised concerns about this. Municipalities have raised concerns about this. We also raised concerns about the fact that, under DFA, there is an allotment for mitigation, but it's not targeted and it's not available to municipalities in terms of community mitigation strategies.

The—in fact, we've been talking to the federal government about this, so I think it's important to note, of course, that the new minister of public safety is the member's—the Member of Parliament for a good chunk of our area. So he knows the Red River Valley. He knows a lot of the issues, and I actually think that Vic Toews will be very—a very huge asset to the province in terms of that.

*(16:30)

We are continuing to work with the federal—we identified, by the way, a list of projects going back to, I think, May—May, June? [*interjection*] Yeah, June, we formally communicated that. We've had a number of meetings. I've been in Ottawa. We've had meetings there. The deputy minister responsible for EMO has met with her counterparts. The deputy minister of MIT has also been involved in this. Our infrastructure sector has been involved with this.

So our intent is to get an agreement with the federal government. So I'm not pointing fingers at them. I don't think they were pointing fingers at us. I'm confident we can reach an agreement. There may be some discussion back and forth about what is eligible. I mean, that is the difficulty when you have a program that's predicated on existing programs and their criteria.

Would I prefer a '97 program? Absolutely, but there were a lot of things that were unique about '97 and the follow-up. The member's quite aware of that.

And, in this particular case, certainly the federal government has indicated they are willing to discuss existing infrastructure programs. That's the focus we're looking at.

So I'm very optimistic. I'm not pointing fingers at the federal government. I'm optimistic we'll have an announcement shortly.

Mr. Briese: A couple of specific issues, the—and I'm sure the minister is aware of this, although I think the letter that went out was before—oh, no, it was—went to this minister.

Bifrost has a problem with some work they did in kind on diking on the—it would be on Lake Winnipeg, and there was an agreement made with the Province. It's my understanding there was an agreement made with the Province, where they could do some in-kind work for the 10 percent contribution from the municipality on the work done. And other municipalities that had some of the same work done after the fact, the 10 percent contribution was forgiven. And, consequently, Bifrost was never paid for the work that they'd done up front. And I know they submitted a bill to the government and I've been told it's—they'd been told that it's a political issue.

So I raise it here to see if there's been any progress made on that.

Mr. Ashton: Water Stewardship has been the—they implemented the diking. I can speak to personal knowledge in terms of that. I was minister responsible at the time. There—you know—so the details be best asked to the Water Stewardship Minister.

I can indicate that we, you know, in a general sense, when it comes to flood mitigation, have been fairly flexible including, you know, a significant recognition of in-kind contributions, where those took place. We've done that. We did it post-'97. In that program, we did it in terms of Lake Winnipeg and I am aware of some of the specific issues back and forth, but they are under discussion.

I think the reference to being political, it's probably because the municipality doesn't agree with what they've been told and have raised it at the political level, and that's fair ball. I mean, you know, I believe they've probably raised it with the local government minister as well. So, basically, we don't have the full details and EMO, again, is the co-ordinating body for emergency response.

We are the—you know, I am the lead minister on the negotiations with the federal government on flood protection, so that's where, you know, those questions are clearly relevant to the department.

Mr. Briese: The reason I was referencing to this minister was because the letter was written to him on January the 6th of this year. So I was taking it to mean that it was—it fell under EMO and maybe under MIT to a degree too, to do that diking up there. Unless the minister has any other comment on it, I'll continue to something else.

And I'd like to hear, or find out, some kind of records or some kind of numbers on private disaster financial assistance claims in the Interlake and the Westlake region, both last fall, but probably even back into the fall before that with the heavy rains.

Mr. Ashton: What I can do is, in terms of the 2008 program, there were 532 private claims, \$3.5 million, and 10 claims for \$260,000. And, basically, I think the member's probably aware of some of the issues in the Interlake.

We ran into some difficulties with the federal government in terms of a DFA program because their interpretation was, if it hits one sector, it's not eligible. So we had to step in and make a direct provincial contribution. And we still are of the view that if you have an impact and it happens to be one sector, if it's a disaster, it's a disaster. It doesn't change the circumstances, you know, for the people in the area. And certainly the member's aware of the last several years in the Interlake where there's been a significant problem with excess moisture year after year that's created some long-term challenges for individuals and particularly producers in the area. So those are the numbers going back to '08.

Mr. Briese: Thank you, Mr. Minister. And I am somewhat curious about the federal-provincial relationship on disaster financial assistance because I was involved, and maybe my memory's faulty, but I remember a number of years ago being involved at the Federation of Canadian Municipalities level on a committee where the federal government was proposing some fairly significant changes to disaster financial assistance. And I think there was enough kickback at it that they pulled back and didn't make those changes, but it always was my understanding, and maybe, as I said, I don't understand it correctly, that when there was a disaster, the provincial government would inform the federal government that there was a disaster situation—and I know how the formulas work and at what levels the formulas

work on the percentages, so I don't think we need to go into that.

But I wasn't aware that when it fell into most of the categories, that there was an approval process by the federal government on it. It was always my kind of understanding that the provincial government quite often put the money out first to get stuff moving and then, I'm quite aware that there was times when it was two or three years before federal money ever came down the pike to offset what is spent initially up front. But the Province, I was under the understanding, took the lead in some cases, and then did their negotiating with the federal government afterwards.

* (16:40)

Mr. Ashton: Well the—there's two dimensions here. One is eligibility and the second is payment. And the member's quite correct that the federal payment may come in significantly after the fact. But, when it comes to eligibility, the challenge for us is, if the federal government doesn't deem it to be eligible, we're stuck paying for the entire cost, of course, minus the municipal share. And when you consider that, you know, last year, for example, the magnitude of the disaster financial assistance claims clicked into the 90-10 part of the formula, there's a lot at stake.

So we do have our very early discussions with the federal government, and they will focus in on, first of all, whether it is eligible for disaster financial assistance. As the member is aware, it has to have a widespread impact. There's various other criteria, so a severe weather event may not necessarily result in something that's eligible for DFA. I mentioned the fact that if it's one sector, we ran into that problem as well. I'm assuming that the assumption there is that there'll be assistance through ag pro—you know, ag programming, if it's an ag-focused disaster, rather than DFA.

We also have to, in addition, to look at the question whether it is eligible as a program and look at the specific elements of that. And the member is aware, I know, of the long-standing issue with municipalities, the municipal cost sharing. Again, there is a DFA formula that's been changed. We, actually, have gone to 65 percent in Manitoba. It's 40 percent across Canada, but we actually felt it would save money, because far better to have municipalities using their own equipment and getting a reasonable cost recovery for it instead of using leased equipment.

But the way it works, basically, is if we're not careful we end up with a significant financial exposure for the province.

So, generally speaking, we're in close contact, virtually from day one, with our federal counterparts, and that is the essence of DFE–DFA. On occasion we have gone outside of that. We did it in the Interlake, because the federal government said, flat out, they would not recognize it, but we weren't going to have more than 500 producers and homeowners in the Interlake without assistance when you clearly had a disaster. It just happened to be one that hit the farm sector.

An Honourable Member: Not much population.

Mr. Ashton: Well, I mean, 500-plus people and individual claims. I mean the real issue there was because everyone of them was a farmer, and—didn't make sense.

So, you know, so, yes, the funding may come in on occasion. We did in the Interlake. You have to step out ahead of that. But, generally speaking, we work fairly co-operatively with the federal government and 99.9 percent of the claims, certainly, meet their test as well. You know, so that's why we have early discussions on eligibility.

Mr. Briese: Yes, thank you, Mr. Minister.

Some of that—by the way, I wish whenever you're referring to the wet conditions of the flooding in the Interlake, you would include the Westlake region. That's over on my side of the lake. It had exactly the same conditions on the north end of Alonsa and up through Eddystone and north and up through Crane River. And everybody seems to forget to include that west section. It was the same rainfall went across the same area. So I would really appreciate it being included.

And I remember the discussions we had to get that municipal—when—that municipal work covered at a higher level, and I felt that was the right thing to do, and I'm pleased to see that that finally did happen.

A lot of the individual claims, at least in the Westlake region—and I'm sure they were over in the Interlake—were for things that weren't necessarily for agricultural things. There was—there were a lot of septic fields that failed and caused significant damage and things like that, and not necessarily were covered by home insurance. And I don't know what stand DFIA–DIF–DFA took on those situations.

But I guess I want to move on a little bit on the— one of my constituents out in the Eddystone area was, because of the heavy rains there was quite a large area of water backed up on his area, in his place, and he talked to Disaster Financial Assistance and, actually, I could give you the name. I may at some point.

And he had—most of his hay ground was under water, and there was a need for some way to release the water pressure out of it and get the water out of there. And he received permission, verbal permission, from one of the people in your department to proceed with it. And he checked that twice, because he wanted to make sure that—he said he couldn't afford to fix it himself. And he received assurance that before he went out and borrowed the money to do the work, that it would be covered by DFA.

It's since been refused and I presume it's been refused because it probably went to the federal government, and what you just said a few minutes ago. But he is now out of pocket, \$10,000 for that job, and he's a young guy, and he's struggling fairly significantly. And he had assurances from one of the people in EMO here that he would be covered before he ever began that process.

And if you want, I'll give you the name and if you want to pursue it and see what you can do in this case.

Mr. Ashton: First of all, I would not forget the member's area. In fact, was eligible under DFA. But I'll—I might suggest on the particular case, if the member can provide the details, we'll look into it.

Mr. Maguire: I just wondered, in relation to some of the questions my colleague's been asking in regards to the flood protection and that sort of thing, I know that the last year and this year there's been some use of—I think this year, as well, the member, the minister can correct me if I'm wrong, the use of the tubes as flood dikes or the tube dikes, I guess they call them.

Can he indicate—I know they used quite a bit of that last year up around Breezy Point, and can he just indicate to me where that's been used last year and this year?

Mr. Ashton: Yes, we have had some use on trial basis the last number of years going back to 2005, in terms of flood tubes, initially, on Lake Winnipeg. We did purchase two particular types of flood tubes. I believe one is called the Aqua Dam; the other is

Tiger Dam. What happened last year is we were hit with three dimensions of flooding: river flooding, ice jam-related flooding and some significant overland flooding, particularly as a result of frozen culverts. It's important to recognize I think it was about minus 21 degrees when we got hit on March 25th.

What we found last year was the flood tubes had some advantage in terms of flexible deployment; you know, we could use them on a tactical basis. We did use them in a number of communities north of Winnipeg, plus they proved to be useful in Peguis. In fact, in Peguis they actually didn't have time to put in sandbag dikes, but the deployment in this case was much more rapid. I believe they were used—they were certainly used in West St. Paul. I saw them directly there, St. Clements and St. Andrews, I think were the three communities where they were used directly—and Selkirk, as well.

* (16:50)

So, north of Winnipeg, they were extensively used, and we did increase our purchase this year. We did look at other suppliers and other products, and one of the reasons we did that was we were faced with a very significant flood risk. We were fortunate that the dry weather helped to significantly reduce that over time. But the advantage, again, is these can be used in the future. I think the life span is in and around 15 years. So I've no doubt that we'll have use of them many times over before we're done with them.

Mr. Maguire: The—were any of them used inside the city as well?

Mr. Ashton: Yeah, I think they were used. There was one particular case where I know they were not deployed properly. I think it's important, like anything else, to ensure proper deployment. But one of the things we did in advance to this flood season is make sure that we had full training of municipalities on—in particular, you know, potentially flood-affected areas on the deployment of the flood tubes. It's—It doesn't take that much training. They're fairly easy to use, fairly quick to deploy, but we wanted to make sure they were appropriately deployed.

Mr. Maguire: Yes, thanks, and I know the municipalities—some of them had them more readily—from the deployment perspective, they had them spread out and more available in the municipalities where they might have been needed this spring to be ready for them, as opposed to last year was a first-time use, and the disaster was here and I think they

were purchased under, you know, pretty short order because of the flood that was there.

Am I correct in that just in regards to the deployment and the speed of which they were needed?

Mr. Ashton: Well, ironically, last year, when we first got hit by the flood, they—one of the versions was actually being demonstrated that day—talk about timing—and actually on the 25th of March we did move very quickly. The deputy minister and I will remember well the unbelievable developments that night where we went from no real advance warning to—I think it was coming up, you know, a foot every hour, I think, or a couple of feet.

So we did move fairly quickly. We did use two particular kinds of tubes. The one that we purchased this year could provide the quantity we needed on time for this flood event, and, generally speaking, we're looking for new ways to deal with flood situations.

I mentioned earlier, the ice cutters, the Amphibexes, they all play a part. They're not miracle cures. They have advantages operationally, but they have some limitations as well, and we've learned from experience. The key thing we did, though, is—going into this flood circumstance, we significantly increased our approach, and we found, by the way, the advantage of these dams or the Tiger Dams over some of the other items there where they were much easier to deploy and were more portable. So they're going to be part of the arsenal in terms of flood protection over the next period of time, and I think—I know last year I think the member's colleague, the member for Springfield (Mr. Schuler), saw it firsthand. It had impacted in and around his area, and the member for Selkirk (Mr. Dewar) is here; he saw it directly.

So—and the municipalities were very strong proponents of this. Do they replace permanent dikes? No. Do we still need sandbags? Yes, but these are an additional tool.

Mr. Maguire: The minister indicated in his earlier comments to one of my questions that their answer—that there was two types of units that they used. I believe it was Aqua Dams and Tiger Dams. Can you just outline to me the difference in those?

Mr. Ashton: Probably the big difference is the Aqua Dam is a larger dam. It's—I'm trying to remember the dimensions—*[interjection]* Three feet, yeah. *[interjection]* Yeah, the Tiger Dams are 18 inches.

We did use both of them last year. They did prove useful under some circumstances, and, again, let me stress they're not a miracle cure. They don't work under all circumstances. Prior to the additional purchase this year, we contacted the supplier—suppliers of this product and one other product as well. Actually, we contacted two suppliers but only one responded, and we received a competitive price and were able to get the full delivery prior to the flood season, which was critical to us.

My view, by the way, as having some experience now with EMO and flood protection is, you know what, you can never be too prepared for a flood. You can certainly be unprepared, or under-prepared, and I know, certainly, we got lucky this year. I'd use that phrase because that's what it was. We got lucky with the weather. Our initial forecasts were very significant in terms of flooding but I have no doubt that some of the preparation this year will be useful some time soon in the future because this is Manitoba. When it comes to spring, some years we get lucky, but, you know, generally speaking, we're faced with significant flooding and we fully anticipate these along with some of the trailers, which will allow for even more rapid deployment, that they'll be a useful part of the arsenal for many years to come.

Mr. Maguire: Can the minister indicate to me—I know that, last year, it came up quick and they were purchased in pretty short notice. Can you indicate, I think it was—am I correct in the numbers? \$2-million worth last year and \$1 million this year, somewhere in that, in regards to the cost amount that was paid for the dikes?

Mr. Ashton: I believe it was close, yeah, close to a million and a half last year, two million this year.

Mr. Maguire: And he mentioned the suppliers. Can he indicate to me who they were?

Mr. Ashton: I know the brand names. Who was the actual—the supplier of the Tiger Dams, International Flood Control which is actually Canada-based, and I believe Aqua Dams are a European product—coming out of Denmark? *[interjection]* Yeah. I'm not sure of the—I know the brand name, but not the supplier.

Mr. Maguire: Can you tell me where the distributors are located?

Mr. Ashton: I mentioned Aqua Dams based out of Europe. I can get the specific location. International Flood Control, I believe the main office is out of Calgary.

Mr. Maguire: I know that there was, you know, need to pick them up. You can never be too prepared, as the minister has indicated earlier. Last year, I mean, I understand that the need there and fortunately you were testing them on the day that the flood was needed, March 25 of a year ago; that's tremendous timing, avoiding a huge catastrophe, and I know that because of the ice and everything that backed up so quick, you couldn't have forecast that. Is there a plan to purchase more of these for future years as well?

Mr. Ashton: There's no current plans. We'll certainly review our operational requirements.

I can indicate that certainly Peguis has identified that they would be very interested in this as being part of their flood protection strategy and, although, you know, it's a First Nation, it's the fiduciary responsibility of the federal government, we've certainly flagged with the federal government that we can provide some coverage and we do and we did last year with our tubes, our flood dams, but the feeling of—certainly, I know from the meetings we've had with Peguis is they believe, given their particular vulnerability—300 homes evacuated—that this is a useful tool. In fact, close to 240 of them, I think, were what you could consider overland flooding where, you know, this is fairly effective. So we would certainly encourage the federal government to look at Peguis's concerns, but we've got—we have now five times more tubes, you know, dams than we had before. So we certainly feel that's a greatly enhanced capability.

Mr. Maguire: Were any of these tendered? I understand that the first year they may not have been because it was such a disaster, but you've had a year then to look at the purchase of these ones. Can the minister indicate to me whether they were tendered or not?

Mr. Ashton: Well, what we did is we did, prior to the—announcing last year was unique circumstance. We—

Mr. Chairperson: Forgive the interruption, but the hour being 5 o'clock, committee rise.

EDUCATION

* (14:50)

Madam Chairperson (Marilyn Brick): This section of the Committee of Supply has been dealing with the Estimates of the Department of Education. Would the minister's staff please enter the Chamber.

We're on page 62 of the Estimates book. As previously agreed, questioning for this department will proceed in a global manner. The floor is now open for questions.

Mr. Cliff Cullen (Turtle Mountain): Madam Chair, when we left off I was talking about the tax incentive grant and how that worked here in the province of Manitoba. And just trying to get my head around in terms of the policy, the parameters, the—and the formula that—where the TIG would come into effect. And we were talking a little bit about surpluses that school divisions may have. And I wonder if the minister could spell out the impact that surpluses would have—like, a surplus a division would have on their books and how that would impact the tax incentive grant.

Hon. Nancy Allan (Minister of Education): Well, first of all, I don't remember, yesterday, us talking about school division surpluses and how they relate to the implementation of a school division taking a tax incentive grant. Maybe I missed something, but I guess you wanted to segue to that next, so I just wanted to clarify that.

In regards to school divisions' surpluses, we have implemented a policy that school divisions hold their surpluses at approximately 4 percent and that doesn't really factor into the criteria for a school division taking the TIG. That's not something that is really criteria that we worry about in regards to school divisions.

We—you know, it was a policy that was implemented in regards to school divisions a couple of years ago, and school divisions have done, I think, an excellent job in regards to managing their budgets and working in co-operation with us in regards to those surpluses, and we, as a school division—or sorry, as a department, we—officials in our department, you know, know exactly where those surpluses are at from school division to school division.

And the bulk of them are actually in compliance with that 4 percent.

Mr. Cullen: Madam Chair, there is a situation this spring, I guess, in the city of Brandon, the Brandon School Division and the City of Brandon were going to put up their rate—their taxation level—fairly substantially. I think there was an original grant probably allowed to the school division there and, certainly, the budgeted increase raised quite a concern in the—within the community.

And as a result, there was a lot of feedback in the media and it seemed to me there—the Province came back to the school board with another settlement. And it looked like a phase 2 of the TIG.

Can the minister explain to me what happened in that particular situation?

* (15:00)

Ms. Allan: So, further to the tax incentive grant and further to what happened in Brandon, officials were working with all of the school divisions in regards to what the funding announcement meant in regards to their resources. And I chatted a little bit about this yesterday. The TIG is calculated—it's calculated on a tax year basis, and it takes into account the announced provincial funding level and their average growth. And what we had actually—and their average expenditures over five years. And we had initially, when we did the funding announcement, we looked at a 50 percent increase—or, sorry, 50 percent increase over five years—oh, sorry, over four years—and then what we did was we moved that to 65 percent from 50 percent. So that factor came into play in regards to the increased funding to all school divisions.

Then, what happened in Brandon was officials were chatting with that school division in regards to—they had had significant increase in enrolment due to immigration and some other factors, and so what the officials did was they were chatting with the school division in regards to that enrolment, and that was something that they wanted to take into consideration. So they provided funding to them under the special circumstances that they were having in regards to their enrolment.

Mr. Cullen: So the increase from the \$1 million, which was the original TIG, to the \$1.8 million wasn't necessarily all associated with the TIG then, there was some special grant made in this application?

Ms. Allan: No, it was all the TIG. It was part of the tax incentive grant.

Mr. Cullen: Does the minister and her department have a figure that each school division—the total cost for each school division that they expend on education across the province of Manitoba and, if so, could the minister supply the complete budget for each and every school division in Manitoba?

Ms. Allan: We put out a FRAME report every year, and it's our FRAME report for 2009-2010. I believe

that came out about—oh, I should just look and I can tell you exactly when—October '09, and we will have another FRAME report that will be coming out approximately around the same time of year. And it is—it's an extensive document, and it lists—it has pupil statistics in it, operating fund analysis in it, assessments and levies by division and it certainly will be available for this funding year, the 2010-2011 funding year, and you can see—we could get you a copy of last year's as well if you would like to have a look at that FRAME report. And it's on our Web site and it's just wonderful bedtime reading.

Mr. Cullen: Thank you very much. I appreciate that. I will endeavour to get that off the Web site then.

The issue around independent schools and how independent schools are funded, would the minister be able to explain, in short detail, you know, the parameters around how the department funds independent schools?

Ms. Allan: Just in regards to the FRAME Report, my deputy minister shared with me that when I suggested you may like to read it—it makes wonderful bedtime reading—I just want to share with you that Nick Martin, who's the education reporter for the *Winnipeg Free Press*, once called it a precious tool. So I'm sure you'll enjoy it.

In regards to the independent schools, they are funded according to their school expenditures for two years prior, public schools—sorry, public schools expenditure for two years prior on a per pupil basis.

Madam Chairperson: Before recognizing the honourable member for Portage la Prairie, I just want to ask leave from the House that the honourable member can ask questions from the seat he's currently sitting in. Is that agreed? [*Agreed*]

Mr. David Faurshou (Portage la Prairie): I would like to begin by congratulating the minister on her recent portfolio assignment. Her and I have past experience as school trustees and knowledge of each other, as we shared a number of interests in common, when we were both at conventions of the Manitoba Association of School Trustees in the past. And I do appreciate that her knowledge of the school division operations will be a significant enhancement of her assignment as minister.

Having said that, I would like to ask the minister—picking up on my honourable colleague's questioning, pertaining to tax incentive grants, and the designation of 4 percent as the appropriate level of surplus for each school division. Has the

department evaluated that level based upon the amount of interest that each school divisions actually expend on a year-in, year-out basis?

Because I believe that different divisions have different arrangements about when they receive the money, and how well their investments have done, and other things. And I think that is a more appropriate way of evaluating as to whether or not they have enough surplus there to cover off the peaks and the valleys in the funding that they receive from the various sources.

Ms. Allan: Well, officials in my department have a comfort level with the 4 percent. There was some notion of going lower than that, but they thought that the 4 percent was more manageable for school divisions, and they keep in pretty close contact with school divisions in regards to their surpluses, and they know what—where the surpluses are of every school division. And, in regards to the concern, in regards to the peaks and the valleys, in regards to the cash flow, actually, the surplus actually helps them with this. So staff have a comfort level that this is manageable for school divisions.

*(15:10)

There's also a mechanism in place that school divisions can use, and it's called capital reserves, and they can hold funds in capital reserve for capital projects. So that helps them, as well, in regards to those peaks and valleys in regards to cash flow issues and just generally managing, you know, their whole budget and their ins and outs and arounds and abouts.

Mr. Faurshou: Well, I appreciate the minister's response because it demonstrates that she understands how school divisions receives their monies, and, it does cause for concern because it's not even, each and every month, throughout the year, when monies are received by school divisions. So we do have to have some level of reserve in order to get away from paying a fair amount of interest to financial institutions throughout the year, which, I'm sure, she appreciates—that, if you're paying a couple of hundred thousand dollars each and every year for interest to a financial institution, that's three teachers out of the classroom, it's 10 teacher assistants not in the classroom.

And I think the department, if they look at the FRAME report—and I do appreciate the minister's familiarity with the FRAME report. And I want to thank the former minister of—in the Filmon

administration that brought forward the FRAME report and saw the value in having a uniform reporting that would be of a comparative nature and allow school divisions to see what other school divisions are doing, and may incentive to bring in line certain expenditures as neighbouring school divisions, through that comparative document.

But I leave it with the minister to review the FRAME report. Look at the amount of interest that's being paid by the various school divisions and let that, then, be the basis, rather than an arbitrary 4 percent, even with a fudge factor, because return on investments and expenditure of monies towards capital do vary from year to year. So, perhaps, the minister would reconsider the 4 percent criteria and move to the amount of interest that school divisions are paying, as a more reflective way as deciding as to whether or not they have too much or too little surplus.

Ms. Allan: Well, a couple of things. First of all, the FRAME committee—or the FRAME report has been in place for a very long time, prior to the Filmon government. So, I want to, you know, give recognition where recognition is due.

And I also want to congratulate two individuals in my department, Gerald Farthing and Steve Power, who have made a lot of changes to that FRAME report, and they've made those changes—well, I'll just wait.

I was actually in the middle of my speaking and wanted an opportunity to just let the MLA for Portage know that I'd like to pay some recognition to Gerald Farthing and Steve Power, who set up a FRAME committee, and they worked with secretary-treasurers in the school divisions to do some revisions to the FRAME report, so that the document could be a document that explained better what was going on in school divisions.

And so I just wanted to take that opportunity to kind of just talk about some of the changes that have been made with the FRAME report and thank those individuals, once again, in school divisions that have worked in partnership with our department, because I really believe that that's what it's all about, is working in partnership. So that's really gone very, very well.

I think, in regards to the concern that the MLA from Portage is raising in regards to the pressures that is put on school divisions' budgets because of interest rates and those kinds of things, officials in

my department are aware of that and they're sensitive to any kind of funding pressures, any kind of circumstances with school divisions that they're having.

I talked about this a little bit yesterday, about the excellent working relationship that officials in my department have with school divisions. And I hear that quite often when I'm in communities and I'm in divisions or at stakeholder meetings, and they really appreciate the opportunity to have this close working relationship with officials in my department.

So, you know, we'll continue to, you know—I take the member's concerns, you know, under advisement, and we'll continue to be sensitive to those kinds of issues.

Mr. Faurchou: I appreciate the minister correcting me. I did misspeak myself, having been a school trustee in the very early '80s, not quite recalling as to when the FRAME reporting came fully into play, but hats off to those that did design the reporting model. It has, indeed, been a valuable asset to all school divisions.

Speaking of the school division financing and ability to carry over monies towards capital projects, the Portage la Prairie School Division, as the minister is well aware, merged the two high schools a number of years ago and did experience cost savings in that merger. Now, the school division made it well known to the Public Schools Finance Board that they would require capital funding for programming once the school was merged, and the department did not come through and support the division, leaving the division's only option to go to the marketplace and borrow \$4 million for the construction of a—the automotive shops area, parking lot, reconfiguration of streets and playground. So it was all paid for by the school division.

Could, perhaps, the minister explain how the division was forced to do that and the relationship between the Public Schools Finance Board and school divisions' ability to have to purchase monies or borrow monies, I should say, for capital expenditures such as this?

Ms. Allan: I have—I'm—I just have—this is a decision that was made in 2005 and, right now, we're discussing our Estimates for 2010-2011. And I'm just wondering if this question isn't out of scope and I would just—wondering if we—I mean, I'm certainly prepared to respond to it, but I don't want to spend—I don't know if that's appropriate questioning.

I could certainly get that information for you. I just don't want to roll the clock back too far in regards to how many questions I answer from five years ago, but.

Mr. Faurchou: Well, it's relevant insofar as my honourable colleague from—the honourable member for Pembina (Mr. Dyck) asked questions that pertained to Garden Valley and the high school in Winkler, Manitoba, and the Public Schools Finance Board is unable to support that.

What, then, is preventing the school division from just going out and building the school themselves and borrowing the money, like as Portage la Prairie did?

*(15:20)

Ms. Allan: Well, I have now had a thorough briefing from officials in my department and can respond to this question.

What happened in Portage la Prairie, and it has actually happened in one or two other school divisions throughout the province, quite a few actually, is that when school divisions look at smaller projects that might be part of a capital project that is being done by the PSFB, they can chat—they can talk to the PSFB, and they can do additional infrastructure building if they're prepared to pay for it and take the full responsibility for that. And it's my understanding that that's what Portage la Prairie did.

Mr. Faurchou: So Portage la Prairie, though, there was no public schools financing board-financed project ongoing at the time, and the way the minister explained it to me was that Portage could enhance the existing project, but this was not the case. It was a project unto itself. So I'd like the minister to clarify that for me, please.

Ms. Allan: It can be a stand-alone project, as well. So I'm sorry if I miscommunicated.

Mr. Faurchou: So, then, as it relates to the high school project that's now being delayed in Winkler, Manitoba, what is the capacity of the school division just saying, we're going to go ahead with it anyway and borrow the appropriate monies. Is that available to the school division?

Ms. Allan: Well, in regards to the—a new high school in Garden Valley School Division, officials in my department—and, as well, I had many conversations with the school trustees in Garden Valley School Division, and what we decided to do was proceed as we are proceeding in regards to moving the—actually,

moving the opening of the school to 2013 and also increasing our commitment, I might add, in regards to that school. There were extensive negotiations, and options were looked at in regards to what might be possible around the 2012 date, but what ended up finally being agreed upon between myself and the school trustees—and, you know, and that was—those were discussions that were held over the course of five, six weeks—was to proceed with our expanded commitment to the Garden Valley community and reschedule the opening of the high school.

Mr. Faursschou: Getting back to, though, the matter that which I asked the question on, I know with Portage la Prairie, the money was borrowed. Application was made once again to the Public Schools Finance Board as to whether or not the school division could effectively see some support from Public Schools Finance Board to help the division repay the \$4 million borrowed. The answer was no. Fortunately, the school division has realized savings through the merger of the two high schools and to have only one high school, and those savings have allowed for the repayment of the borrowed monies without raising taxes specific to this project.

But I'm asking the minister very specifically, though, if Garden Valley had said, no, it's imperative that we proceed at the present time with a portion of the project and we'll borrow the money, would Public Schools Finance Board ever consider then paying back when they're able to have the funding? You're saying that you've already acknowledged that Public Schools Finance Board and the Province has the money coming in two years time. What happens if Garden Valley said, well, we're going to do it in a stage project? We're going to borrow the money right now. We're going to get on to it right now. Would that, then, still be eligible for public schools financing support?

Ms. Allan: Well, there's two very big differences between Portage la Prairie and Garden Valley School Division. Portage la Prairie paid for it a hundred percent and Garden Valley School Division—in those discussions with Garden Valley School Division, it became very clear that that was not an option for them, and there was—there were some things that were looked at, and there—and lots of things were looked at in regards to how we could make it work, but there was just nothing that worked out where we could make that happen, and they did not want to—they didn't want to take on that kind of responsibility in regards to paying for a third of the school themselves or a portion of the school themselves.

And, at the end of the day, when they looked at what the expanded opportunities were for the new choral space and having their school—their middle-year school that has some issues around air quality—and also getting \$630,000 up front to buy 10 acres of land for the school, that's what they decided to go with.

* (15:30)

So I don't think I can say it any clearer. Every school division has discussions with PSFB, which is, you know, outside of the minister's office, and they work with PSFB to determine what is in their best interests of their school division. And all I can tell you is is five years ago, Portage la Prairie School Division, they made some decisions and we worked in good faith with Garden Valley School Division trustees and superintendent. It was some of the most respectful conversations I have ever had with school trustees, and I have a huge respect for everyone out there, and this is going to be an incredible school when it opens.

Mr. Faursschou: Well, we're all working with borrowed monies, and who borrows it it'll still end up being paid back by the same taxpayers. And whether it's the Province's decision to borrow the money next year versus this year, it's still borrowed monies. As the minister knows, everything is debentured and so it's borrowed monies in every sense of the word. This year versus next year, this year's interest rates versus next year's interest rates, who knows which is the best decision to be made, construction costs and whatever. So it is the best gathered knowledge at any one time as to when the most appropriate time is to proceed with construction. So I'm still getting back to the main question as to when the money is borrowed. Would the Public Schools Finance Board consider—being that it's an approved project—supporting the school division after the fact?

Ms. Allan: In regards to the Garden Valley School Division project, officials in my department were chatting, were in discussion, in dialogue with—serious discussion—with the officials in Garden Valley School Division, the secretary-treasurer and the superintendent, in regards to whether or not there was a way to make this work within the debenture authority and with the existing time frame of opening in 2012. And there was lots of discussion around that in regards to how we were going—how we might be able to make that work, and it became very clear after extensive consultation that changing the

timeline was the preference. And, I mean, these are technical questions, that I was not privy to a lot of this conversation. Officials in my department were working with officials in Garden Valley School Division, and the Department of Finance was involved in this as well because the money was debentured for the project already. The \$310 million over four years that was announced in '08 was—that money is committed for debenture authority. And so what we ended up—what ended up happening was what was announced by me as minister at the public meeting in Winkler.

Mr. Faurchou: Yes, well, \$310 million you're speaking of, that debenturized over four years, could you guide me to the line in the booklet on expenditures as to how one gets to that figure? The capital under the Education section, even if I times that 46-47 million by four, that doesn't come up to 310 million. Where are you referring to—what line?

Ms. Allan: On page 97 of the Estimates book is—you will see other expenditures, and in there, in the total subappropriation is the \$996,407,000, and that includes the interest on debt servicing. On page 105 in the capital funding, which provides funding for capital grants for school divisions, that's where the P and I is, the principal and the interest for that particular year. But the debenture authority going forward around the capital, the PSFB budget, it's not listed in the Estimates book. This is—the only thing that is listed is the interest on debt servicing and the principal and P—the principal and interest, which is commonly know as the P and I.

* (15:40)

Mr. Faurchou: So, as a legislator and responsible for the taxpayers' investment in government activity, why is it not anywhere in our documentation so that we can effectively verify and fully appreciate and understand the expenditures of a capital nature towards education in the province of Manitoba?

Ms. Allan: Well, the \$310 million is—was a commitment that was made and that commitment is not in our Estimates book. It's not in loan authority. It is just a commitment. And, then, what is listed in the Estimates every year is the current year cost of that commitment, and that's the P and I that I just explained to you.

Mr. Faurchou: Well, I understand from the government's announcement that the commitment has been \$75 million towards capital projects as it pertains to education K to 12 in the province of

Manitoba. I'm just trying to find where that 75 million is effectively detailed within the figures to which we are considering here at the committee of Estimates.

Ms. Allan: Okay. We're going to try this again. The \$75 million is not an expense. It's a debt, and, therefore, it's not listed in the Estimates book because it is a debt that has been put into debenture authority. And each year there is a cost to that; it's just like a mortgage, right? If you have a mortgage, there is a cost to that mortgage, and those costs are detailed—there's—the financial details of those costs are on page 97 and page 105, principal and interest. And that's where they are.

Mr. Cullen: Well, Madam Chair, I think Manitobans would—were wrestling with this particular situation. And we've got a government news release here—this goes back to March 27, 2009: commitment of \$310 million over four years. The news release goes on talking about 85 million that year, \$75 million for each of the following three years. And I look at the capital funding budget in the government's Estimates book and it says \$47 million. There's a \$30-million discrepancy there. The question is: Explain where that \$30 million is.

Ms. Allan: Officials of my department would like to get together with you and have a meeting with you to discuss this because we don't think we've got a lot more messaging for me to say around this. We think there, you know—and we maybe need some quality time with you in regards to what debentured authority is. And this is—it has been like this—what I'm explaining to you has been like this since 1967. So, obviously, I'm not capable of explaining it to you technically, and—but my officials in my department are fabulous at it. So I would just like to ask if that would help you if you had a meeting with them to talk about it.

Mr. Cullen: Well, I certainly look forward to that too but the announcement is March 27th, 2009 and that's—there's—in my view, there's quite a discrepancy. And maybe we have to go back to the basics here if there's something I'm missing. We have a line on page 105: capital funding, Province of Manitoba. I'm assuming, and correct me if I'm wrong here, that is the money that the Public Schools Finance Board uses for school construction and maintenance. Am I wrong?

Ms. Allan: Okay. So, the reason the numbers don't match is because when the government of Manitoba debentures money for—when the Province of

Manitoba debentures money, what happens is there's a cost to debenturing that money.

And it's very similar, once again, to, like, a mortgage. And because they're managing different projects in different school divisions—and some of them aren't just building schools, some of them are renovating schools, they all look different—some debentures mature at the same time as they're taking on new debenture authority, right?

* (15:50)

So, the MLA for Turtle Mountain, you're wrong. What it is is, that is, that figure represents the principal and interest of the money related to the debentures for all projects in this particular year. All the debentures that have flowed through, coming and going, in this particular year, and that's the principal and interest for them. It's like if you were managing different—if you were managing six or seven mortgages, some would end differently, at a different time of year, they might have a different—and they'll have a different interest rate depending on, you know, what the interest rate was at that time. And I'm hoping this is helpful.

Mr. Faurshou: Yes, I comprehend what the minister is saying, but it's really misleading the public when you're saying that this is the amount of money that you're going to spend on capital projects when you throw in the principal as well as the interest.

So when I say that I purchased my home for \$150,000, I should really be saying to persons that I purchased this home for \$450,000 because that is what I'm going to be paying for that home when I accumulate all of the interest and—over the 20-year mortgage that I took out.

And it—and that is, effectively, what the minister just finished telling us. So the—what the public should be made aware of with, perhaps, a little footnote at the bottom of their news releases saying, not really capital expenditure, because this is what we're going to pay to the financial institutions over the course of the debenture time period. So it is a bit misleading, but I understand what the minister said.

So I'd like to move on to another issue that I have emanating in Prairie la Prairie, and that is the announced termination of the adult ed program at the Portage Collegiate Institute, a program that was well subscribed to; 64 students were enrolled in that program at the time of the announcement—very, very unsuspected announcement because the staff had put

a lot of effort into it, and they were very pleased with the program, and each year it seemed to be more greatly subscribed to.

So I would like to ask the minister whether or not she was consulted by her colleague the Advanced Education Minister before this announcement was made, and was she fully aware of the impact of the Advanced Education Minister's announcement on her own portfolio?

Ms. Allan: Well, that is an issue that lies with the Department of Advanced Education, and I, you know, I wasn't—certainly wasn't—didn't feel the need to be involved in that decision. The—that was a decision that was made by another minister.

Mr. Faurshou: Well, the minister—obvious answer is, no, she was not consulted. Was her department aware that approximately half, perhaps a little greater number than half of the students are under the age of 21 and would be continuing their studies financed by the Department of Education rather than the Department of Advanced Education, emanating out of this announcement?

So the minister now is on the—her department is now responsible for funding of—instead of the Advanced Education funding 64 students, now the Department of Education is responsible for financing 32 students because of the announcement.

Ms. Allan: I'm going to ask if officials of my department can look into exactly the concern that's raised by the MLA for Portage la Prairie in regards to those students. And we would like some time to have a look at that and have some discussion about it, and we'd like to get back to him about it.

Mr. Faurshou: Well, I do appreciate the minister's willingness to discuss this further because it is a program that is well subscribed to. We have the support of excellent teachers in this program. It was—the teachers and administrators were totally blindsided by this announcement.

The Department of Advanced Education does fund the adult ed programming, but the number of students that are enrolled in this program are still under the age of 21. And the reason they're doing the adult ed program is the flexibility between home obligations, work obligations, various constraints within their time, and so the adult education program is a very valued program in Portage la Prairie. And, even though we do have other adult ed programs, they do prescribe and tailor their programming to a specific segment of the population, and as is the

Portage Collegiate Institute adult ed program tailored to a specific segment as well.

And just because we have three programs doesn't mean that we can do without any one of those. And so I really truly appreciate the minister discussing this further because it really, at the end of the day, is just a transfer of money: saving being made in Advanced Education but an expenditure in the Department of Education. And, at the end of the day, the bottom line is the same.

So I encourage the minister to help out with this situation because it really is the students that are the—should be the most important element in any decision making that we make here at the government level, the provincial government level.

So I thank you and I leave the minister with that because the educators are important as well here, because when you try and amass staff for a particular program, and then to lose it—lose them, it takes years to bring that nucleus of staff and support personnel into place, and so—before it's too late, let's review the situation.

The minister doesn't need to respond. I just appreciate the opportunity to raise the issue.

Mr. Cullen: Madam Chair, I thank my colleague from Portage for his questions on Education today as well.

But it's striking in the Estimates book, and this gets back to the funding, the biggest line in this book is the \$996,000—or \$996 million, pardon me. You know we're just a penny short here of a billion dollars, and I look at it and there's no breakdown. You know there's two pages of a description, but there's no breakdown. And I think once we have an opportunity to sit down with your staff in terms of the funding, if they could provide me a little more of a detailed background and backdrop in terms of where that particular funding is going, it would be very helpful.

So I'm just wondering if the minister would agree to that.

Ms. Allan: Officials said that they would certainly be prepared to provide information to you in regards to the—you know, the broad categories. They don't want to start going through, you know, school division by school division, but they would certainly, you know, be prepared to put some meat on the bones in regards to exactly what that total number kind of looks like and what's in there.

* (16:00)

Mr. Cullen: Thank you very much. That would be very helpful if we could have that discussion.

In terms of capital projects and maintenance, I want to get a sense of the process. Obviously, a given school board would put forward to the Public Schools Finance Board their respective issues. And I take it from there, then, the school—the Public Schools Finance Board would have to decide who was going to get the allocation for funds on a given year. How does that, you know, particular process, how was that undertaken?

Ms. Allan: Well, the process—actually, we take our lead from the school divisions. What happens is is every school division every year 'priorizes' their capital projects. They provide the PSFB with a five-year capital plan, and then the PSFB works with them in regards to what their priorities are in that five-year capital plan and then also makes a determination in regards to, you know, what the priorities are and how they match up in regards to the amount of money that is available for that fund for the capital plan.

And I do want to tell the MLA for Turtle Mountain that, since we've got into government, we have doubled the amount of money that is spent on infrastructure in this project in regards to our PSFB budget. It has gone from about—I mean, I think the total, if I have it correctly, is—it was around about \$300 million in the '90s, and in the last 10 years we're close to \$600 million that we have spent on capital projects. So we have increased our capital spending significantly, and it's just—I think I would like to talk a little bit about some of the pressures that we're having in this budget. One of the pressures that we're having is not just new schools, but renovating schools. I'm informed by officials—my official in the Public Schools Finance Board—that in the '60s and '70s, because that was the last time we had a big demographic boom in Manitoba, that over 300 schools were built in that era. And, if you think about what we're doing in regards to building schools and what we did then, that's a lot of schools, and so there are some real significant challenges with those schools in regards to maintaining them. And so that's a big challenge for us with that budget.

Mr. Cullen: At what level does—do we differentiate between maintenance and capital costs? Is there a dollar figure there in that analysis?

Ms. Allan: There is—all of the money that we spend around our PSFB budget meets the general—generally accepted accounting principles, and there actually is a generally accepted accounting definition of capital, and that guides the PSFB's thinking on this. And their thinking is that in regards to what would constitute a capital project, is that it must have lasting value.

Mr. Cullen: It sounds like we better not get hung up too much on some of the accounting terms here involved. But I was just trying to get an understanding of some of the maintenance issues that the local school division can deal with versus having to come to, you know, Public Schools Finance Board for capital project. *[interjection]* Yeah, just—

Ms. Allan: The reason I'm laughing is because I told them that that wasn't really the question you were asking last time. I said, I don't think this is what he really wants to know, but they were going on and on, quite involved in it, and giving me the definition and seemed to be having very much great fun with all of this. And I was—*[interjection]* Yeah, they're boy scouts. And I really said, I don't really think this is what he wants to know, I think.

But, so now that I'm right, of course, I would just like to say that the difference between a capital budget is—and renewal, and the kinds of things that the PSFB spends money on: boilers, roofs, sometimes walls; walls, walls are big, huge—you know, things that break unexpectedly—sometimes environmental issues. I know there was a wind in a rural school. A big, huge wind came up a little bit—a little while ago and it ripped a roof off a school, totally unexpected. Those kinds of things happen. So, it's kind of like—major capital is, you know, and then there's minor capital, like, oh, windows; yes, let's talk about windows, yes. So it's kind of the bevy of things there.

Mr. Cullen: The Public Schools Finance Board must have a five-year plan in terms of where they want to go in terms of what their priorities are. Is that a public document, and would the minister be able to share their three-year plan or their five-year plan with us? Not today, but if you do have a document that you could provide, I would certainly be interested in seeing what the long-term plan is.

I know the, for instance, the Department of Infrastructure and Transportation have a five-year plan that they provide to Manitobans so they—we have an idea of where their capital is going to be

invested. Does the Department of Education have a similar document?

* (16:10)

Ms. Allan: There is no written document like the one that you were referencing in Transportation, but the PSFB has worked very hard at this in regards to having multiyear planning in regards to how they're going forward. In fact, the first time they made a multiyear announcement was five years ago, and we made a three-year announcement, and the stakeholders were very, very excited about this because that is the first time it had ever been done, that there was kind of a multiyear plan, more long-term than just, you know, having a one-year announcement every year. So what we—but even having said that, we do announce each year what some of those capital—what that capital—what those capital plans are, and we did do the four-year funding announcement, as you know of, in 2008, and that was kind of our long-term vision and our long-term strategic plan for capital.

Mr. Cullen: I know certainly situations arise from time to time, and Mr. Dedi is familiar with the situation we had in Cartwright a few years ago with mould. Once it was discovered then it's, you know, obviously it has to be dealt with in a fairly expeditious manner. I wonder if you would supply to me the total funds that were allocated to that project there in Cartwright. I know we—I don't need it today, but if you could sometime in the near future, the cost of those—I believe there was two huts—are they—pardon me, the high-quality relocatable units that were installed and, of course, the demolition was probably fairly substantial as well. So, if he could supply that to me at some point in time, I would appreciate it.

But, on the same vein, we wonder if there is a list, or if the department knows, of any similar situations that exist where they're going to have to spend some money fairly quickly in terms of mould mitigation, either mitigation or destruction, whatever the case may be. So is there specific schools that you are aware of where mould is an issue?

Ms. Allan: Well, it—what happens with mould in the schools is school divisions—it's the responsibility of the school division to make sure that they're on top of whether or not there's mould in their schools, and they work with the department of Workplace Safety and Health in Labour. We have inspectors that work with school divisions in regards to mould. And, as soon as the school division makes us aware of the

fact that they believe they have a problem with mould, regardless of whether it's a major project or a minor project, we take that very, very seriously. And we start to work with the school division in regards to what remediation work is going to be done.

Mr. Cullen: So there's no schools, at this point in time, that have issues with mould? Like, did you have, have you detailed any schools that have mould issues at this point in time?

Ms. Allan: We are aware of—we work with school divisions so that we know what schools have mould in them, and there is a national health body, and I'm kind of trying to remember it in my brain. I'm sure someone will tell me who it is, who says that if you don't touch that mould, if you're not having structural issues around the mould, you make sure that you don't go in and disturb it unnecessarily.

We work with school divisions. There are some schools in Manitoba, obviously, that have issues with their mould, and when we know about it, what we do is we go in. We do the remedial work, and we make sure that the air quality is good in the school. So it's a combination of some schools that have mould, that has not—that is not a problem, because it's not being disturbed. It's not active, and then there are other schools, some schools, that have identified their mould as an issue, and we work—the PSFB works with them right away.

Mr. Cullen: Just on the building side as well, then, there's been quite a concern about asbestos, and I think asbestos is in the same situation: as long as we don't disturb it, it's—it shouldn't be too big of an issue there.

I am assuming, then, the department keeps pretty close track and monitors the schools that do have asbestos in any situations that may arise there. Just wanted to confirm that that's—that process is still under way, inventory's being kept, and then there may be some remedial action that's being undertaken in some areas.

Ms. Allan: Yes, the rules are very similar in regards to asbestos. Actually, there's a Workplace Safety and Health regulation that was implemented by the previous minister of Labour and Immigration around a regulation where a tradesperson cannot be brought into a school unless that school has identified where that asbestos is. And so, regardless of what kind of work might be done in the school, you know, plumbing, electrical work, that kind of work, they

have to make sure that they know where that asbestos is because they don't want to disturb it.

So there is care taken in schools when this kind of work is being done to make sure that that asbestos is being managed.

* (16:20)

Mr. Leonard Derkach (Russell): Madam Chair, I just want to ask the minister some questions with regard to the issue of the no-fail policy. But before I get into that I want to also extend my thanks to the staff at the department and the senior staff that are here with the minister today for the work that they have been doing in the field of education for many, many years and commend them on the work that has been done for the benefit of children in Manitoba.

Madam Chair, to the minister, I've had the representation from a lot of teachers and parents alike regarding the no-fail policy and the confusion that seems to exist around it. Now, even principals and teachers are still somewhat unsure as to where the directive is coming from. Is it a directive that has been issued by the minister with regard to a no-fail policy in our schools? Or is this something that is in the hands of school divisions and do they have any flexibility on this issue? So I'd just like some clarification from the minister if I could on that issue.

Ms. Allan: Well, the department that did the—the Manitoba government does not have a no-fail policy. My understanding, if I can recall from the information that I wrote down about this last, is that this is a regulation that says that students that are kept back or promoted, that that is up to the principal in the school and it's actually, I believe, a regulation that was brought in by a previous minister that is questioning me at this moment, and that is the policy of the government. It is exactly the same policy that was put in place by yourself, sir. And we believe that it's the professionals in the school system that must make those decisions with parents and teachers and school administrators in regards to whether or not that child, depending on what kind of supports he needs—she or she needs, should be held back or progressed on to another grade.

Mr. Derkach: And I thank the minister for that question—or that answer. But there's still some confusion in the education field today. With regard to a statement that was made by the former minister, her predecessor, who perhaps communicated, whether it was his opinion or whether it was by

letter—I'm not sure—that, first of all, a student who did not complete assignments on time and students who did not have assignments handed in, could not be penalized for handing those assignments in on time and as prescribed by the teacher and could actually take to the end of the year to hand them in and would have to have those considered like students who met the deadlines. Secondly, that students who did not perform to the standard that was expected by the division or by the school could not be penalized and could not be failed on that basis. Now, I think there's some clarity that is needed on the issue. I have lots of acquaintances and friends who are school teachers and I would just like to know whether or not I can communicate something that is factual, something that is in fact the order of the day, if you like, rather than, you know, assuming that things are as I'm told they are.

Ms. Allan: Well, I thank the member for the question. I think what this issue involves is accurate grading and, you know, whether or not a student is given less marks because they hand a paper in late or those kinds of things and there are guidelines that we had in place.

Mr. Doug Martindale, Acting Chairperson, in the Chair

Those guidelines have been in place since 1997. The minister that put them in place was Linda McIntosh. And we have discovered in the last little while that there is some concern around those guidelines and officials in my department, the deputy minister, took those concerns seriously in the field, that he was getting from the field, and he has reviewed those guidelines and we're going to be communicating with the stakeholders about that review. And we will be strengthening them so that we have the opportunity to have them still used in school divisions, and those decisions still have to be made by the professionals in the school division, but we just wanted to provide some clarity around those guidelines and we have done that.

Mr. Derkach: I have to tell the minister that I would welcome that kind of a review of those guidelines because I think, for whatever reason, there seems to be a lot of buzz around the fact that standards, perhaps, are being watered down rather than strengthened and rather than standardized.

So if there's any movement to review those regulations that were put in place in 1997 with the intent of making sure that we have our students perform to a more uniform or a higher standard, I

think I would commend the minister and the deputy for doing that. But what there seems to be is a—and I don't know whether it's just amongst teachers who aren't informing themselves well enough but if there is—whether it's from the deputy minister or whoever, a communication that can be sent out to give more clarity to this issue, I think it would be helpful to not only the teachers but also to us as politicians.

And so if the minister has some new information in that regard—and I guess the two areas that I would have to focus on are first of all, assignments, whether they're written assignments that are assigned by the teacher and with a deadline and what the—and if there is a departmental position or regulation with regard to those, it would be helpful to know that. And, secondly, when it comes to teachers evaluating students and within the regulations that are established by the school and the principal, whether there is a directive from the department with regard to those in any way, or whether the schools still have that authority to establish regulations as they pertain to expectations of students with regard to performance in a particular subject in a particular grade.

Ms. Allan: Well, I thank the MLA for his comments. I think we're on exactly the same page and, you know, we're having a look at all of those issues around clarity. And as you can well imagine, dialogue with the stakeholders is going to be huge on this one because you certainly don't want to float anything out like that—anything out that has anything to do with that—unless you've done a lot of consultation with teachers, principals, superintendents, trustees, parents. So we will be doing that for sure in regards to making sure that what we have is workable and provides some clarity, you know, that is in the best interests of students and parents.

* (16:30)

Mr. Derkach: Yeah, and I thank the minister for that. I think I've covered that area to a point that I'm comfortable that I can communicate this appropriately to those that I contact in my constituency.

I have another issue as it relates to administrative buildings in school divisions. Throughout rural Manitoba, and specifically in my area, we have surplus schools, and those schools may have been closed. They're not old buildings; they were buildings that housed students. At the same time we've got an administration that feels it needs a

new division office. And, although it's quartered in a school building that is perfectly usable, for whatever reason the administration feels that it should spend mega dollars on a new administration building.

Does the Public Schools Finance Board or the minister's office or the deputy's office review the inventory of school facility buildings in a school division and recommend usage of schools for administration purposes, rather than building new facades where—or new buildings? And I know scarce dollars should be spent on education buildings for students rather than administration buildings.

Ms. Allan: Well, I think it's fair to say that in regards to decisions that school trustees make about their administration offices, that that would be—that that has been decisions that have been made by trustees in school divisions.

Madam Chairperson in the Chair

But, having said that, on the other side of the coin, the question, the concern that you're highlighting is the fact that you've got empty schools. And, obviously, we would—we have encouraged, and we are encouraging, communities, school communities and trustees and stakeholders to look at those empty buildings and to try to use them if they can.

So, you know, that's kind of where we've been coming from at this—for the last little while in regards to, you know, having something go into those empty schools. If there's an opportunity to, you know, to maybe put a day care in there, or to—I mean, I met with St. James school division, and they told me all about, you know, the fact that they've got a school, and it's full with child-care spots.

So, you know, we're trying to look for opportunities for, you know, to build community schools and to build communities and to encourage the use of those empty spaces.

Mr. Derkach: And I guess I'm familiar with the fact that school divisions' administration offices are outside of the funding arm of the public schools finance. They utilize their own resources, if you like, but there's still the resources of the division, resources that can be used for programming and for, you know, the betterment of education for student.

And I don't—it just disheartens me when—because a building is closed as a school, which is, you know, it may be 25 years old, but it still was very adequate for—as an education building for students, and should

be able to be converted for use for a division office rather than building a new building.

And I don't know whether or not the minister has that much influence with school divisions in that regard, because I go back to many years ago when I was in the portfolio. School divisions could thumb their nose at you and say, it's not your money; it's ours. We'll do what we like with it. But, on the other hand, I think the Public Schools Finance Board or somebody should have some influence with school divisions in that regard. That's my opinion, but, having said that, I was just looking for some guidance from the minister in that regard.

Ms. Allan: Well, I can honestly tell the MLA for Russell that, in all the years I've known him, he's never told me he's been looking for my guidance. I'm quite encouraged by that.

I can honestly tell you that the PSFB does proactively encourage—you know, when they are in consultation with school divisions, there is absolutely no question that they proactively encourage the use of empty school buildings, or empty buildings period, regardless of what they are. I'm sure they're schools—or empty space, even empty space in schools, right? Because that's an issue as well. I know I've got that issue in my riding. So, you know—and it looks different in every, you know, division and community quite often. And all I can tell you is that I, you know, that I think that we're on the same page. That's certainly something that we want to encourage and we want to support. If we have—in another department or program area—we have something that we can do in regards to assisting with that, we will do that.

So I haven't met with your school division and I haven't had any direct conversation about this with them, but I certainly can tell you, from a broader public policy area, I think that we're on the same page on this one, and we will continue to encourage it.

Mr. Derkach: With school populations dropping in rural Manitoba, there's always a challenge for busing of students. That's a challenge that school divisions put up with on an annual basis. And I don't know how much experience the minister has had with this issue because she doesn't come from a rural setting, but I'm sure her department has certainly brought her up-to-speed with regard to some of the issues with transportation.

I've watched this unfold for the last 10 years, and I know that, in the past, the policy has been for school divisions to buy these huge buses and transport students to the schools. And, at one time, these buses may have been full, but it's not uncommon right now to see a school bus, 45 passenger or whatever school bus, roaring down the road with a handful of students in them. And I'm wondering whether or not the department, through your transportation division, has looked at the feasibility of providing smaller units, for a host of reasons.

And I don't know whether there have been any studies done with regard to how much could be saved in fuel costs, capital costs, road maintenance costs if you were to utilize smaller units on the road rather than these huge ones who are travelling on many routes half empty, and, even when they're filled, they're not filled to capacity. I'd just like to know where—whether or not there have been any policy changes in that regard, any, not necessarily policy changes, but any action taken on looking at this practicality of utilizing smaller units on some of the routes where smaller units could be used. And I'm talking, you know, significantly smaller units, and even if you have to break up a route sometime.

* (16:40)

Ms. Allan: We are just waiting, actually, for the expert in my department, David Yeo, who's the Education Administration Services—who's the head of that branch. And David is going to come down here and join us and get up to speed on your question, Len, because he was up in the gallery and will—

Madam Chairperson: Order.

I just want to remind all honourable members that we address members by their constituencies and ministers by their title.

Ms. Allan: Sorry. And so we're just going to take a moment to get David up to speed on your question, and then we'll get back to you.

Well, I thank the member for the question, and it's complex because, of course, it's just not about transporting students, and I don't think that's what the MLA for Russell was saying, but it's about safety as well and ensuring that we get—we have 1,800 buses for 62,000 students that are transported every day in our public education system here in Manitoba.

So, you know, we have to ensure that we do that in accordance with the safety rules. And I'm informed by officials in my department that we have actually looked at and we do have a summary of school bus pricing and operating costs. And it's really quite interesting in regards to the different size of passenger vehicles. There has been some costing out in regards to a 36-passenger vehicle and up to a 78-passenger vehicle, and there isn't a lot of difference, interestingly enough.

I guess size doesn't matter. It's getting late in the day.

Mr. Derkach: Well, the minister kind of left herself open with that statement, but I choose not to follow up on it.

Coming back to school buses, I have to say that there are instances where one or two children will stay on a large school bus for the better part of a route, and those children, you know—I know students who are picked up at 7:30 in the morning, ride a school bus as two or three or four people for the better part of the route, and then, towards the end of the route, you will have more pickups. In those instances, it doesn't seem—and it's being commented on by councillors, by parents—that in those instances, it doesn't make very much sense to be using a huge vehicle like that, travelling all that long distance for those few students where a, you know, a minibus, if you like—and there are provinces who use smaller vehicles on the roads—can be used for that purpose.

And I'm asking the minister whether or not the department has undertaken any recent—I know that even back in my day, the argument was that it's just as cheap to run a big bus as it is to run a smaller bus, but at some point in time it becomes very inefficient and it becomes taxing on the time of the students who sit on that bus to be transported in the manner that they are today.

It also exposes those students to a lot more risk because over those miles, there is the possibility of an accident. The more time you spend on the road, the more time you're exposed to the possibility, and let's hope it's remote and never happens, but to an accident. So I'm asking whether or not the department, through Mr. Yeo's good offices, has looked at the issue of perhaps incorporating in those special areas, smaller vehicles to accommodate time and safety of students and also cost.

* (16:50)

Ms. Allan: I am—I just want to tell you that I'm starting to love Estimates. I think there should be something wrong with that. I'm learning so much about my department.

I want you to know that divisions do have an option in regards to one of the things in regards to what you're talking about in regards to, perhaps, you know, not sending out the great big, huge school bus that, you know, the 36- or 48-passenger bus. And, you know, the option is something called a busette, and it holds a smaller number of students, approximately about 15, and those buses, though, they are safe, because we are not going to compromise on safety. Some people will tell you that they believe the larger school buses are safer, but these school buses do meet the safety standards, these busettes.

But the problem with them is is they're expensive, and the other problem with them is is that you lose flexibility with them, and you also have to pay another driver, so that puts your transportation costs up. And another issue that divisions that David has heard from—divisions, is that they may not be that durable, and they may not last as long as the larger school buses.

So school divisions are aware of their options, and I think what they do is they make the best possible decisions that they can with the information that's provided to them. I remember when I was a school trustee, boy, transportation of students was a huge issue. Particularly in rural school divisions, it's complex and there's a lot of factors that go into this in regards to how best to transport students safely to school every day. And I hope this information is helpful to the MLA for Russell.

Mr. Derkach: Well, I don't know if it's helpful to me. I think what we want it to be is helpful to the administration of education in the province, is sort of the bottom line.

I want to ask one more question, but it relates to a different topic. And I thank Mr. Yeo for providing us with that information on transportation.

My question has to do with curriculum, and Mr. Farthing is much—the deputy minister—is very aware of this. Years ago, in the grade 10 curriculum, we had a program called Skills for Independent Living. It was basically a skills program for students to be able to do such things as balance their own chequebook, conduct, you know, their own personal inventory of the types of things students should be

able to do by the time they're in grade 10, and also begin a process of independence of living from a family, preparing them for a time when they enter the post-secondary education levels.

And this program was actually developed by one of the minister's own colleagues; the member for Rossmere (Ms. Braun) was a member of the staff who was involved in the development and the implementation of that program. The program was actually dropped a number of years ago, and I was hoping that, over time, another, perhaps, program that would address those kinds of fundamental issues could be brought back into the school system. And of all the programs that are taught in the school system, I would have to say that across the province, I heard more positive comments about the concept of teaching a program like that to grade 10 students than any other program.

And it wasn't that this was developed by my department at the time. The important thing was that it was a need that was being identified by parents, by educators, and it was designed to meet that kind of expression. But since then, I can honestly say that I haven't seen a program that mirrors that. Maybe there is one that I'm not aware of at any grade level that is taught, unless you go specifically into that stream of education in grade 10, 11 and 12, but this was a program that was designed to meet the needs of all students, regardless of what stream you were in. And I'm wondering whether the minister or the department has ever done an evaluation of the needs of a program like that in the system, and whether there has been any consideration to at least address those fundamental issues that students should need as a basic living education at that level.

Ms. Allan: Well, I thank the member for the question. In regards—we believe that—we're not aware of the program, but I'm going to tell—I would like the opportunity to tell the MLA what we are doing because we believe that it's important to have initiatives and curriculum and programs that prepare our young people for leaving the nest, so to speak, and moving on. And skills for independent living, we believe, is important.

We have a few initiatives happening right now, and the first one I'm pleased to tell the member about is our financial literacy initiative. It was announced just before I became minister and it's in partnership with the Canadian Foundation for Economic Education. And it was announced at Great-West Life, sorry, Investors and they're a partner in it as

well. And it's a program that's available to young people. And it's a well-thought-out program in regards to developing economic education, and it's a very exciting program.

There's also some of this embedded in our physical and health curriculum around, you know, making good choices in life, you know, encouraging young people, you know, around exercise and making good choices. It talks about—oh, you have another question. It talks about stress.

And we also have a career development course, which helps young people with choosing careers.

Mr. Derkach: Well, Madam Minister, I have to tell you that what you've just told me was all included in the Skills for Independent Living, and I would ask—I would only ask that you consult with your colleague from Rossmere, who, I think, could probably be a good resource in terms of, not necessarily promoting something that is 15 years old or so, but at least can,

I think, have an opinion on how consolidating all of those things into one program would be beneficial for students. And I just leave that as a suggestion for the minister, who can consult with her own colleague much better than I could. And I thank the minister for her answer.

Ms. Allan: Well, I thank the member for that suggestion, and I certainly will look forward to the opportunity to consult with the MLA for Rossmere, who, I know, is a former teacher and is dedicated to public education. And I'll look forward to having that opportunity.

Madam Chairperson: Order. The time being 5 o'clock, committee rise. Call in the Speaker.

IN SESSION

Mr. Speaker: The time being 5 p.m., this House is adjourned and stands adjourned until 10 a.m. tomorrow morning.

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 28, 2010

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