

Third Session - Fortieth Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS

Official Report
(Hansard)

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MANITOBA LEGISLATIVE ASSEMBLY
Fortieth Legislature

Member	Constituency	Political Affiliation
ALLAN, Nancy	St. Vital	NDP
ALLUM, James, Hon.	Fort Garry-Riverview	NDP
ALTEMEYER, Rob	Wolseley	NDP
ASHTON, Steve, Hon.	Thompson	NDP
BJORNSON, Peter, Hon.	Gimli	NDP
BLADY, Sharon, Hon.	Kirkfield Park	NDP
BRAUN, Erna, Hon.	Rossmere	NDP
BRIESE, Stuart	Agassiz	PC
CALDWELL, Drew	Brandon East	NDP
CHIEF, Kevin, Hon.	Point Douglas	NDP
CHOMIAK, Dave, Hon.	Kildonan	NDP
CROTHERS, Deanne	St. James	NDP
CULLEN, Cliff	Spruce Woods	PC
DEWAR, Gregory	Selkirk	NDP
DRIEDGER, Myrna	Charleswood	PC
EICHLER, Ralph	Lakeside	PC
EWASKO, Wayne	Lac du Bonnet	PC
FRIESEN, Cameron	Morden-Winkler	PC
GAUDREAU, Dave	St. Norbert	NDP
GERRARD, Jon, Hon.	River Heights	Liberal
GOERTZEN, Kelvin	Steinbach	PC
GRAYDON, Cliff	Emerson	PC
HELWER, Reg	Brandon West	PC
HOWARD, Jennifer, Hon.	Fort Rouge	NDP
IRVIN-ROSS, Kerri, Hon.	Fort Richmond	NDP
JHA, Bidhu	Radisson	NDP
KOSTYSHYN, Ron, Hon.	Swan River	NDP
LEMIEUX, Ron, Hon.	Dawson Trail	NDP
MACKINTOSH, Gord, Hon.	St. Johns	NDP
MALOWAY, Jim	Elmwood	NDP
MARCELINO, Flor, Hon.	Logan	NDP
MARCELINO, Ted	Tyndall Park	NDP
MARTIN, Shannon	Morris	PC
MELNICK, Christine	Riel	Ind.
MITCHELSON, Bonnie	River East	PC
NEVAKSHONOFF, Tom	Interlake	NDP
OSWALD, Theresa, Hon.	Seine River	NDP
PALLISTER, Brian	Fort Whyte	PC
PEDERSEN, Blaine	Midland	PC
PETTERSEN, Clarence	Flin Flon	NDP
PIWNIUK, Doyle	Arthur-Virden	PC
REID, Daryl, Hon.	Transcona	NDP
ROBINSON, Eric, Hon.	Kewatinook	NDP
RONDEAU, Jim	Assiniboia	NDP
ROWAT, Leanne	Riding Mountain	PC
SARAN, Mohinder	The Maples	NDP
SCHULER, Ron	St. Paul	PC
SELBY, Erin, Hon.	Southdale	NDP
SELINGER, Greg, Hon.	St. Boniface	NDP
SMOOK, Dennis	La Verendrye	PC
STEFANSON, Heather	Tuxedo	PC
STRUTHERS, Stan, Hon.	Dauphin	NDP
SWAN, Andrew, Hon.	Minto	NDP
WHITEHEAD, Frank	The Pas	NDP
WIEBE, Matt	Concordia	NDP
WIGHT, Melanie	Burrows	NDP
WISHART, Ian	Portage la Prairie	PC

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, March 24, 2014

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 and 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.

Good afternoon, everyone. Please be seated.

ROUTINE PROCEEDINGS

Mr. Speaker: Introduction of bills?

PETITIONS

Mr. Speaker: Seeing no bills, we'll move on to petitions.

Beausejour District Hospital— Weekend and Holiday Physician Availability

Mr. Wayne Ewasko (Lac du Bonnet): I wish to present the following petition to the Legislative Assembly.

And these are the reasons for this petition:

(1) The Beausejour District Hospital is a 30-bed, acute-care facility that serves the communities of Beausejour and Brokenhead.

(2) The hospital and the primary-care centre have had no doctor available on weekends and holidays for many months, jeopardizing the health and livelihoods of those in the northeast region of the Interlake-Eastern Regional Health Authority.

(3) During the 2011 election, the provincial government promised to provide every Manitoban with access to a family doctor by 2015.

(4) This promise is far from being realized, and Manitobans are witnessing many emergency rooms limiting services or closing temporarily, with the majority of these reductions taking place in rural Manitoba.

(5) According to the Health Council of Canada, only 25 per cent of doctors in Manitoba reported that

their patients had access to care on evenings and weekends.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government and the Minister of Health to ensure that the Beausejour District Hospital and primary-care centre have a primary-care physician available on weekends and holidays to better provide area residents with this essential service.

This petition is signed by J. Macauley, C. Macauley, E. Klyn Massey and many, many more fine Manitobans.

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

Hydro Capital Development—NFAT Review

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

The reasons for this petition:

Manitoba Hydro was mandated by the provincial government to commence a \$21-billion capital development plan to service uncertain electricity export markets.

In the last five years, competition from alternative energy sources is decreasing the price and demand for Manitoba's hydroelectricity and causing the financial viability of this capital plan to be questioned.

The \$21-billion capital plan requires Manitoba Hydro to increase domestic electricity rates by up to 4 per cent annually for the next 20 years and possibly more if export opportunities fail to materialize.

We petition the Legislative Assembly of Manitoba as follows:

To urge that the Minister responsible for Manitoba Hydro create a complete and transparent needs-for-and-alternatives-to review of Manitoba Hydro's total capital development plan to ensure the financial viability of Manitoba Hydro.

And this petition is signed by A. Reimer, A. Wiens, D. James and many more fine Manitobans.

Mr. Speaker: Any further petitions? Seeing none, we'll move on to committee reports.

Hon. Greg Selinger (Premier): Monsieur le Président, j'aimerais déposer—

Translation

Mr. Speaker, I would like to table—

Mr. Speaker: Is this committee reports or tabling?

Mr. Selinger: No.

Mr. Speaker: No committee reports?

TABLING OF REPORTS

Mr. Speaker: We'll move on to tabling of reports

Hon. Greg Selinger (Premier): Monsieur le Président, j'aimerais déposer le rapport sur les services en langue française 2012 et 2013.

Translation

Mr. Speaker, I would like to table the report on French language services, 2012 and 2013.

Hon. Peter Bjornson (Minister of Housing and Community Development): Good afternoon, Mr. Speaker. I'm pleased to table the Manitoba Housing and Community Development Supplementary Information for Legislative Review, 2014-2015 Departmental Expenditure Estimates.

Hon. Theresa Oswald (Minister of Jobs and the Economy): Mr. Speaker, I'm very pleased to table the Supplementary Information for Legislative Review, 2014-15 Departmental Expenditure Estimates for the Department of Jobs and the Economy.

Mr. Speaker: Any further tabling of reports? Seeing none, we'll move on to ministerial statements. No ministerial statements?

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 Devon and Jeremy Liscum, founders of the Mission to Mexico Literacy Project, who are guests of the honourable member for St. James (Ms. Crothers).

On behalf of all honourable members, we welcome you here this afternoon.

ORAL QUESTIONS

Manitoba Hydro Bipole III Landowner Rights

Mr. Brian Pallister (Leader of the Official Opposition): Well, we have a tired government, and one of its obvious qualities is its growing arrogance, Mr. Speaker.

And this is a government, after all, that has forced Manitoba Hydro to put a bipole line 300 miles out of the way along the west side of the province when it results in a billion-plus of wasted spending.

It's also a government that has forced the Public Utilities Board to look at the largest capital proposal in the history of the province of Manitoba but put blindfolds on and not pay attention to the bipole line at all in its deliberations. It doesn't seem logical, Mr. Speaker, for a project of this magnitude.

But its arrogance has never been more apparent than in its mistreatment of landowners along the proposed route. The NDP tells them to give up their fight and they'll take away their rights.

But we believe, on this side of the House, that this proposal is wrong, we believe the process is disrespectful to Manitobans, and we believe the government is wrong, as well, in advancing it over the will of the people of the province.

Manitoba Hydro is not a toy for the government to play with. It does not belong to the NDP. Manitoba Hydro belongs to the people of Manitoba.

Would the Premier at least acknowledge that the real owners of Manitoba Hydro include the landowners along the route of the proposed bipole line?

Mr. Speaker: I would like to remind our guests who are with us this afternoon in the gallery, while we appreciate your attendance here, and—you're asked not to participate in any way in the proceedings of this afternoon's House sitting, and that includes applause.

* (13:40)

Hon. Greg Selinger (Premier): Yes, Mr. Speaker, the member will recall that in 1996 we almost lost 70 per cent of our transmission through the Interlake, and since that time, Manitoba Hydro has been moving forward to build additional transmission capacity to ensure that the Manitoba economy and all Manitobans have reliable, safe, affordable hydro. It would only take one week to lose hydro, one week in

an economy of \$62 billion, and we would lose over a billion dollars.

Manitoba Hydro has advanced additional transmission capacity in order to keep the lights on in Manitoba, to keep the economy growing, Mr. Speaker. We support that objective. We think the Manitoba economy and Manitobans deserve reliable hydro every single day.

Manitoba Hydro Taxes on Debt

Mr. Brian Pallister (Leader of the Official Opposition): At least put the lights on in his caucus room, Mr. Speaker.

The reality is that the NDP chose the route out west, not Manitoba Hydro. And Manitoba Hydro knew which route they wanted to take. The NDP knew which route would cost a billion dollars more and they disrespected the people along that route by pushing consultations, or so-called consultations, with farmers during harvest time, and that makes no sense. And they stopped the Public Utilities Board from even considering bipole route at all, and that's disrespectful to those NDP appointees who serve on the Public Utilities Board.

But the greatest disrespect is to Manitoba ratepayers: a billion-plus—billions of dollars spent already on dams that aren't even approved yet. That tells you how much respect this government has for the process: a billion-dollar waste.

Now, the NDP tax Hydro on their debt, so the higher the debt is, it seems the government thinks the better it is for the NDP government. Is this why the government wants to bankrupt Manitoba Hydro and triple their debt?

Hon. Greg Selinger (Premier): Mr. Speaker, the equity that Manitoba Hydro holds now is the highest it's ever been in its history; it's well over 2 and a half billion dollars. The debt-to-equity ratio was 86-14; they only had 14 per cent equity when the member was last in government; it is now 25 per cent. And the assets in Manitoba Hydro are the highest they've ever been in the history of the province.

Manitoba Hydro has real customers that want to purchase that power. They have an economy in Manitoba that was \$34 billion when he was in office; it's over \$62 billion now. Every week that Manitoba Hydro is not operating will cost the economy over a billion dollars.

Additional transmission means the lights kept—stay on for Manitoba businesses. It means the lights stay on for Manitoba homeowners. It means the lights stay on for everybody in this province and our economy to keep growing.

We believe good jobs need to be here in Manitoba. We believe Manitoba Hydro is an important part of that story, and it's only the Leader of the Opposition that wants to stop it in its tracks, knowing full well that we will run out in 10 to 12 years and import gas from other provinces, which will send the jobs there instead—

Mr. Speaker: Order, please. The honourable First Minister's time has expired.

US Transmission Line

Mr. Pallister: Well, hydro experts don't agree with the Premier, but when did the Premier ever start listening to hydro experts?

This plan to Americanize Manitoba Hydro extends now to a new line that the government wants to construct, not in Manitoba, not exclusively a Manitoba line—that's bad enough—a line in the United States, \$400 million. Manitobans pay higher rates—double the rates over the next 20 years—the NDP makes over \$9 billion in additional taxes from Manitoba Hydro ratepayers, all so we can subsidize lower rates to the United States. Power aid: Manitobans do all the sweating, the Americans get the juice.

Now, let's ask the government this. If they would come clean today, we'd appreciate it.

The compensation for Americans along this proposed line, how much higher is it than the compensation for landowners along the Manitoba route?

Mr. Selinger: Mr. Speaker, the—even after we tabled him very solid evidence last week, the Leader of the Opposition continues to put misinformation on the record. I will table once again the rates for electricity in Minnesota and Wisconsin, which are double the rates in Manitoba.

When we sell our export—when Manitoba Hydro sells electricity into other markets, we get double the benefits, the profits, that are made off hydro being sold in Manitoba, Mr. Speaker. And when those profits come from export customers, they keep rates low in Manitoba.

Now, with respect to individual landowners, Mr. Speaker, half the landowners have committed to signing easement agreements of those impacted by the transmission line. And there is additional support coming in terms of structural impact compensation. Manitoba Hydro's very interested in meeting with individual landowners, looking at the particulars of their situation, making sure they're treated fairly. And we encourage them to do that.

We want them to be good corporate citizens and work with all Manitobans to ensure that we have reliable power at the lowest rates in North America and the lights will stay on 24-7, not just when the Leader of the Opposition feels like doing it. He would leave it—

Mr. Speaker: Order, please. The honourable First Minister's time has expired.

PST Increase NDP Election Promise

Mr. Brian Pallister (Leader of the Official Opposition): Well, prior to the last election, two—just two years ago, the NDP Cabinet, we have evidence now, was discussing the PST issue, discussing raising it. Now, then they promised not to, during the election, and then right after the election they did.

Now, would the Premier admit that when he was peacocking around the province making this promise, he and all his colleagues, that they would not raise the PST, they already knew they were lying?

Hon. Greg Selinger (Premier): Mr. Speaker, the member continues to put misinformation on the record.

The—when he was last in government, when the Conservatives were in government they put in place a tax commission, and that tax commission tabled a report in January of 2000 which I will now table today. That report—the chairperson of that report was a former Finance minister under the Conservative government, a Mr. Clayton Manness, and in that report, recommendation 4 was a temporary increase in the provincial sales tax. That's what was recommended. That was as early as 2000.

So it should be no surprise—and I have several other reports which I'm prepared to table here—should be no surprise that there was a discussion driven by external reports of whether the PST should be raised. It did not get raised at that time. Those—the report

commissioned by the PCs to raise the PST was rejected by this side of the House. It was only considered after the 2011 flood when 1 and a quarter billion was spent and another billion dollars was recommended just weeks before the budget.

Mr. Speaker: The honourable Leader of the Official Opposition, on a supplementary question.

Tax Increases Election (2015)

Mr. Brian Pallister (Leader of the Official Opposition): Well, I know Clayton Manness. He's a man of great integrity. He's a personal friend of mine. But that Premier is no Clayton Manness.

That answer just came from the Premier in charge not of the NDP but of the spendP. It's the spendP after all.

So we all know that when they were discussing at the Cabinet the PST, we most certainly know they were not discussing lowering the PST. That leaves one option. They were discussing raising it just days before the election campaign.

And just days before the election campaign, coincidentally, they signed a 10-year, \$159-million photo-op contract for an air ambulance service. And they were in such a big hurry to do that, they even refused to tender it and they ended up paying four or five times as much as neighbouring provinces because of the big hurry.

But on the PST, they weren't in a hurry—well, until right after the election. That's when they raised it.

Now, with that PST boost coming just after the election in which they promised not to raise it, is this what the NDP has in store for next election?

Mr. Speaker: Order, please. The honourable Leader of the Official Opposition's time has expired.

Hon. Greg Selinger (Premier): Mr. Speaker, the member wasn't here, so he probably missed it, but we did have the flood of the century in 2011, 1 and a quarter billion dollars. We had several prior recommendations from groups such as the one commissioned by the members opposite to raise the PST. We also have the Building Canada Fund coming along where we can match federal dollars to build infrastructure in Manitoba.

The 1-cent-on-the-dollar increase in the PST allows us to roll out a \$5.5-billion infrastructure program, create 5,900 jobs, rebuild flood protection

for the people of the Assiniboine valley, Lake Manitoba, Brandon, Lake St. Martin, improve our roads into the United States so we can make sure that we're doing business with our major customer. Our infrastructure will be improved, more jobs for Manitobans, more flood protection.

All of those things are the result of a decision made after the 2011 flood when a report came in saying, spend another billion dollars to protect Manitobans, just like we did in the Red River Valley.

Mr. Speaker: The honourable Leader of the Official Opposition, on a final supplementary.

CAEPLA Negotiations Government Intention

Mr. Brian Pallister (Leader of the Official Opposition): Look out for the NDP to do it again if they get a chance. They don't believe that Manitobans are empowered to spend their own money. They think they can spend it better than Manitobans who worked for it can spend it.

The Canadian Association of Energy and Pipeline Landowners Association wants to negotiate on behalf of its members, many of them here today. They want to do it because they want to work together to protest the abusive treatment they've received by this government, abusive treatment of Manitoba farm families and Manitoba farmers because of the bipole route and the way in which it's been mishandled by this government.

* (13:50)

But the Province refuses to recognize them and refuses to come to the table. Yet this is a government that forces non-unionized construction companies to remit union dues, it's so union friendly. Now, there seems a contradiction here.

How can you deny collective bargaining? How can you deny the principle of collective bargaining to the people of Manitoba who want to exercise the principle of collective bargaining?

Hon. Greg Selinger (Premier): Mr. Speaker, the member missed the announcement last week where we saved \$38 million on the floodway in Winnipeg, which came in on time and under budget, and that money is being reinvested in Brandon, Souris, Melita, Waterhen, Duck Bay, West and East St. Paul, St. Clements. That means other Manitoba communities will be protected from floods in the future. We were pleased to make that announcement last week

because of the successful completion of the floodway.

We are pleased to work with landowners through Manitoba Hydro to make sure they get treated properly. The Minister of Hydro has already said he's willing to meet with representatives of the delegation right after question period today.

We will look forward to ensuring that we have a clean, reliable supply of electricity to keep the Manitoba economy growing strong and ensuring Manitobans are at work, Mr. Speaker, able to take home a paycheque for their families. The member opposite wants to cancel economic growth in Manitoba, stick his head in the sand and go back to the '90s where—

Mr. Speaker: Order, please. The First Minister's time has expired.

Manitoba Hydro Development Public/Government Relations

Mr. Ralph Eichler (Lakeside): This NDP government is all about announcements, spending, saving face and in what they think will get them votes.

Mr. Speaker, looking up in the gallery you will see a group of people that have been trying to get the ear of this government for a long time now.

Mr. Speaker, I ask the Minister of Hydro: Why is this government plowing ahead with hydro development when the PUB and other groups have not had a chance to air their concerns?

Hon. Stan Struthers (Minister responsible for Manitoba Hydro): Well, Mr. Speaker, we know that we have a population that is growing. We know that we have an economy with more and more economic demands all the time. It's a growing economy. We know that we can—we know that doing nothing is not an option; we're going to run out of power within 10 years.

So, Mr. Speaker, we can build dams. We can build transmission lines so that we can export that power to our neighbours to the south and to the west of us. That's how we keep rates the lowest in the continent.

Mr. Eichler: Mr. Speaker, the spendDP government has spent more than a billion dollars on Bipole III. This dictatorship government is putting every taxpayer at risk by spending willy-nilly with no

negotiations with landowners, no approvals from the PUB.

Mr. Speaker, I ask the Minister of Hydro: What is this NDP government thinking? The members on that side of the House are smarter than the experts and the rest of all of Manitobans. Talk about dictatorship.

Mr. Struthers: What were we thinking, Mr. Speaker? We were thinking about keeping rates the lowest in the continent. What were we thinking? We were thinking about keeping Manitoba–Manitobans employed, providing jobs for Manitobans. And we were thinking that every landowner that's impacted by Bipole III needs to be treated fairly, and that's what we've asked Manitoba Hydro to do.

Mr. Speaker, Manitoba Hydro has been negotiating easements with landowners along the Bipole III route. As a matter of fact, half of the landowners have committed to signing easements. These are—after all, these are 150 per cent of fair market value.

Mr. Speaker: Order, please. The honourable minister's time has expired.

The honourable member for Lakeside, with a final supplementary.

Mr. Eichler: That's why the rates are going to double in the next 20 years under this government. They call that low hydro? I guess not.

Mr. Speaker, we on this side of the House have from time to time asked this government to get it right with hydro development in this province. Even Hydro's own president, Scott Thomson, has publicly expressed concerns about the path this NDP government is forcing Hydro to take. This government is not listening to Manitobans. The group in the gallery are frustrated.

Mr. Speaker, I ask this minister once again: Will this government stop this runaway train, side with Manitoba taxpayers, listen to the experts and stop their political interference of Manitoba's hydro, the hydro that belongs to all Manitobans, not members opposite?

Mr. Struthers: What I can guarantee the people in the public gallery is that we intend to keep Manitoba Hydro working for Manitobans, not to privatize it like members opposite would.

Mr. Speaker, it's very clear that the preferred hydro development plan is preferred for a reason. It's

preferred for the reason that it keeps Manitoba hydro rates the lowest in the continent. It's preferred because it keeps Manitobans working rather than importing natural gas to keep Albertans working.

And we know—we know—that we have a growing economy. We know that we want to keep that economy growing. We know we have the lowest rates on the continent. The way to keep that—

Mr. Speaker: Order, please. The honourable minister's time has expired.

Manitoba Hydro Bipole III Landowner Committee Concerns

Mr. Blaine Pedersen (Midland): Mr. Speaker, this NDP government continues to ignore landowner property rights regarding Bipole III.

The NDP-controlled Manitoba Hydro has been ordered by this government to not negotiate with the Manitoba bipole landowners committee regarding Manitoba Hydro's flawed compensation package.

Will this minister commit to have Manitoba Hydro sit down and negotiate with the committee on behalf of their members?

Hon. Stan Struthers (Minister responsible for Manitoba Hydro): Well, Mr. Speaker, this comes from a group of people who voted against equalizing hydro rates for rural Manitobans. That cost Manitoba—it was our government that saved rural Manitobans \$22 million when that side of the House went AWOL on that particular issue.

And, you know, Hydro works with every landowner who's impacted by this decision, by this Bipole III; they work with the landowner. They're working to have easements signed off. Fifty per cent of the landowners have committed to signing off on these easements. They're looking at rates at 150 per cent of fair market value.

Look, I've lived almost all my life in rural Manitoba. I know that every farm site is not a cookie cutter of the next. Every farm site is different, Mr. Speaker, and every—

Mr. Speaker: Order, please. The honourable minister's time has expired.

Mr. Pedersen: Mr. Speaker, on March 14th of this year, Mr. Brad Ireland from Manitoba Hydro sent the MBLC a letter stating Manitoba Hydro is not interested in any adjustments or any changes to their compensation program.

Is this the NDP's new version of collective bargaining? Why is this government so afraid to sit down with MBLC and address landowner concerns regarding Bipole III?

Mr. Struthers: Well, Mr. Speaker, the member knows that not every farm site is the same; every farm site is different. There's differences in size; there's differences in the number of poles, the number of towers on each farm site. I do not want people to think that every farm is a cookie cutter of the next one.

Manitoba Hydro understands that. They have been sitting with individual farmers over and over and over again to sign off on these easements. And we want this to be fair for farmers, so that means we're not going to accept one-size-fits-all kind of an approach that members opposite are coming forward with.

Mr. Speaker, as a matter of fact, Manitoba Hydro has said very clearly that they will reimburse legal costs to a landowner that wants to look elsewhere for some advice. We want Manitoba Hydro to—

Mr. Speaker: Order, please. The honourable minister's time has expired.

The honourable member for Midland, with a final supplementary.

Mr. Pedersen: Mr. Speaker, in the same letter dated March 14th of this year, Mr. Ireland has stated the government's position as non-negotiable. The NDP has decided the terms being offered by Manitoba Hydro for landowners in the path of Bipole III as final.

An Honourable Member: Table it.

Mr. Pedersen: Well, I could table it, but the minister has a copy of the letter.

Will the minister now clarify: If this letter really is a take-it-or-leave final offer, why is this government so afraid to sit down with the MBLC and address landowners' concerns regarding Bipole III?

* (14:00)

Mr. Struthers: Well, Mr. Speaker, as the Premier (Mr. Selinger) has indicated—*[interjection]* Well, as the Premier has already indicated, I am willing to sit and meet right after question period today with representatives of the people who have come to the Legislature. We've said that very clearly, and we

have said very clearly that Manitoba Hydro will be meeting with landowners on an individual basis to talk about the easements that are coming forward and to talk about ways that this can be done fairly for the Manitoba farmer. Those things are being put in place.

I get back to, Mr. Speaker, asking members opposite why it is that they opposed equalizing rural rates that save Manitoba farmers \$22 million. Where were you?

STARS Helicopter Service Contract Tendering Process

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, this NDP government was slammed by the Auditor General for not tendering the helicopter EMS service. She said that the NDP was not in compliance with provincial tendering processes, policies or legislation.

So I'd like to ask the Minister of Health to tell Manitobans why she feels it was okay to break every single principle related to tendering.

Hon. Erin Selby (Minister of Health): Mr. Speaker, our focus is always on providing the best patient care. We know that Manitoba families depend on us for that.

In some circumstances, when it is in the best public interest and when there is only one qualified proponent, a government may enter a contract without a tender. We think, in the case of a life-saving service, it was the right call.

We saw the good work that STARS did in its flights in 2009 and 2011, and we wanted to maintain this life-saving service. We knew it would take 18 to 24 months to bring in a new service. We did not want to discontinue this important service, and in the time between our announcement and signing the contract, STARS transported over a hundred patients. That's a hundred families that were helped by this life-saving service.

Mrs. Driedger: Mr. Speaker, this Auditor General said that there was absolutely no excuse for not tendering the contract.

According to this Auditor General, the NDP broke the principles of openness, fairness, transparency, ethics, integrity and fostering respectful relationships. Yet this Minister of Health doesn't think that her government did anything wrong.

So I'd like to ask this Minister of Health to explain to Manitobans why she and her government ignored these very, very critical principles.

Ms. Selby: Mr. Speaker, patient safety, delivering the best health-care system we can is always at the front of every decision we make.

Manitoba families depend on this—families in Manitoba want to know that when a land ambulance, when a jet just can't get there, sometimes the only thing that can get to somebody in an emergency situation is a helicopter. It's why we are working with our clinical oversight committee to get full service back in Manitoba as well.

But, Mr. Speaker, I do want to ask the member opposite, when they had their campaign literature last time in 2011, what exactly they meant by their commitment here that they will follow through—a McFadyen government will follow through on the commitment to make a helicopter ambulance a more permanent component of Manitoba's emergency medical service.

Mr. Speaker: Order, please. The honourable minister's time has expired.

Mrs. Driedger: Mr. Speaker, we would have shopped a lot smarter than what this government just did. We've always said we support helicopter EMS service. We would have just done it a little bit better than they did.

Mr. Speaker: Order, please. I'm having difficulty hearing the question being posed or trying to be posed by the honourable member for Charleswood. I'm asking honourable members, please keep the level down so that our guests can also hear the questions and the answers here this afternoon.

The honourable member for Charleswood, I regret to interrupt you.

Mrs. Driedger: Mr. Speaker, the last principle the NDP broke, as pointed out by the auditor, was that of achieving value for money. Instead, the NDP had no problem spending up to 600 per cent more than any other province for the same service.

So I'd like to ask this Minister of Health to explain why this government so arrogantly ignored this principle of achieving value for money.

Ms. Selby: Since 2011, STARS has flown over 670 missions. It has transported 440 patients, including a family this past weekend. I consider that value for money.

Provincial Correctional Facilities Staff Safety Concerns

Mr. Kelvin Goertzen (Steinbach): Mr. Speaker, the women and the men who are working in our provincial corrections system do great work, and they do so under difficult working—often stressful and dangerous working conditions.

And those working conditions are made worse by an NDP government and a Minister of Justice who refuses to make the kinds of decisions that need to be made, who refuses to have long-term capital planning and puts them at risk because of overcrowding within our jail systems.

Why has this Minister of Justice failed the good men and women who are working in our provincial correctional system?

Hon. Andrew Swan (Minister of Justice and Attorney General): It's not every day that the member for Steinbach and I agree on things, but I do agree with him that the men and women who work in our correctional centres do a tremendous job.

And that's why, Mr. Speaker, each and every year, we've invested to make sure that we have the right staffing in our correctional centres, additional staffing which, of course, the member for Steinbach and every member of the PC caucus has voted against every single year since 1999.

We've actually invested, Mr. Speaker, since 1999, in 1,038 more jail beds in the province of Manitoba. We've, of course, completed major expansions at the Milner Ridge Correctional Centre. We've expanded the Headingley Correctional Centre, including adding the Winding River therapeutic unit, which is working very well at dealing with offenders who have addictions issues so when they're released from prison they are better off in the community, less likely to reoffend—

Mr. Speaker: Order, please. The honourable minister's time has expired.

Mr. Goertzen: Mr. Speaker, the more that the Attorney General says that they are doing, the worse the results are.

The Auditor General showed in her report that serious-incident security events in our provincial correctional system went from 1,700 in 2009 to 2,500 in 2012. That's a 43 per cent increase. That's at the time that the Attorney General said he was doing such good work, and I'll remind him these are serious security incidences in the provincial jail system.

That's put the women and the men who are working in those systems, in the jails and the correctional centres, that puts them at risk.

Why has his lack of action put those good men and women, doing good work every day for community safety, why has he put them at risk because he's not doing his job?

Mr. Swan: Our relationship with the women and men who work in correctional services has been one that's been built on respect and trust and making sure that we have those facilities properly staffed, which we've done year after year after year.

And, certainly, Mr. Speaker, we've added to the capacity of those facilities. We've moved within existing facilities to add capacity.

I was very pleased we were able to open the Women's Correctional Centre which replaces the Portage Correctional Centre, which was long, long beyond its useful life.

I'm also very pleased that we are now moving ahead to build a new correctional centre in Dauphin to replace the existing Dauphin Correctional Centre, as called for by the adult capacity review. That 180-bed facility will allow for better outcomes, more ability to provide supports to those individuals, greater ability for our correctional officials to work with those individuals to get better results in our community.

Mr. Goertzen: And we will agree it's about results, but the results are getting worse, Mr. Speaker.

The Attorney General ignores the fact that, in the auditor's report, we went from 1,700 serious incidences on security in our correctional system in 2009 to 2,500 in 2012. Things are getting worse. They're not getting better, and that puts the good women and men working in those facilities, it puts them at risk.

I want to ask the Attorney General: How many, in those serious critical incidences, how many people were injured who are working in our system, and how many had to go on stress leave as a result of his inaction and his inability to get good results?

Mr. Swan: Well, Mr. Speaker, we can certainly talk about results as crime continues to decline in the province of Manitoba, as violent crime continues to decline in the province of Manitoba, but what we are doing is making smart investments to make sure that those individuals that pose the greatest risk to public safety are behind bars.

That's why we've invested in the Warrant Enforcement Unit, which is a dedicated team of Winnipeg Police Service officers and RCMP officers, to make sure they're dealing with those individuals who pose the greatest threat. We've got the GRASP program where probation services works with the Winnipeg Police Service to make sure those individuals who pose the greatest threat are taken back to jail if they do not follow their obligations.

We know that it is a difficult population that's being managed. We're very proud of the work our correctional officers do, and we are setting those officers up for success.

And I would point out to the member opposite the number—

* (14:10)

Mr. Speaker: Order, please. The honourable minister's time has expired.

Manitoba Hydro Biosecurity Ethics Policies

Hon. Jon Gerrard (River Heights): Mr. Speaker, we approach a new crop season with family farms remaining the backbone of our province.

Family farms are also large businesses concerned with biosecurity on their farming operations. Their fundamental property rights and easement negotiations must be respected. It's all about being ethical.

Manitobans are counting on Manitoba Hydro to respect the rights of all Manitobans, rural and urban. Instead, the NDP is steamrolling through without paying a top—proper attention to landowners.

When will the Premier ensure that our provincial Crown corporations are respectful of the rights and needs of rural landowners?

Hon. Greg Selinger (Premier): Hydro has strengthened its biosecurity protocols. They are offering 150 per cent of appraised market value. They are prepared to cover the legal costs or other costs of landowners that need consultation in order to make their case in front of Hydro.

So the whole point here is to do something that will ensure that specific landowners are treated fairly at the same time as we build greater energy security in the province of Manitoba, so all people in Manitoba, and especially rural Manitobans, benefit by a reliable, safe, affordable hydro system in Manitoba. That's the purpose of them being here, to

provide safe, reliable, affordable energy in a timely manner.

Movement forward was stalled when the opposition was in office. They did not do anything after 1996, and they lost 70 per cent of their transmission capacity down through the Interlake. What were they doing at that time, Mr. Speaker, when they could have been building additional transmission? They were privatizing the telephone system. And the result? The rates have gone from the third lowest to the third highest for all Manitobans, including rural Manitobans.

Mr. Gerrard: Mr. Speaker, our farmers are preparing for seeding and will be putting in countless hours to produce the excellent crops that we all rely on. Farmers should be treated with respect.

While Manitoba Hydro has a code of ethics that specifically addresses how Hydro employees should deal with public officials, there is no specific section for negotiations with landowners fairly, with respect and with sensitivity to biosecurity issues, like preventing the spread of clubroot and other crop diseases.

Will the Premier commit to work with Manitoba Hydro to ensure such a section is included in the code of ethics for Manitoba Hydro employees? Can Manitobans expect this section to be included within the next week?

Mr. Selinger: Mr. Speaker, biosecurity is a very important issue, and Manitoba Hydro has increased and improved its biosecurity protocol. And I'm sure they will take the recommendations from the member from River Heights under consideration.

The reality is this: We do not want biosecurity risks on any farm in Manitoba. We know that. When we saw the recent outbreak of disease among—in the hog industry, our people were on it immediately, Mr. Speaker, and they are working on that as—very assiduously. So we will work with all producers and Manitoba Hydro to ensure the biosecurity protocols are in place. That is fundamentally important to the security of our system.

And I can tell you this, Mr. Speaker: The Minister of Agriculture has very significant resources in his budget for biosecurity, tracing products, making sure there are safe products on the land, because the reputation of our products is among the best in the world and we intend to keep it that way.

Mr. Speaker: The honourable member for River Heights, on a final supplementary.

Mr. Gerrard: Mr. Speaker, last week the Auditor General raised a number of concerns about the ethical environment within the Premier's government. One third of government employees said they were aware of ethical misconduct and fraudulent activity within their workplace. The government's Procurement Administration Manual has a chapter entitled Ethics in Procurement, but the chapter, as the auditor reports, is empty.

What is the Premier doing to address the government's lack of ethics and also address the ethics of Manitoba's Crown corporations?

Mr. Selinger: Mr. Speaker, one of the things we discovered when we came to office is there was no code of ethics nor guidelines for ethics in the provincial government. That has now been put in place. That has now been in—put in place with the leadership of the Civil Service Commission.

Another piece of legislation that was completely absent in Manitoba was whistle-blower legislation. We have now brought in whistle-blower legislation, which the members opposite resisted every step of the way. And, in addition, we've had for many years now, Mr. Speaker, an Ombudsman in Manitoba.

So when you have ethics in terms of guidelines, when you have a whistle-blower legislation and you have an Ombudsman, you have some of the institutional requirements necessary.

But even more important is to train public servants to act ethically, and that is part of what we do in the Civil Service Commission. We have training for all new employees, and that training can be strengthened. And we look forward to strengthening those resources, because I can tell you Manitoba civil servants offer good value to the people of Manitoba. They provide very good services to the people of Manitoba, and they know that they can even do better, and we will work with them to do that, Mr. Speaker.

Criminal Property Forfeiture Fund Law Enforcement and Victim Services

Ms. Melanie Wight (Burrows): Mr. Speaker, I'm happy to say that Manitoba is a very hostile place for organized crime.

Together with the police and the RCMP, programs like the Criminal Property Forfeiture Unit

have been a great success in the work that they do, and it is absolutely a favourite in my constituency.

So I would love it if the Minister of Justice would please provide the House with an update on some of our recent work done by this department to help keep our communities safe.

Hon. Andrew Swan (Minister of Justice and Attorney General): I'm certainly pleased to stand with the RCMP and the Winnipeg Police Service this morning as we announced nearly \$1 million forfeited from criminal activity going to the province for good purposes. Just two police stops near Headingley actually resulted in nearly a million dollars being forfeited, some of the largest successful forfeitures in the province's history.

With the great work of police, we continue to take very large sums of money out of crime and reinvest that money across the province to support victims, to support police and to support public safety programs. I'm proud to work with our police to reduce crime and keep our communities safe.

Last summer, over \$1 million was distributed to police services across the province to purchase specialized equipment to provide important training opportunities and support community-based crime prevention programs. The Victim Services branch and victims' organizations received money.

We're working together to build a safer and stronger Manitoba.

Mr. Speaker: Order, please. The minister's time has expired.

MASC Office Closure Government Timeline

Mr. Shannon Martin (Morris): Mr. Speaker, last week I asked the Minister of Agriculture about the closure of Manitoba Agricultural Services Corporation offices in the town of Morris. The minister confirmed their closure on Wednesday, then denied it on Thursday. Needless to say, there's some confusion among the four full-time workers and the one satellite worker who have been advised that their office is to be relocated out of the town of Morris.

Can the minister clarify as to when the MASC office in the town of Morris is scheduled to be closed?

Hon. Ron Kostyshyn (Minister of Agriculture, Food and Rural Development): Just to clarify the accusations the member opposite's bringing forward,

is I've said the department is reviewing all offices throughout the province of Manitoba.

I'm sure the member opposite is aware of the fact what we used to do 20, 25 years ago as an agricultural producer, as I was, I didn't—I do not use a double-disc seed drill to grow a crop these days. The majority of them are air seeders. The question I'm trying to put forward to the member opposite is, do we continue to live in the back ages of years ago?

But, first and foremost, Mr. Speaker, MTS sold out—the young farmers rely on cellphone service. Where was the party that sees a vision of new economic development for the farming community and cellphone service is a top priority today—

Mr. Speaker: Order, please. The honourable minister's time has expired.

Time for oral questions has expired.

MEMBERS' STATEMENTS

Mr. Speaker: It's time for members' statements.

Dr. Denis Mukwege

Ms. Christine Melnick (Riel): Mr. Speaker, every now and then we become aware of, or if we are truly lucky, meet a person who lifts us up above the fray of everyday life and reminds us of what is truly important. Such is the case with Dr. Denis Mukwege, the founder and medical director of the Panzi Hospital in the Democratic Republic of Congo, specializing in gynecology and obstetrics.

Amid the war in eastern DRC in 1998, he initiated the construction of Panzi Hospital in Bukavu. The hospital has become known worldwide for the treatment of survivors of sexual violence and women with severe gynecological problems.

In the DRC, sexually based gender violence is not a crime, and women are violated without any hope of seeking justice. The Panzi Hospital was built to accommodate 150 women, often treats 400 women at any given time and annually treats over 2,000 women who know that they will receive free medical attention, some requiring up to two years of reparative surgery.

Children are born of these violent acts, and it is difficult and often unsafe for women to leave the hospital. In response to this, Dr. Mukwege has built Maison Dorcas, a second-stage housing facility on the grounds of the hospital. In time, it will provide not only housing, but also early-learning and child-care programs. Mr. Speaker, there are children

of up to four years old who have never left the grounds of the hospital.

* (14:20)

Dr. Mukwege is a tireless advocate for the rights of women in the DRC. He has addressed the United Nations General Assembly and has been the recipient of many awards. He is a three-time nominee for the Nobel Peace Prize. Recently, he received the Hillary Rodham Clinton Award for Advancing Women in Peace and Security. In his speech, Dr. Mukwege accepted the award on behalf of the women of the DRC who are now seeking a voice in peace and justice after overcoming violence and strife.

To quote Dr. Mukwege, I strongly believe that those who have endured violence in conflict times have the capacity to act as an agent for peace and security, and deserve a place at the negotiation table in peace talks. Mr. Speaker, I am humbled and thankful to the good doctor, Dr. Denis Mukwege, for gracing our province with his presence.

Thank you, Mr. Speaker.

Braden Calvert Junior Curling Rink

Mr. Stuart Briese (Agassiz): On February the 19th, I was pleased to attend a social evening fundraiser for Carberry's Braden Calvert and his Manitoba junior curling team that have won the right to represent Canada at the World Junior Curling Championships in Flims, Switzerland.

Braden's father taught him how to curl right after he started to walk, and he's been curling ever since. Braden was part of Carberry Collegiate's 2013 provincial high school championship team, and on February 11th, 2013, Braden was awarded the Tri-Star Rural High School Athlete of the Week when he led his team to victory at the provincial high school curling championships. His team went undefeated with a record of 11 wins through his own championships and provincials.

His coach, Grant Calvert, stated Braden is very dedicated and passionate about the game of curling. He was a player that will remain calm under pressure and is a great leader for his team. His outgoing personality is one of his greatest strengths.

Braden's team for the Canadian juniors was made up with third Kyle Kurz, second Lucas Van Den Bosch and lead Brendan Wilson. The coach was Tom Clasper. To win the Canadian juniors, Braden's rink beat New Brunswick at the Queens place centre in Liverpool, Nova Scotia, in the gold medal game

on Sunday, January 26th. Manitoba finished with a 9-and-1 record in round robin play.

It's a dream come true, really, said an ecstatic Calvert. The win in Nova Scotia allowed the Manitoba rink to wear Canadian colours on the world stage in Switzerland for the world juniors, which took place from February 26th to March the 5th.

In Switzerland, Team Canada advanced to the playoffs with a 6-3 record in round robin play and ended up in the bronze medal game. Canada came just short in the final end of the bronze medal game, losing 7-5 to Norway. They finished fourth, just out of the medals.

Calvert said his team really battled hard and they learned a lot about their team and what they are capable of. We'll definitely be hungry for next year, we're looking forward to it and we have a lot of positives to take home.

Mr. Speaker, I ask all the members of the House to join me in congratulating the Braden Calvert junior curling team and wishing them well in their continued success.

Thank you.

Mission to Mexico Literacy Project

Ms. Deanne Crothers (St. James): I am honoured to welcome to the Legislature today two incredible young men from my constituency, Devon and Jeremy Liscum, the founders of the Mission to Mexico Literacy Project.

These young men, with the full support of their parents, fundraise and collect school supplies for two education programs in some of the most impoverished communities in Mexico. Ten years ago, while on a family holiday in Puerto Vallarta, brothers Devon and Jeremy were inspired by the incredible work being done by a local organization called the Children of the Dump.

This group provides daycare support, hot meals and after-school English, math and computer education programs to the families who live around the city dump.

Each school year, the brothers have organized fundraisers in their schools for this group, including bake sales, licorice sales, silver collections and concerts. Devon and Jeremy have also made presentations at other local schools, increasing understanding about the challenges these families

face. In turn, many of these schools start fundraising themselves on behalf of the Mission to Mexico Literacy Project.

Over the years, Devon and Jeremy began collecting donations for a second community group called the Volcanes Community Education Project. This program offers English and computer classes to students and mothers, and recently opened the area's first public library. Since they began fundraising, Devon and Jeremy have raised over \$13,000.

This June, Devon will graduate high school. His dream before graduation was to take a team of those who have helped with the project to work in these schools and communities. This past February his dream became a reality when Devon and Jeremy, their parents, two classmates and six educators travelled to Puerto Vallarta for the Mission to Mexico 2014 literacy project.

Mr. Speaker, Devon, Jeremy and their parents are helping impoverished families transform their lives by breaking the cycle of poverty. On behalf of the Legislative Assembly, I would like to commend Devon and Jeremy for their incredible volunteerism, their dedication, their kindness and empathy.

Thank you, very much.

Canadian Fire Fighters Curling Championship

Mr. Cliff Cullen (Spruce Woods): I am pleased to rise in the House today to advise members of a major event coming to Manitoba this week. And no, Mr. Speaker, I'm not speaking of the Junos.

Manitoba and Winnipeg will be hosting the 55th annual Canadian Fire Fighters Curling Championship. Ten teams from across the country will begin arriving this Thursday, March 27th. The format for the competition is similar to the Brier, as teams will play a round robin with four teams qualifying for the playoff round. The winning team will be presented the Hydrant Trophy on Saturday, April the 5th. A unique aspect of this event is the aerial ladder draw, where two aerial trucks will be positioned, ladders will be raised and firefighters will drop the flag of each team represented along the length of the ladder. This will determine the round robin order. The ladder draw will be held at 6 p.m., March 28th, at the Canad Inns Club Regent, the hospitality headquarters for the event.

The curling, as well as opening and closing ceremonies, will take place at the Fort Rouge Curling

Club. The main sponsor for the event is Draeger Safety.

Mr. Speaker, in 1958, a Vancouver firefighter, Aubrey Neff, had a dream to start a Dominion firefighters' curling championship. A proposal was sent to every major Canadian city. Howard Smith, from Winnipeg, responded on behalf of Manitoba. Five provincial teams participated in the first Dominion Fire Brier in 1960. The Dan Michalchuk rink won the right to represent Manitoba, but due to previous commitments will not attend the Canadians. The runner-up team of Daryl Bjornson, Jamie Pachkowsky, Bill MacDonald, Kris Rosolowich and Director Guy Senecal will wear the famous Manitoba buffaloes.

Having had the opportunity to curl in two Canadian championships, I can tell you this is a fantastic national event with fierce competition, great hospitality and social opportunities second to none.

I wish to acknowledge the work of host committee chair, Bob Poole, and his committee for their work in preparing and hosting the event. Results can be obtained on the link through both the Manitoba and Canadian Fire Fighters Curling Association websites. My best wishes to all competitors and fans.

Thank you, Mr. Speaker.

Aboriginal Music Program

Mr. Frank Whitehead (The Pas): Mr. Speaker, thousands of Manitobans make their livelihoods in music. Music has been a part of Manitoba's cultural landscape for generations, and it will continue to be, thanks to organizations like the Aboriginal Music Program. Manitoba's music—Aboriginal Music Program offers the tools for Aboriginal musicians to start their careers in the music industry.

For 10 years, the AMP has been deeply involved in the success of hundreds of Aboriginal musicians in our province. Launched in 2004, the AMP helps First Nations, Metis and Inuit individuals develop sustainable careers in music—in Manitoba's music industry. The program works because it connects artists and entrepreneurs with opportunities in Manitoba's music industry and beyond. The AMP offers mentorship programs, advice and tools to develop a career in the industry, funding help and access to conferences, workshops and networking events. This means Aboriginal musicians have easy access to the services they need to thrive.

It's hard not to notice the impact programs like AMP are having for the Aboriginal music industry, especially during Manitoba's Year of Music. This week, for example, Winnipeg hosts the Juno Awards. Congratulations to Desiree Dorion for her Juno nomination for Aboriginal Album of the Year. Aboriginal Music Week is also set for August 20th to 24th this year, and in September Winnipeg will host the Aboriginal Peoples Choice Music Awards.

* (14:30)

Mr. Speaker, these festivals and award ceremonies celebrate Aboriginal achievement in all genres of music. Thanks to the Aboriginal Music Program, Aboriginal musicians will continue to have a place to grow their musical talents.

Thank you.

Mr. Speaker: I believe that concludes members' statements.

GRIEVANCES

Mr. Speaker: We'll now move on to grievances.

The honourable member for Midland, on a grievance.

Mr. Blaine Pedersen (Midland): On a grievance, Mr. Speaker.

Mr. Speaker, I am saddened, I am embarrassed and I am so thoroughly disappointed in this government for their lack of respect for property rights and their stranglehold on Manitoba Hydro.

Today, some 80 landowners took time out of their busy days to come to Manitoba Hydro's headquarters and to this Legislature. Landowners are angry at this government's attempt to take away their property rights. Landowners did not seek out Bipole III to be built across their properties. This was not a community-driven project seeking local support. Bipole III is a Manitoba Hydro project ordered by the NDP government. Who else would take a circular route around Manitoba, creating higher line losses and costing at least an extra \$1 billion, and needlessly crossing the most productive farmland in Manitoba?

But the fact remains, a licence has been granted and property owners now have to deal with it. So the landowners affected by this colossal mistake had no alternative but to form the Manitoba bipole landowners committee, MBLC. They quickly realized Manitoba Hydro did not have their best interests at heart. The consultation and

route-planning process was a sham. The Clean Environment Commission hearings were a mere formality for the government's preconceived plan. Then the government hired an Alberta company as their land agent, fully expecting landowners—fully expecting property owners to sit down, shut up and sign.

Now landowners have come together to protect their property rights. Of course, the NDP will accuse the MBLC, they'll accuse me, they'll accuse anyone they can think of as being obstructionist. Blame placing comes very easy to a government struggling to survive and to justify their poor decision making. The MBLC is not antidevelopment. The MBLC realizes Manitoba has a licence to build Bipole III. The MBLC realizes, in spite of all the damning evidence against this project, they, as landowners, must prepare to make the best of a very bad situation. But, in doing so, the NDP and Manitoba Hydro must show some semblance of respect for property rights. This transmission line will be there for the next one hundred years, so let us get it right. The NDP may be feeling a time crunch to push this project forward, but landowners do not need to feel obligated to hastily sign away their property rights before their legitimate concerns are addressed.

When the MBLC was formed about a year ago, the first item of business was to contact Manitoba Hydro to inform them a landowner group was organized and to request a preliminary meeting. This meeting finally took place in November 2013. The purpose of this meeting was to explain to Manitoba Hydro how the landowner negotiations would take place. Obviously, Manitoba Hydro was somewhat taken aback, because immediately following the meeting, Manitoba Hydro replaced two employees with one hard-nosed spokesperson. The games had begun. The NDP are not used to pushback but the NDP failed to realize property rights really do matter to Manitobans. Manitoba property owners have every right to be treated with respect, be treated fairly, equitably and have their concerns addressed, something this government seems to have forgotten about.

And their concerns are many. As I've already mentioned, Manitoba Hydro has received a licence to build Bipole III, but this does not absolve the Crown corporation from sitting down with the MBLC to begin the process of addressing these many concerns.

It quickly became apparent last fall this NDP-controlled Manitoba Hydro had no interest or

respect for landowners. When confronted by property owners, Manitoba survey—Manitoba Hydro survey crews threatened with the long arm of the law. When that did not deter landowners concerned by the lack of biosecurity protocols used by the survey crews, the NDP Manitoba Hydro employed security guards to enforce their encroachment on private property. Mr. Speaker, this is truly thug mentality.

Now Manitoba Hydro, using the 192 NDP communicators, have tried to spin the myth of a biosecurity protocol. Manitoba Hydro even resorted to using newspaper ads to try and sell the public of their new-found biosecurity concerns. But MBLC members are already a step—of Manitoba Hydro and this NDP government as they have approved a comprehensive biosecurity protocol for their individual farms. This is not negotiable. This is the biosecurity Manitoba Hydro will be using, not the Mickey Mouse, NDP public relations version. You see, the sooner Manitoba Hydro would agree to sit down with the MBLC, the sooner these types of issues could be resolved. For example, it would be a shame if Manitoba Hydro becomes responsible for spreading clubroot in canola, or PED in hogs; who would pay the cost of that?

The NDP Manitoba Hydro issued a letter to MBLC dated March 14th of this year. In this letter from Mr. Brad Ireland, Manitoba Hydro restated their position of not providing MBLC with any material in advance, and Mr. Ireland further stated Manitoba Hydro will be taking out a take-it-or-leave-it offer to landowners in early April. This is akin to dictatorships where property rights are not recognized by a central government; so when did Manitoba become a dictatorship?

Besides biosecurity, what the NDP Manitoba Hydro is failing to address is the myriad of other issues affected by Bipole III. With the construction of Bipole III, Manitoba is creating an economic dead zone some 150 miles long across southern Manitoba. There will be no building construction within a half mile of the line on either side. Property values will decline and when assessments decline, municipals revenue decline. Are the landowners here in the gallery expected to pick up the cost just because their property is in the target area?

The NDP Manitoba Hydro has tried to buy their way out of this with community development funds—community development initiative funds, trying to buy silence from municipalities by offering hush

money while leaving themselves a huge loophole to opt out of payments once they know the line will be completed, a total disrespect on the integrity of municipal governments. But then what do you expect from a government with no integrity and a spending addiction?

What about the liability issues for property owners where towers are located? They will be responsible—as landowners—they will be responsible for any damage occurring to the towers, no matter who is responsible for that damage. Are landowners expected to pick up the additional insurance costs? What about the ongoing costs of working around the towers? A one-time payment just does not cut it.

Each and every year these towers will affect agricultural practices. What about the expansion of irrigation for high-value crops such as potatoes and the interference those transmission lines would have on irrigation? Are landowners expected to pick up the cost of lost productivity each and every year forever?

Mr. Speaker, what worries the NDP Manitoba Hydro the most is the precedent being set with these landowners and the MBLC being present here today in the gallery. The NDP Manitoba Hydro is already planning to build three more transmission lines in southern Manitoba. If they are not successful—if the NDP is not successful in ramming the Bipole III over top of landowners' rights, if the NDP must take into account landowners' concerns as they've refused to do 'til now, it now sets a precedent for the future.

Mr. Speaker, I want to acknowledge the landowners here today and thank them for being here. They've taken time and travel to be here and it's—I certainly thank them for expressing their interest in this.

Mr. Speaker: I've cautioned our guests here in the gallery with us here this afternoon not to involve themselves in the proceedings of the House. I'm once again asking for your co-operation, that is to include no applause. So I'm asking for your co-operation.

The honourable member for Midland, to complete his statement.

* (14:40)

Mr. Pedersen: What you as landowners are doing by standing up for your property rights is essential for the very democracy we are so proud of in this country. Do not allow the NDP Manitoba Hydro to bully you.

Every day in this building we see a government desperately trying to cling to power, interfering with Manitoba Hydro and imposing their spending addictions on hard-working Manitobans.

I thank you for taking the time out of your busy day today to be here today. Your recognition of the seriousness of the impact Bipole III will have on your property will assure property rights remain alive and well in Manitoba. Thank you for coming and have a safe trip home.

Mr. Speaker: Any further grievances?

ORDERS OF THE DAY

GOVERNMENT BUSINESS

Mr. Speaker: Seeing none, we'll move onto orders of the day, government business.

Hon. Andrew Swan (Government House Leader): Mr. Speaker, you please call Committee of Supply?

Mr. Speaker: We'll now resolve into the Committee of Supply.

Mr. Deputy Speaker, will you please take the Chair.

COMMITTEE OF SUPPLY (Concurrent Sections)

INFRASTRUCTURE AND TRANSPORTATION

* (14:50)

Mr. Chairperson (Mohinder Saran): Order. 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 previously agreed, questions for the department will proceed in a global manner. The floor is now open for questions.

Hon. Steve Ashton (Minister of Infrastructure and Transportation): Yes, I wanted to just read into the record some information. And I do want to indicate we're continuing as issues are raised to respond as soon as we're able to get the information.

There was a question asked as to where the five-year infrastructure plan shows up in MIT Estimates. I did want to indicate—I had indicated in my initial response the fact that what we're talking about in the five-year plan is core infrastructure and we can find that—actually, the five-year plan includes

a total of \$1.026 billion in core infrastructure investments in 2014-15, including \$706.7 million for roads, highways and bridges, and \$42.4 million for flood protection.

These Estimates are broken down in more detail in the budget documents as follows: roads, highways, bridges and critical transportation infrastructure, \$706.7 million in total, and the breakdown of that is \$548.5 million for highway infrastructure, which is reflected on page 139 of our detailed Estimates—that's in appropriation 15.(a)(1); \$14.1 million for transportation capital, which is reflected on page 139 of MIT's Estimates—that's appropriation 15.(a)(2); \$2 million for airport runways—that's reflected on page 139 of MIT's Estimates, appropriation 15.(b)(2); \$142.1 million for highway maintenance and preservation, which is broken down into more detail on page 119 of MIT's Estimates—that's sub-appropriation 15-4A; in terms of flood protection, \$32.8 million on water control capital, which is reflected on page 139 of MIT's Estimates, appropriation 15.(b)(1); \$9.6 million on maintenance of flood control and protection infrastructure, which is broken down in more detail on page 121 of MIT's Estimates, subappropriation 15-4B.

Note that there's also \$276.6 million for municipal infrastructure. This appears in Municipal Government's Estimates, the department of local government, and it's part of the Building Manitoba Fund. So, again, I do have that breakdown and perhaps I'll give this to—for Hansard's purpose.

There were some other issues that were raised. Again, as we do get them, we'll either table them here and if there are more detailed answers that we need to respond to—Estimates does complete part of that time—I will undertake to get in writing to the critic or to the MLA or both.

Mr. Ron Schuler (St. Paul): Yes, thank you very much, and I'd like to raise once again with the minister the Ol' Lamplighter issue on the corner of 206 and 15. With the changing of the traffic pattern, the twinning of that intersection, lights going in, it seems to have adversely affected Bud McIvor there.

Could the minister just tell committee where we are on that issue?

Mr. Ashton: Yes, we have been trying to get an access road in behind because it's not feasible in the front. We're certainly aware of the situation, and I appreciate the member for having raised it in the past.

Mr. Schuler: Also, a Margaret Rodzinski has been corresponding with my office and with the minister, and that's also at 15 and 206—it's a very popular intersection this afternoon—and complained about damage to her house because of construction. I've sent this to the minister, and I was just wondering if the minister could tell committee where are we on Margaret Rodzinski's issue.

Mr. Ashton: Yes, we do have a standard process for complaints during construction, and I'm not in a position to update on this specific case but will ensure it's looked at appropriately.

Mr. Schuler: On the corner of 206 and 15, the Springfield Ag Society has their fields as well as the Springfield Braves have their baseball diamond. A little bit of configuration took place there as well. They lost a little bit of land, and over the years they have sold space on the fence for individuals to hang four-by-eights along the fence, and this year they were told to take them all down because it was in contravention of highway law. They were just too close to the highway, evidently.

What's odd about this is the way the signs were facing was in a zone that I believe the speed is down to 70 kilometres an hour or even less. It's—there's a traffic light on that corner so you have to slow down, and you're going through town; you have to slow down. It's part of a school zone; you have to slow down. Yet somehow, the department deemed it that they had to pull all the signs down, which they did, and it's going to adversely affect the Springfield Braves in their ability to put on a program in Dugald.

And I was wondering if the minister could just tell us why would they have gotten caught up on something that really is in a urban setting, and it's not really in a rural setting. And, if the minister is being briefed by his department, I can wait before I can pose the question. But—like—I do believe this was punitive and fairly harsh on the Springfield Braves.

Mr. Ashton: I certainly appreciate people want to put signs to advertise events. Generally speaking, with very few exceptions, we don't authorize them in a highway right-of-way, urban or rural, for a number of reasons, not the least of which is to ensure that the right-of-way's unobstructed, and we're also very cognizant with signs generally not to create unnecessary distractions.

So I can certainly look at it, but I can assure the member it's not punitive, and if the department has made a decision, it really is based on normal policy.

We have a standard policy across the province for rural and urban scenarios that does protect the highway right-of-way. There are opportunities for signage that—we do have many, you know, permitted sign locations and there are, of course, other areas other than highways' right-of-ways that are available. So I'm not sure of the history of this, but I can assure the member that it's certainly not punitive.

You know, it's important for our staff to be able to, you know, follow through in terms of standard highway policy throughout the province, and that's what we would do in these kind of circumstances. So I can certainly look at it, but I do want to, you know, put in that element from the highways staff side on it. You have a difficult job to do but, you know, one of the key elements is preserving safety.

Mr. Schuler: Can the minister tell us what is policy—and I understand it starts from the middle of the highway to where the signs are allowed—what is that distance before any signage is allowed?

Mr. Ashton: Yes, it—the right-of-way can vary, again, to the different highways, different level. The key feature is not having signage in the actual right-of-way itself, and that, again, would be something that would be determined by the department throughout the province. And, as I said, there are different standards of highways, different scenarios, so it—you know, the answer is, it depends. But the basic principle of not having signs in the right-of-way is standard across the province.

Mr. Schuler: So, in the case of 206 and 15, with the Springfield Braves baseball diamond, what would be the distance before they would be allowed—what would be the distance that they would have to meet before they would be allowed to put signs up?

Mr. Ashton: I'll undertake to get a specific answer back on this.

Mr. Schuler: Could the minister then tell us, also then, what is the distance between the fence and the middle of the highway in the case of the Springfield Braves baseball diamond? What I'm trying to gather is how far out are they? Because previous to this, they weren't in contravention because it all seemed to be fine, and then the department bought some land off of them, and now it's—now they're in contravention of it. And really, very little has changed where the fence is. So anyway, if the minister could get that for me, I'd appreciate it. And as usual, I thank the minister's commit to looking into these things.

Mr. Ashton: I appreciate the question. We'll get a detailed follow-up and, I think, in the member's preamble to his last question, he's probably indicated some of the elements, here, as well, if there was a land reallocation—has been a change in terms of that, that may be a factor. But I'll get a specific answer, which I know from previous Estimates, I think we've—we're batting a hundred per cent—not necessarily in the responses, but certainly in responding.

Mr. Reg Helwer (Brandon West): Mr. Chair, just a couple of questions about some promises that have been made in various documents, one was about Highway 57 being raised to an interstate standard. Now, my understanding is interstate standard means that there are frontage roads with limited access and diamond interchanges or cloverleaves. Is that what the minister—what the promises are to be taken for Highway 57?

Mr. Ashton: I'm certain the member's referring to Highway 75.

An Honourable Member: Oh, sorry, highway—you are correct. Highway 75, yes.

Mr. Ashton: Basically, we've been very clear that we're aiming right now for interstate standards in terms of flood protection. The key element, you know, is an event that wouldn't shut down the interstate in, say, North Dakota, shouldn't be shutting down 75 in Manitoba. Also, in terms of a lot of our surface condition, that's also a key part of it. And we are—people will see a huge difference in it in terms that we do have some elements, too, very similar what someone would see on the interstate coming into play, not just on 75, but, for example, some of the work we're doing with diamond interchanges on the southwest Perimeter. And it doesn't mean we're going to have all of the elements of the interstate system. But, you know, many of the elements that exist in the interstate system wouldn't apply here. We—basically, on Highway 75, for example, don't have significant concentrations of population on 75 outside of Morris itself. And, of course, the key issue in Morris is going to be maintaining its ability to stay open.

So when we talk about interstate standards, we've been very clear. It can be interstate standards toward flood protection, the kind of surface that's there. You'll see some greater connection in terms of speed limits, as well, because we will be able to increase the number of areas where we're at 110. So that's the specific element. And we've made similar

commitments, too, if you look at what's going to happen with our \$320-million investment on Highway 1 both west and east of Winnipeg, it's going to bring Highway 1 up to a standard that would match any interstate in terms of surface condition, in terms of the geometry of the highway, in terms of the shoulders. So a very significant upgrade that will—I think people will appreciate because probably the biggest area of difference, really, if you were either visiting from the States or coming back from a visit as a Canadian, quite frankly, until we started to build up 75 in 1999 it was an embarrassment when you hit the border. We've already done a significant amount of work. But we're going to have more than \$200 million, and people are going to see and feel and smell the difference. I think I've used that line before.

* (15:00)

Mr. Kelvin Goertzen (Steinbach): Mr. Chairperson, in a question to the minister—I think I've posed this to him previously when he was minister of this department; maybe under a different name, but the same type of question regarding Highway No. 12 in the city of Steinbach—that's a provincial highway that goes through the community—and also 52 which goes through the middle of the community.

As he knows well, lots of growth around the community, lots of increased traffic, intersections that aren't designed for the type of traffic that they've had. In particular, the corner of Park Road and Clearspring, I know is—or 12 and Clearspring and 12 and Park Road are difficult intersections, and perhaps for their standard, maybe one of the more dangerous intersections in the province. Any consideration on upgrades to the intersections that go through the city of Steinbach on either 52 or Highway 12?

Mr. Ashton: As the member knows, Steinbach is growing. It's putting pressure on in terms of urban transportation pressures, not unlike similar pressures in other growing communities. I can indicate we have had some very good meetings with the City of Steinbach and Mayor Goertzen, in particular, has pointed to some of the increasing pressure. We are, of course, in a position now this year to offer a full year of the specific program within the capital program that allows for cost sharing with the municipalities of issues related to highways that are particularly rural—or, pardon me, rural municipality or urban municipality priorities. And I want to indicate that we've already approved some funding

for Steinbach looking at some of the transportation planning in that area, and we would be very open to that.

One of the reasons we put that \$25-million fund in place—and there's a similar fund that we've had for cost sharing with industry—is the degree to which, you know, while obviously you have your standard highway capital program, there may be priorities that are important to municipalities. And certainly in Steinbach that has been identified, and certainly the City of Steinbach is very interested in pursuing those kind of discussions. So I think the answer, in addition to the general answer, is that we're into early stages of some significant discussions of ways of dealing with some of the pressures in and around Steinbach.

I know we certainly did respond in terms of the traffic lights before, you know, in the location the member's more than aware of, but the bottom line here is Steinbach's growing. The city is very open to discussion on this basis, and a good mayor in terms of Mayor Goertzen, and I always figure any MLA that's raising a constituency issue is good.

We also, you know, we're looking particularly at the Park Road intersection, and, again, that could be as early as next budget year with the cost sharing of Steinbach, you know—with Steinbach. So it's also important to note, by the way, even when you have a highway capital initiative that goes through a community, often the intersections and various other dimensions are really municipal, so we work co-operative. A good example is, actually, on 75, where we worked very closely with the Town of Morris when we did the major upgrade of Highway 75 through the community that involved some significant work on their drainage, utilities connecting in with their roads. So we have quite a bit of experience with that, 75 being the—you know, the most recent, but it's not the only one.

So certainly Steinbach is—we recognize it's a growing community, and we're in discussions as we speak with the City of Steinbach on looking at ways of accommodating that.

Mr. Goertzen: I thank the minister for that response, and I note the lights that he talks about at the intersection of 12 and Clearspring Road, and he made reference to the intersection of Park Road and Highway 12, which is—I think at one point even a few years ago it was rated, you know, for its rating classification, one of the most dangerous intersections in terms of collisions in the province.

Could you be more specific on that particular intersection? Is there discussion of having the same kind of intersection that there is further south on the highway—they have the slotted lanes for turning—that type of intersection?

Mr. Ashton: Yes, that's the kind of approach we're looking at.

Mr. Goertzen: He was—and I think that approach has worked well, because it's sort of a—the large interlay between the two highways. Is he indicating that might be looked at in the next budget year? Is that what he indicated in his previous answer?

Mr. Ashton: That's correct, and we are in discussions with Steinbach because, again, any of these urban projects, it really comes down to having full co-operation with the municipality, and when I say co-operation, could include some cost-sharing, but equally as important as the traffic planning.

Mr. Goertzen: Any consideration in the Hanover area in that—Highway 311 between Highway 12 and 59? And in that area, of course, is New Bothwell, which is always close to my heart being my wife's hometown, but also because of New Bothwell cheese and the good industry that that is. And I know they've had some difficulties with road restrictions around there and the ability to get their—both their inputs in terms of milk to the factory and less so, I suppose, getting their product out. And as you know, it's become quite popular and quite an industry. Any consideration to upgrading the roads in that area not just specifically for them in terms of road restriction, but would be helpful to other industries in the area too?

Mr. Ashton: Yes, we're certainly aware of the concern and certainly do want to acknowledge the really significant growth. We did work with them very closely during the recent gas explosion, the impacts that had. They were, you know, very much impacted early on, but there—you know, there were some very significant measures taken both by the local municipalities, but also, you know, with the pipeline company and with provincial staff to deal with their immediate concern.

And, actually, I do want to indicate that they did raise this when my colleague the member for Dawson Trail (Mr. Lemieux) went in to visit at that time, you know, determine if there any issues. It seems that there were relatively few issues on the emergency response side, but certainly that came up in terms of the highway. And certainly we would

look at that. One thing that is going to help across the board is the degree to which we're also now moving to a science-based, more flexible approach in terms of spring restrictions because this is a good year, spring is going to come. If you look at it, it's quite a bit later than normal and the real issue is many of our previous schedules would reflect past practice, not current reality, and when the ground is frozen, you don't need the spring restrictions; obviously, the ground is still solidly frozen.

So, in addition to looking at the specific location, what we have done across the province is move to a science-based approach for spring road restrictions. You see the impact particularly in— you know, with the Saskatchewan boundary because they were able to get more co-ordination between the spring road restrictions now between Saskatchewan and Manitoba. But that general principle applies across the province, and we think that will help them in their operations as well.

Mr. Goertzen: Well, I'll leave it as simply as a reminder and awareness for the minister and his staff, just regards to the concerns that still exist around that area and road restrictions, in particular for New Bothwell cheese, but other industries as well, and the ability for them to, sort of, properly manage what is a growing business, as the minister notes, and a good business for Manitoba, and one that we hope to continue to see prosper and add jobs and add things to our province.

So I'll just leave that as a note that those— there are still concerns around the restrictions, I understand, you know, around the natural gas explosion. Also, I was out and about in the areas and I'm glad to see that the disruption was as minor as I suppose it could be given the significance of it for those who were impacted, and a lot of communities banded together and people helping each other out in that circumstance, those who were interrupted from gas service or heat and other sort of services they were relying on. So that was positive, but we have the longer term issue, of course, of those road restrictions in that area and how it's impacting Bothwell Cheese and others. So I'll leave that with you, and I'll defer back to my colleague from Brandon West, who is the critic, unless the minister has a brief response.

Mr. Ashton: Yes, just briefly, I acknowledge, again, the growth and I think it's particularly important that we work with them. There are going some challenges ahead for anyone in the cheese industry with the free

trade agreement with the European community. But I can tell you, as a consumer more than as an MLA and minister, I can say they have a quality of product that can match anyone and I think actually they've had some real success in actually branding themselves.

* (15:10)

So I look forward to the day when maybe somebody in Europe's going to try and copy the Bothwell Cheese name, because I think it's been branded certainly in Canada and to the great degree perhaps not really seen outside of Quebec. Quebec is well known for its cheese industry, and I think we often tend to forget what's happening here. So I certainly agree with the importance of this operation, we'll certainly take it into consideration. I appreciate the member for raising it.

Mr. Goertzen: And I'll pass those comments on to Ivan Balenovic, the president, and Rob Hiebert, the plant manager, and the others who are involved in the facility. I know they'll appreciate the minister looking at addressing some of the concerns around roads, but also appreciate the accolades that were passed on on the quality of cheese, which I'll echo as well.

Mr. Helwer: Well, I know there's many more questions, and indeed I have some more. But we do have to move on to other Estimates, and I don't want to take time away from them, so I think we're prepared to move into the appropriation area.

Mr. Chairperson: Seeing no further questions now.

Resolution 15.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$49,455,000 for Infrastructure and Transportation, Highways and Transportation Programs.

Resolution agreed to.

Resolution 15.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$53,901,000 for Infrastructure and Transportation, Government Services Programs, for the fiscal year ending March 31st, 2015.

Resolution agreed to.

Resolution 15.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$180,820,000 for Infrastructure and Transportation, Infrastructure Works, for the fiscal year ending March 31st, 2015.

Resolution agreed to.

Resolution 15.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,655,000 for Infrastructure and Transportation, Emergency Measures Organization, for the fiscal year ending March 31st, 2015.

Resolution agreed to.

Resolution 15.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$365,135,000 for Infrastructure and Transportation, Costs Related to Capital Assets, for the fiscal year ending March 31st, 2015.

Resolution agreed to.

Resolution 15.7: RESOLVED that there be granted to Her Majesty a sum not exceeding \$682,920,000 for Infrastructure and Transportation, Capital Assets, for the fiscal year ending March 31st, 2015.

Resolution agreed to.

The last item to be considered for the Estimates of this department is item 15.1.(a) the minister's salary, contained in resolution 15.1.

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

The floor is open for questions.

Mr. Helwer: I move that line 15.1.(a) be amended so that the minister's salary be reduced to \$20,010.

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

It has been moved by the honourable member for Brandon West that line 15.1.(a) be amended so that the minister's salary be reduced to \$20,010–\$27,010.

Motion is in order.

Are there any questions or comments on the motion?

Mr. Helwer: Thank you, Mr. Chair. I know this is a little bit different than what normally happens, moving it to this regard. But this is the—obviously the minister's salary that we can address here, not his core Legislature's salary. And you're probably wondering why it goes to that amount but it's down 27 per cent and I think it's quite fitting for this department, as over the next number—last number of years, 27 per cent is the amount that has been underspent on Manitoba's infrastructure, creating a deficit of some \$1.9 billion. And we can well see out

there now that Manitoba's infrastructure is suffering from that underspending.

This government has had more revenue than any before: record federal transfer payments, additional gas tax supposedly dedicated to roads, vehicle registration fee increases supposedly dedicated to roads, the biggest tax increase implemented in the last 25 years and PST, supposedly, increase going to roads, but they still can't keep their infrastructure promises.

So that the minister can truly understand the impact and the effect of his spending cuts on Manitoba's infrastructure, he, too, should receive a cut to his budget by 27 per cent, only to his salary, of course. Perhaps, Mr. Chair, he might reconsider—he might consider reallocating that portion of his salary to help fix Manitoba's crumbling roads and bridges. I know it's not very much, but he might make the gesture or will that require yet another year to go by so we can hear of the government's latest annual five-year infrastructure plan?

And, in closing, Mr. Chair, I do feel that giving the critic the Estimates one day ahead of the start of the Estimates process is quite disrespectful for this procedure and even I know today that some of the—in the Estimates books were distributed in the House today for us, as they may begin today, so very disrespectful to the entire Estimates procedure, Mr. Chair.

Mr. Ashton: Well, first of all, I think standard practice in terms of the detailed Estimates books hasn't really changed—well, last number of years. This was the first Estimates up, so it was no lack of respect intended. It was just the reality of—we actually didn't find out we were going to be first in Estimates until a few days ago. We did bring out the information.

You know, the ultimate conflict of interest for me, as minister, would be if my salary was pegged to investment in infrastructure because since 1999—I was Highways minister in 1999, much smaller department. I'll give you just a sense of how much we're investing in infrastructure today: we've gone from a capital budget of less than \$90 million to the point where it's \$542 in this particular budget, \$542, and that doesn't include preservation and maintenance. It is an increase of more than 500 per cent.

I want to indicate, as well, there are \$5.5-billion investment over the next number of years, we're

going to back it up with measures to ensure that we do it on time and in sufficient magnitude to live up to our commitment.

We've listened to the industry and many stakeholders. We will roll over capital into subsequent years and I can say to the member, it's pretty rich coming from the opposition critic for Infrastructure to be talking about infrastructure in this province, investments to infrastructure when—not only when they were in government they didn't invest in infrastructure but they voted against every single budget. And they've clearly indicated that they are opposed to the 1 cent on the dollar, the \$300 million-plus of additional revenue, so, you know, we know what that means. If they were to form government, they would either cut the investment in infrastructure, cut other expenditures like Health and Education or probably both.

* (15:20)

So, you know, I appreciate that these things are more symbolic than anything else, but I can tell you, you know, the party of crumbling roads and bridges in this province is the PC Party. That's the state in which they left the province in 1999. And I mentioned the classic was where I—dealing with question on 75 earlier, it was embarrassment when you hit the border. I tell you, you didn't need speed bumps to slow you down on the Manitoba side, it was in such bad shape.

And I would say to the member opposite, because I know—I've raised this in the past. I'm sure that the next thing members opposite are going to do when we do roll out our record five-year commitment, they're going to be complaining about construction delays. And you know what? I can tell you there will be a lot of construction delays, particularly on Highway 1. And I can tell you, you know, that in all seriousness, this is historic investment, and the only party of crumbling infrastructure—in fact, my colleague from St. Norbert says PC stands for pavement crumbling here—that's really the situation it was left in.

You know, so I don't take this personally. I know when I've been dealing with this as minister in other venues I used to use the refrain, I have kids in university and a mortgage to pay. Well, I still have a mortgage to pay. But you know what? I'm very honoured to be Minister of Infrastructure in a government that really is taking the level of infrastructure investment probably to the highest level in 40 years. You'd have to go back to the

Schreyer government, perhaps even back to the Roblin government as well, to see this.

And I want to guarantee, you know, to the member, again—I want to stress—it may sound like a conflict of interest here. I'd be happy to be paid on the basis of our investment in infrastructure, probably a much higher amount. But you know, we have a commission that sets it independently. I'm not in it for the money, believe you me. I don't think anybody in this Chamber is. And I'm quite happy to have the vote in that—on this, and I can tell you one thing. When I vote against this, I'm not voting against cutting my salary. I'm actually voting against the message that's attached to this budget by the opposition. I'm voting for our record-investment infrastructure and I'll work 24-7 to make sure that as long as I have something to do with it, as long as our government has to do it, that Manitobans get the investment infrastructure they deserve.

I'll be more interested, by the way, to see if they actually end up supporting our Estimates. They just voted against the budget, and we'll see if they continue this through on the Estimates, because that's the other thing that's been standard: talk about infrastructure in question period and Estimates, and then vote against it when it comes to the real decisions.

Our government is committed to investing in infrastructure, and I can say to members opposite I encourage them to get on board because we're taking it to the next level. And my sense—the PC Party's got two options here. Either they get on board or they get out of the way of progress in this province. And one of the key areas of progress you're going to see is improvements in our roads, improvement in our bridges, improvement in flood protection, even in the member for Brandon West's (Mr. Helwer) own constituency.

I tell you, with the amount of work we're doing in Brandon over the next number of years on roads and bridges and flood protection, we're probably going to—Brandon's probably going to sink at least a few inches under the weight of what we're putting in the way of infrastructure. But, you know, more importantly, it's going to be protected at 300 years in terms of flood infrastructure. It's going to have the roads and bridges it deserves. You'll be able to ride—drive on Victoria Avenue, and again, you won't have to have these artificial speed bumps that have been put in place. This is a government that's doing it. I invite members to get on board. That's why I would

invite them to reconsider this motion. If not, I certainly would encourage everyone to vote against it, not out of any conflict of interest, more out of saying that this is about investment in our future.

Mr. Goertzen: You know, I appreciate the amendment by the member for Brandon West (Mr. Helwer) and also all the words that he's had over the months and years regarding infrastructure. I thought he was in many ways generous to the member for the—the Minister of Infrastructure, and was leaving him with more money than I might have, but I gave the benefit of the doubt to the minister. I was listening to his comments, and I thought there might be some recognition about the fact that they have underspent their budget so badly. And, in fact, it's probably the only area of their government that they've underspent, Mr. Speaker. And you know, the one place that Manitobans—it's funny about this government. The one place that Manitobans probably wouldn't want them to underspend is infrastructure, and it's the only place they do underspend so significantly, in fact, and just another example of how they have the priorities of Manitobans wrong. I thought he might address that issue.

I thought he might address the overwhelming number of potholes in Winnipeg, Mr. Speaker. I know, talking to, not just my friends in Winnipeg, but many people drive in Winnipeg who don't live in the city, and they continually drive—I think Charles Adler referred to it as the lunar surface on some areas of Winnipeg's—when they're flying over massive craters. And that might be something of hyperbole, but I don't think that it's far from what Manitobans would actually believe. And I'm sure that all members are hearing that. They're deplored by the state of infrastructure, and they can't understand how, in fact, there is, on the one hand, all these different discussions about spending on infrastructure, not just this year, but in years past, but on the other hand, they see the results of that. And you can't hide from the results of that as you're driving through the city of Winnipeg and other areas of Manitoba.

As well, Mr. Speaker, I appreciate of the fact, you know, in rural Manitoba, my area, the minister mentioned one of the intersections. But that intersection has been in need for many years. And I think it was his predecessor that I had the discussion with, and the need to have that intersection improved because there were so many accidents happening. And I think he gave some assurances, perhaps, at that time about how it was important, but the accidents

continue to pile up. And they've piled up over the years. So I was certainly willing to support the amendment by the member for Brandon West, but having heard the comments from the member for—of infrastructure I think, actually, it was too rich.

We gave him a chance, but, as a result of that, I have a subamendment I'd like to make. And I'd move that all the words after reduced to—all the words be deleted after the words reduced to and replaced with \$2.70.

I was willing to go with 27, and then I heard the answer.

Mr. Chairperson: Order. This is further amended to the motion put forward by the member from Brandon West, has been amended—put forward to be amended by the member from Steinbach, to delete all words after reduced to and replaced with \$2.70. So we will put it as written.

Is there a question? Ready for questions? Okay.

Mr. Ashton: Well, Thank you, Mr. Chairperson, I think this really—I've never seen this before. Opposition—

Some Honourable Members: Oh, oh.

Mr. Ashton: They think that's a compliment. But I think, Mr. Chairperson, I think what you see here is that there's, kind of, like, the initial agenda the Conservatives put forward, which is, kind of, light cuts, and then the real agenda, which is when that doesn't work, they move to major cuts.

You know what, today they're moving to try and cut my salary. Again, I'll be the first one to say I have a personal stake in that. But you know what, I think it indicates that, beware of the Conservatives, because what you're seeing right now is what they would do if they came into government.

And I could get into details of what they did to infrastructure, by the way, when they froze or cut throughout most of the 1990s, particularly when the leader of the opposition was a member of Cabinet, and how we have actually more than tripled—even before our investment that we've announced in our five-year plan—the actual investments in infrastructure, and where people can see the difference.

But I make my point: I think this particular motion really symbolizes what the Conservatives are all about, which is they'll start off talking about minor cuts. In actual fact, their agenda is major cuts.

Manitoba: been there, done that; it's called the PCs in the 1990s. And I'm not going to belabour the point. When it—if you want real investments in infrastructure, believe you me, I have the numbers here. I—and people can remember it. It's not the PCs. You know—you want cuts? Yes, vote for the PCs on this motion. Vote for them, quite frankly, in an election. I would say massive cuts.

You know what, we're not going to jam the brakes on the economic growth that we have in this province; we're going to continue moving forward.

* (15:30)

Again, I urge members opposite to either get on board or get out of the way of the major progress they're going to see in terms of construction, in terms of our infrastructure. You know, I urge them to reconsider. They've got a chance to move one more amendment, but it doesn't matter. You know, I'll concede—you know what, I will concede tomorrow that no one has more credibility on cuts than Conservatives, because you elect them, that's what you get. If you want to build this province, it's the NDP.

Mr. Chairperson: Is the committee ready for the question?

Some Honourable Members: Question.

Mr. Chairperson: Shall the amended motion pass?

Some Honourable Members: Yes.

Some Honourable Members: No.

Mr. Chairperson: I heard a no.

Voice Vote

Mr. Chairperson: All those in favour of the motion, please say aye.

Some Honourable Members: Aye.

Mr. Chairperson: All those opposed to the motion, please say nay.

Some Honourable Members: Nay.

Mr. Chairperson: I think the Nays have it.

Recorded Vote

Mr. Goertzen: A recorded vote, Mr. Speaker.

Mr. Chairperson: A formal vote has been requested by the two members. This section of the Committee of Supply will now recess to allow this matter to be

reported and for members to proceed to the Chamber for the vote.

The committee recessed at 3:31 p.m.

The committee resumed at 4:05 p.m.

Mr. Chairperson: Order. I would like to call the Committee of Supply back to order. This committee will resume with this business where we left off prior to the recess. We will now resume with the motion moved by the honourable member for Brandon West (Mr. Helwer).

Is the committee ready for the question?

Some Honourable Members: Question.

Mr. Chairperson: Shall the motion pass?

Some Honourable Members: Agreed.

Some Honourable Members: No.

Mr. Chairperson: Agreed? I heard a minister—no.

Voice Vote

Mr. Chairperson: All those in favour of the motion, please say aye.

Some Honourable Members: Aye.

Mr. Chairperson: All those opposed to the motion, please say nay.

Some Honourable Members: Nay.

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

Mr. Chairperson: Now we will proceed to—for the question on the resolution.

Resolution 15.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$9,624,000 for Infrastructure and Transportation, Administration and Finance, for the fiscal year ending March 31st, 2015.

Resolution agreed to.

This concludes the Estimates for the Department of Infrastructure and Transportation.

We are—is it agreed that we will have a quick recess so that the department can get ready for the next department—next Estimates? [*Agreed*]

HOUSING AND COMMUNITY DEVELOPMENT

Mr. Chairperson (Mohinder Saran): Order. Will the Committee of Supply please come to order.

This section of the Committee of Supply will now consider the Estimates of the Department of Housing and Community Development.

Does the honourable minister have an opening statement?

Hon. Peter Bjornson (Minister of Housing and Community Development): Yes, Mr. Chairperson, I do. I'll try to keep it brief, but I'm very pleased to present to this committee for consideration the 2014-15 expenditure Estimates of the Department of Housing and Community Development.

I look forward to engaging in a very constructive discussion regarding the direction that our government is going and what we have set out for the department in these Estimates. I'll go back to March 6th of 2014 when our government outlined its funding commitments for this fiscal year in the provincial budget. And Budget 2014 represents a balanced plan to create good jobs and more opportunities for young people to build their futures in Manitoba while keeping life affordable and protecting front-line services families count on.

*(16:10)

And this is a budget that focuses on what matters most to Manitoba families through investing in priorities like infrastructure, education and training, and it will grow our economy and create good jobs.

This year's budget provides \$79.1 million for the Department of Housing and Community Development, and we'll continue investing in a number of key areas during the 2014-15 fiscal year. We will maintain our commitment to providing access to quality affordable and suitable housing to support neighbourhoods that are socially and economically inclusive, and create healthy communities where Manitobans live, work and play. Housing investment enables neighbourhood revitalization, advances community development and improves our investor confidence in Manitoba. The department has delivered on its 2009 commitment to deliver 1,500 units of affordable housing over five years. And, as of March 31st, 2014, we have committed to developing 1,508 new affordable housing units. We will develop 517 units of seniors housing and 991 units for families and singles. As of

March 31st, 2014, we've also committed to providing 1,500 households with rent geared to income assistance.

Another feature of the budget from 2013, we introduced the Rental Housing Construction Tax Credit as a financial incentive that is offered to private and non-profit housing developers to provide more rental housing in Manitoba communities. And over the next two years we'll continue to invest \$100 million to restore and redevelop housing units in our portfolio, an additional \$34 million dedicated annually to repair existing stock and provide quality home environments for tenants.

And I have to say, Mr. Chairperson, I had the opportunity to see this process first-hand when I toured northern Manitoba, and I'd like to put on the record some of the things that I had seen there. I had seen the refresh under way with a before, a during and an after. And I can tell you, these investments make an incredible difference for the people in those communities that I travelled to, to see the quality of housing that they can now call home. So in a couple of days I managed to go to Flin Flon, Moose Lake, Thompson, The Pas, Cranberry Portage and Wabowden. So it was a very busy two days—also during the Canadian game against the Americans in the Olympics, but thank goodness we had satellite radio. I at least got to listen to it between Wabowden and Thompson. But it was great to be up there and see first-hand what these investments are doing and the impact that that has for people to enjoy a quality of life in a nice home environment.

But I also got to go to Cranberry Portage, where we have for the first time two Manitoba Housing units that are being built by students. The program started there, actually, to help build high-quality relocatables for the education program, or huts as they used to be known. But it has evolved, and they've poured the concrete for the foundations and they'll be having two homes moved onto these foundations for Manitoba Housing that were built by northern students. And talking to the young men and women working on these homes was really a wonderful experience. They're so energized by being part of this and building the housing, and many of them want to continue to ply their trades in northern Manitoba and look at opportunities with Manitoba hydro development in the north to use the trades and the skills that they've learned from that program. So it's really important to put that on the record that we're not just talking about numbers in terms of how much money we invest, but the impact that it's

having for young people for opportunities all over Manitoba.

But we'll continue to enhance housing quality and accessibility by renovating and repairing existing social housing for current and future tenants by undertaking major capital improvements such as new flooring, paint, cupboards, lighting, fixtures and appliances in tenants' suites. We'll continue to alter the functionality of some social housing units to meet special housing needs of tenants such as seniors and large families. We'll continue to promote energy efficiency, water conservation upgrades and green components in the capital investment in the renovation of social and affordable housing portfolio and maintaining the acceptable standard of living and create healthier environments for tenants.

In November of 2013 we presented The Cooperative Housing Strategy Act to the Assembly, and that'll provide a statutory framework to support the co-op housing sector over the long term. We recognize that the participatory nature of housing co-ops helps to build individual and community capacity. So we'll continue to support the co-op housing sector and assist the development of new housing co-ops to strengthen the housing environment and add to the housing choices available in our communities.

And we'll continue to provide programming under Neighbourhoods Alive!, Co-operative Development Services and Community Places Program and support our communities in their sustainable neighbourhood revitalization efforts, co-operative development and recreational and social development opportunities.

And we'll move forward on our commitment to build healthy communities and improving the social and economic well-being in Manitobans by continuing to support volunteer and non-profit organizations in their activities, engaging local community forces in restoration and repair of our properties, and I think examples like BUILD and BEEP speak volumes to that commitment and the work that they are doing, particularly with those who have had multiple barriers to employment, there are tremendous success stories here in Manitoba.

And a couple more comments before I conclude—since 2011 Housing and Community Development has been supporting a range of essential homelessness initiatives across the province, and in 2013 we initiated new support for HOUSINGFirst program to ensure individuals have

access to affordable housing to end their experience with homelessness, and we'll continue to partner with agencies as this approach advances in Manitoba.

I recently toured the Bell Hotel and saw a very successful initiative that's been undertaken to address people with chronic challenges to shelter and to training and employability, and it's a tremendous success story and a great example of what happens when we do work together with the community.

So I'd like to also express my appreciation to the Housing and Community Development staff for their ongoing work, their dedication and continuous improvement and commitment to the provision of high-quality service to Manitobans. I look forward to the committee's review of the Department of Housing and Community Development's expenditure Estimates and welcome the committee—or the comments from committee members.

And I'd like to introduce my deputy minister and members of the department staff which you will be calling to the table after, I believe, the critic's comments. So I'm looking forward to that.

Thank you.

Mr. Chairperson: We thank the minister for those comments.

Does the official opposition critic have any opening comments?

Mrs. Bonnie Mitchelson (River East): I will keep my comments very brief because I think I want to try to get into some detail in the department. It was nice to receive the detailed Estimates about two hours ago, I guess, now. So it hasn't given me too much opportunity to really examine in detail, unfortunately, this year's budget Estimates, but I do certainly have enough questions, and I know that the Estimates will take more than just this afternoon, so it'll give me a chance tonight to review some of the detail.

I want to welcome the new minister to his new responsibilities, and I also am a new critic to the Housing portfolio, so it—and—Housing and Community Development, so I think for both of us this will be somewhat of a learning experience, and there'll be some detail that he'll probably have to seek the support of his staff to help answer the question.

So, with those few comments, I want to move right into the Estimates process if I can, and I'd love to welcome and have the staff of the department

introduced to the committee and we'll proceed from there.

Thank you.

Mr. Chairperson: We thank the critic from the official opposition for her remarks.

Under Manitoba practice, debate on the minister's salary is the last item considered for a department in the Committee of Supply. Accordingly, we shall now defer consideration of line item 30.1.(a) contained in the resolution 30.1.

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

Mr. Bjornson: I'm very pleased today to be joined by my deputy minister, Jeff Parr, who's also wearing two hats today. He's the Manitoba Housing acting CEO as well. We have our chief operating officer, Mr. Steven Spry. We have Assistant Deputy Minister of Community Development and Strategic Initiatives Craig Marchinko, and we have Director of Financial Services Brian Brown, joining us at the table today.

Mrs. Mitchelson: I'm wondering if the minister could just point to the individuals and their names just, so I put a face and a name to everyone. I know your deputy, who is a neighbour of mine.

Mr. Bjornson: Very good. I shall do so. Of course, we have Jeff Parr, Steven Spry, Craig Marchinko and Brian Brown.

* (16:20)

Mrs. Mitchelson: Mr. Chair, and I guess maybe I'll move right to the—

Mr. Chairperson: Order, please.

First, we have to go through a little procedure.

Does the committee wish to proceed through the Estimates of the department chronologically or have a global discussion?

Mrs. Mitchelson: I'd prefer global, if that's okay with the minister and I'll try not to—you know, I think it's a small enough department that—and most of the departmental staff that have responsibility for different areas are here at the table. So, if we could go globally, that would be great. I'd appreciate it.

Mr. Chairperson: Honourable Minister, agreed?

Mr. Bjornson: Agreed. Global would be fine.

Mr. Chairperson: It is agreed, then, the questions for the department will proceed in a global manner, with all the resolutions to be passed once questions have concluded.

The floor is now open for questions.

Mrs. Mitchelson: Mr. Chair, I'm just looking at the organizational chart and noticing—I know the minister, when he introduced his deputy, indicated that the deputy head was wearing two hats; he was also the chief executive officer of Manitoba Housing and I know that long-term—or fairly long-term, Darrell Jones, who was the CEO, is no longer there and maybe the minister could indicate what's happened to Mr. Jones.

Mr. Bjornson: Yes, Mr. Jones had been a long-time CEO and he has retired. But—not much older than myself. I believe he's also seeking other opportunities—other career opportunities, after retiring from the public service.

Mrs. Mitchelson: Thank you. And how—what—when did Mr. Jones leave and what's the process that's being undertaken to replace him?

Mr. Bjornson: He retired on October 18th. I think it's purely a coincidence that that was the same day that I was appointed the new minister—I'll put that on the record. You can read into that what you will.

No, he left on the 18th of October. Actually, I wasn't sworn in 'til the 21st, after—but—having been away during the Cabinet shuffle. But we will be going to an open competition shortly to fill those shoes, and they are, indeed, big shoes to fill.

Mrs. Mitchelson: Mr. Chair, I am just also looking then at—this'll take me a minute—at other staff changes in the organizational chart and I see that—I do know that a few—I guess it's been a couple of years now, looking back on the organizational chart, I think risk—risk management was changed to corporate compliance and risk management. And there have been, I believe, a couple of different directors in that position. And I see that that position is vacant right now, too. How long has it been vacant and what is the plan for filling that position?

Mr. Bjornson: Yes, the individual who had been the director previously had resigned two or three weeks ago to seek another employment opportunity. And so it's been recently vacated and, as such, will be going to a competition very soon to address that vacancy as well.

Mrs. Mitchelson: Can the minister indicate to me what the job description—what is the function or the role of that director from that position?

Mr. Bjornson: Yes, as corporate compliance and risk management director, he had a number of different responsibilities, including legal responsibilities, risk management. He oversaw FIPPA requests to the department, business continuity in the event of any emergencies that might arise, and the corporate secretary of MHRC.

Mrs. Mitchelson: I'm just trying to understand a little bit more what corporate compliance means and risk management. Would there be any overseeing of compliance with what?

Mr. Bjornson: Essentially, the responsibilities would include comptrollership, so looking after any recommendations that might have been made by the Auditor General to ensure that those recommendations are acted upon; financial compliance within the department; and legal requirements relative to compliance with the act that governs Housing and Community Development; and the Residential Tenancies Branch.

Mrs. Mitchelson: Does the Residential Tenancies Branch fall under Housing and Community Development?

Mr. Bjornson: No, that falls under the minister for consumer affairs.

Mrs. Mitchelson: I thought that, so I guess why, then, would someone in the Department of Housing be responsible for overseeing anything in the Residential Tenancies Branch.

Mr. Bjornson: The individual would be responsible for overseeing that the areas of the Residential Tenancies Branch that apply to Manitoba Housing, that he would—that he's ensuring that we're compliant with those requirements as they apply to Manitoba Housing.

Mrs. Mitchelson: Can the minister indicate how many staff are employed under the Corporate Compliance and Risk Management Branch?

Mr. Bjornson: There are 10 positions within Corporate Compliance and Risk Management.

Mrs. Mitchelson: All those positions filled?

Mr. Bjornson: There are three vacancies currently.

Mrs. Mitchelson: How long has—have those positions been vacant?

* (16:30)

Mr. Bjornson: With the three vacancies, two have been within the past month and one position has been over a year.

Mrs. Mitchelson: Maybe if the minister could just concern—confirm, is it three positions over and above the director, and what are the plans to fill those? If one has been vacant for over a year, is that just being left vacant, or is there plans to fill all those positions, and when?

Mr. Bjornson: The three vacancies do not include the director. So there would be four in total. We are looking to fill the director's position as soon as possible through a competition, as I said, and we are—and one of the manager positions will be filled, hopefully, in short order.

As far as the other two positions, I don't have that information available to me, but we'll be sure to get back to you as soon as we can on those two positions.

Mrs. Mitchelson: I'm just wondering if, and we don't need the detail, but if the minister might be able to provide for me a bit of detail, say, tomorrow, on the positions in that branch. What are the job descriptions, the positions, and which ones are vacant? And I'm just going to ask, too, and you may—it's probably not something that the minister has at his fingertips or staff even today, but when—I mean, this is the compliance branch, and we're talking about this branch dealing with the recommendations from the auditor. I would like if the minister could provide for me, and I know it'll take a little bit of work, but would—could provide for me recommendations from the auditor that are still outstanding in the department.

Mr. Bjornson: Well, I have to apologize to the member; I misspoke earlier. As she mentioned, she's a new critic and I'm a new minister. When I referred to the role of the compliance—Corporate Compliance and Risk Management director, I referred to them dealing with the Auditor General, but it's actually the internal auditor within the department that they are responsible to ensure that the recommendations through the internal audit, not the Auditor General, are addressed appropriately. Any other recommendations that might come through the Auditor General through—would be part of Public Accounts but wouldn't apply in this particular situation with the internal audit. So, I apologize for that, and I misspoke.

Mrs. Mitchelson: I thank the minister for that clarification.

Just—can the minister indicate who the political staff are that are in his office or in the department?

Mr. Bjornson: I can give the list of the deputy minister's office, my office and senior staff at the same time, if the member would like.

As far as my office, administrative secretary is Alison DePauw; minister's secretary, Lisa Rowe; administrative support is Jan Fontaine; my special assistant is Adrien Sala. In my constituency office, my executive assistant is Cindy Alexander; my special assistant is Krista Narfason.

The deputy minister's staff: We have Steve Gannon, he's assistant to the deputy minister; Jan Doerksen, an assistant to deputy minister; Kim Stewart, administrative assistant. Jenikka Lumbea is a STEP student, and Ranjna Sharma is a STEP student as well.

And the senior staff, I've introduced all but one who's not with us today, and that is assistant deputy minister and chief financial officer Mala Sachdeva.

Mrs. Mitchelson: And my question was political staff, so I guess the minister, I think, has clarified there's three: a special assistant in his constituency and a special—there's two staff in his constituency office, one in his office is political staff, and I presume that the others aren't all political staff, and I recognize that. I realize that, and I want to thank him for providing all of that. It saves me from asking another question.

Are there any of the former minister's political staff still working in the department?

Mr. Bjornson: I've been advised that there are no former political staff from the former minister that are working in the department.

* (16:40)

Mrs. Mitchelson: Can the minister provide for me, maybe tomorrow, a list of all the vacant positions in the department? I know we did one branch, but if I could have a list of the vacant positions in different areas within the department, that would be great. And also, a list of any positions that have been reclassified?

Mr. Bjornson: We'd be more than happy to provide a list with the vacancies tomorrow. But I can tell you that there are two vacancies within the department, 70 vacancies in the Crown corporation. And that

compares to 4.4 vacancies in the department last year and 75 in the Crown last year as well. There have been 59 reclassifications as well. But those specifics can be provided tomorrow; I'll provide the numbers today.

Mrs. Mitchelson: Thank the minister for that. And I understand that Lissa Donner moved from Family Services into Housing. I'm wondering if the minister can indicate to me what position she's filled in the Department of Housing?

Mr. Bjornson: Actually, Lissa is with Family Services. The responsibilities for ALL Aboard poverty reduction strategy went with my colleague when the Cabinet shuffle took place, so Lissa is a Family Services employee.

Mrs. Mitchelson: Just for clarification, then, is—she's not being paid out of the Housing budget; she's being paid out of Family Services' budget?

Mr. Bjornson: That is correct.

Mrs. Mitchelson: So, then, I think the minister has clarified this for me, but if he could just confirm that The Poverty Reduction Strategy Act, which was responsibility of the Department of Housing, I believe, before, has been transferred with the minister to the Department of Family Services. And that the ALL Aboard strategy, then, I think he just indicated to me that that was transferred with her, and those are new responsibilities for Family Services. So is the—has the act been—responsibility for the act been transferred? And what about the homelessness strategy?

Mr. Bjornson: The act did—or is under the purview of Minister of Family Services (Ms. Irvin-Ross). And the homelessness strategy is still within the purview of Housing and Community Development.

Mrs. Mitchelson: Okay, thanks, Mr. Chair, for that clarification. I—just reading from last year's annual report, I noticed that in March of 2013 the department began to move all of its head office to 352 Donald St., and staff were to be relocated from several different locations across the city to the central location. Has that all been completed?

Mr. Bjornson: Yes, thank you, Mr. Chair. Indeed, it has. I believe that was the first office that I had an opportunity to visit as well and see first-hand the impact of the move, a lot of efficiencies realized by having everyone co-located at one location. And certainly a very beautiful office for the staff to do the

good things that they do in Housing and Community Development.

Mrs. Mitchelson: And so all of the staff have been relocated and there are no other offices now in the city of Winnipeg for the Department of Housing?

Mr. Bjornson: The head office at 352 Donald is head office functions, but we still have regional offices within the city of Winnipeg—in fact, there are three regional offices within the city limits itself.

Mrs. Mitchelson: Could the minister indicate where those three regional offices are and then which staff were relocated from where in the city of Winnipeg?

Mr. Bjornson: Yes, well the consolidation at 352 Donald included former offices on Broadway—280 Broadway, 363 Broadway. We also had an office on 185 Smith, 400 Logan, 406 Edmonton and I don't know the street number but there was also a small office on Garry.

The regional offices that continue to exist are—Lord Selkirk Park, Gilbert Park and Winnipeg south are the three regional offices.

The footprint of Manitoba Housing throughout the city of Winnipeg is quite substantial with some single homes, single-family homes, too, of course—as you know, the multi-units throughout the city. So it makes sense to have these regional offices to address the needs within the regions of the city.

Mrs. Mitchelson: And when the minister's providing for me the staffing complement and how many staff are—I forget what I asked for now, having a bit of a senior moment here—the charts—could he please, then, provide for me how many staff—or which staff are located in the central office versus which ones are located in the regional offices?

* (16:50)

Mr. Bjornson: We'll ensure that that is part of the list when we get that material for you tomorrow.

Mrs. Mitchelson: I don't want, you know, absolute detail. I guess I just want to know, with the consolidation, how many people are now located in the central office, how many people do you have out in the regions? So it's not—I'm not asking for, you know, something that's, hopefully, is unachievable. I just would like, with the consolidation, to know how many are located centrally. Okay, thank you.

I just want to—I don't know—I know we only have a few minutes, and there might be some information that I'd like to come back tomorrow. So if we could

just move to Neighbourhoods Alive! and talk a bit about the program, and I'm—because I'm a little—oh gosh.

I am looking at the Estimates and the expenditures, and I have had a chance to sort of go back and review the last several years. Although we don't have the annual reports for the last couple of years yet, I do notice that there's been a reduction, a cut in the amount of funding for Neighbourhoods Alive! since 2011. So I guess I would like to have some understanding or explanation of where the reductions or where the cuts are, and I would like a bit of information on the different programs under Neighbourhoods Alive!. There are apparently five programs that are the responsibility of the Department of Housing, and that's the Neighbourhood Renewal Fund, the community initiatives, Neighbourhood Development Assistance, Localized Improvement Fund for Tomorrow, Community Youth Recreation, and then, I guess, also, the Neighbourhood Housing Assistance falls under Manitoba Housing. Then there are several other programs: there's the training initiatives, the urban art centres, the Lighthouses and the school resource officers that are delivered, I believe, under other departments.

So I know that the minister probably couldn't give me a lot of detail or information, but I'm interested in knowing what funding is allocated to the programs that the Department of Housing has responsibility for, and I would say that's the six that I outlined. And where—I mean, it looks like about a million dollars in reduction in the budget line. So where does—where are the reductions in spending?

I believe that I've heard over the years that there have been increases in community projects under Neighbourhoods Alive!. I'm interested in knowing whether any of those increases and projects or programming have been in the programs that Manitoba Housing has responsibility for, and I know that you won't be able to give me detail on other departments. We'll have to ask in those departments. But, if we could start there and, you know, if I could get a sense of why there's been a reduction in the support to communities under Neighbourhoods Alive!. I think that there's been an increase in the administrative costs but a reduction in the grant support under Neighbourhoods Alive! in the Department of Housing.

Mr. Bjornson: Yes, Mr. Chair. The Adjusted Vote transfers, what you see as a result—or, is what you see

that indicates the reduction in funding because some of the funding was moved to other departments that administer some of the programs. And, as a part of fiscal restraint, we have seen a reduction of \$300,000 to Neighbourhoods Alive!

That said, with many of the renewal corporations that we've developed and worked with over time, a lot of the programs that Neighbourhoods Alive! funded have been programs with end dates in terms of funding from the government. And they are able to maintain the programs because they've built the capacity and developed sustainable funding through other sources of funds. So, that is one of the things about the initiative with Neighbourhoods Alive! that a lot of the community renewal organizations have achieved some independence as far as the programs and sustainability of those programs.

But, I can tell the member that the training initiatives, of course, go to Jobs and the Economy and Children and Youth Opportunities. The School Resource Officer Program is in Municipal Government. Community youth recreation programs is, pardon me, Children and Youth Opportunities. Lighthouses is funded through Justice, and urban arts centres are through Culture. But, as the member correctly identified, five of the programs do fall under the purview of Housing and Community Development.

Mrs. Mitchelson: So can the minister undertake, then, to provide for me the five-year history in the department of Housing for the Neighbourhood Renewal Fund, community initiatives fund, neighbourhood development assistance, Localized Improvement Fund for Tomorrow and Community Youth Recreation?

Is there a possibility of providing for me the grants that have been allocated to which organizations and the funding history then—what they have received in each of the last four or five years? Some of the may have not have been around that long because there might be some new initiatives. I don't know whether there have been. But is it possible to get that information?

Mr. Bjornson: Yes, I thank the member for the question. The Neighbourhood Development Assistance initiative is through the neighbourhood renewal organizations, and we could provide that list. As far as the Neighbourhood Renewal Fund, that provides a number of grants to non-profits and that would take a significant amount of time to compile that list. We can do it but let the member know that

it's a very long list and—as well. But community initiatives, the LIFT, or Local Improvement Fund for Tomorrow, we'd be able to provide those lists in a timely manner.

Mrs. Mitchelson: And if those lists that could be provided in a timely manner are provided and then I will, you know, indicate whether I feel I need something more. And I certainly know that it would take more time. And I don't want to create a major workload in the bureaucracy when, you know, there are priorities that you need to be focusing on or working on. But, whatever you can provide in a timely manner, I would—

Mr. Chairperson: Order.

The time being 5 p.m., committee rise.

FINANCE

* (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 always exciting Department of Finance. As has been previously agreed, questioning for this department will proceed in a very global manner, and the floor is now open for questions.

That's probably the fastest I've ever read that. All right.

Hon. Jennifer Howard (Minister of Finance): Sure, I think the last time we were together, the—of the questions had to do with staff turnover allowance that appears under salary, employees and benefits line. So we can—I think the member had observed that there was a revenue item there. So, I think he was asking the meaning of it, but if he has more questions, I'm sure he'll ask them. But there is a glossary at the back of the green book, the Estimates, that explains what it is, and it's on page 105, the definition, and I'm sure he knows this. The staff turnover allowance is adjustment made to a salaries account to allow for attrition and stand—and staff turnover. It says, a negative adjustment to enable the organization to more accurately display salary requirements.

So what this is, I think, is just an expression of the reality that throughout the year, people will leave positions, often it will take some time to fill that position, and so it isn't as if every position is filled 100 per cent of the time, and yet the budget is based on that perception—on that calculation. You look at

salary dollars for the number of FTEs based on a full year, but, of course, we know that that is not usually the way it happens. So that is just put in the budget to try to get a more accurate assessment of salary dollars by allowing for some kind of allowance for normal turnover and the lag sometimes in time between somebody leaving a job and the next person being hired.

Mr. Cameron Friesen (Morden-Winkler): I thank the minister for that clarification.

I wonder my—if I might also then ask as a following question: Does the amount or does the number of positions indicated in that sub-line, allowance for staff turnover—and I know we see them in a number of different areas, and all areas of the department as pertains to Finance—does that create an opportunity—like, we understand that these are positions that are displayed as currently not occupied. Does the minister have in mind, as part of her drive towards efficiencies, to review some of these open positions to see if perhaps this is work that could be allocated to others? Or is her intention to ultimately fill all of the positions that are indicated in those lines?

Ms. Howard: I think, in an ongoing way, we'll look at opportunities to work more efficiently. And sometimes that can mean taking opportunities to either reorganize the way the work is done. And so when somebody leaves a position, sometimes there is that opportunity to do that. Sometimes it is a position that clearly is required, is needed, or the department may have previously undergone some work to get more efficiencies. So it depends very much, I think, on the position that we're talking about. Generally, we are striving to not simply have the same amount of work and fewer bodies. That probably does happen in some places in government, but we are striving to instead take the opportunity to reorganize the work, perhaps take advantage of technology where possible, and also, I think, to prioritize those functions that really get the most results for Manitobans. And I would expect, you know, that is being done currently. I would expect, as the year goes on, that will continue to be done throughout government.

Mr. Friesen: There are a few pages or subappropriation areas where I do not see that same line for allowance for staff turnover. I'm looking, in specific, at page 55 of the departmental Estimates, Fiscal and Financial Management. What does it

indicate when I do not see any less allowance for staff turnover?

Ms. Howard: I think what that may be is that when we have some very small groups, divisions—I don't know what the right word is for them—but this one that the member opposite—that the member's referring to, there's five positions there, so it probably wouldn't be realistic to have a staff turnover allowance for five people. You would expect that somebody would leave at some point, but you wouldn't necessarily expect that to happen every year.

Mr. Friesen: Would there be a guideline within the department or a cross government department, a threshold by which you begin to have a line less allowance for staff turnover indicated, or it would be just done at the discretion of the minister?

Ms. Howard: So I'm advised that mainly when departments prepare their Estimates they're looking at the history and they're looking at historical trends. So we know throughout government there may be some places where you have more rapid turnover. Sometimes that might be because of the nature of the work and then there are other places where you have a workforce that tends to be of longer duration, and so I think that's part of what informs what the turnover allowance will be or if there will be a turnover allowance.

Mr. Friesen: There are a number of pages within the Estimates where I notice that the—that subcategory—that sub-line, less allowance for staff turnover, the number is unchanged from the Estimates of Expenditure 2013-14 through 2014-15. Is that incidental or does that mean that there has been no net—I guess there's no net change. But has there been no change whatsoever in a complement of staff? For instance, if we look at page 33, at Corporate Services, and we see 52 is the number both for last year's Estimates and this year's, would that indicate that while the number is static there has been no change?

Ms. Howard: I'm not entirely sure I understand what is meant by no change. No change in the number or no change in the staff complement? I think that it doesn't mean—if the number's the same—it doesn't necessarily mean that that's the number is the same because nobody left the year before. That's not what it means. It is a number just sort of based on historical trends. So I would think in some parts of the department, if they believe that nothing has

occurred to change the trend, that they would probably provide the same number.

Mr. Friesen: Thank you to the minister. That is the clarification that I was looking for.

Also, just looking at the Estimates, on page 39, Fiscal and Financial Management, for—just for interest, and as an example, I notice on certain pages of the Estimates, of course, that there is a larger amount that is allocated to salaries, and in some places there is not an increase to salaries. Is just—this is just a reflection of when contracts become renewable and when contracts are considered again—is that why on some pages we see an increase and then some pages we do not see an increase when it comes to salary and employee benefits?

Ms. Howard: There's a couple of things that go into salary, and one, of course, is general wage increases, and that is, I think, is computed across the board. But the other thing is where somebody is at in the classification, merit increases. So if you are expecting that you will lose some people and you will hire new people, usually, although not always, but usually you would be bringing in a new person at a lower step than the person leaving, and so that can account for salary lines staying unchanged even when there is a general wage increase.

Mr. Friesen: And does the same explanation stand for page 47, under Fiscal and Financial Management, where we see a net decrease although the full-time equivalents are—remain the same? And then we still see there's a decrease in the total salaries and employee compensation for professional and technical. Is that why we would see a decrease, there might be a new staff coming in and lower in the salary scale?

* (15:00)

Ms. Howard: That's correct. There—it's known as normal salary adjustments, and it is just to reflect the turnover and that, although as I say, not always, because sometimes people will come in who have experience and the qualifications that they'll be placed at a higher step in the classification. But, normally, you would expect, if somebody is retiring after 25 or 30 years, and somebody's coming in for whom it's their first job, that they would be at a lower classification.

Mr. Friesen: I'm looking now just at the overview of the department on page 3 of the Estimates, and I was reading through the responsibilities of the minister, and I've noted in the minister's opening comments

that also coming over with her to this new role is the disability office—the Disability Issues Office, and I wondered if the minister could just explain for me what is the process by which an office like that comes over with a minister into a new area where she now currently has responsibilities, if she could just guide me through that process.

Ms. Howard: Well, who gets to do what in Cabinet is determined by the Premier, and for me, I've been very fortunate to be the Minister responsible for People with Disabilities since I joined Cabinet, and based on the work that had happened in the fall and leading up to December when we passed the accessibility act, I very much wanted to continue with making that—you know, bringing that legislation to be and working on the regulations, and so I was allowed to continue in that role.

The Disabilities Issues Office is a fairly—I don't know what the right word is—kind of self-contained unit, so it's moved with me a couple of times, and it hasn't—it's been fairly smooth transitions because they are self-contained. It's not like you have to extract them from various places in government. And they're a pretty small office as well.

So, they continue to do the work that they've always done, which tends to be across government departments, working on policies that help to build accessibility and inclusion, and their—the focus of their work is going to continue to be supporting the process by which we'll develop standards in the new accessibility legislation.

So, hopefully, they would tell you that not much in their world changes when they move. I think it has been useful in a sense, that it hasn't always been connected to Family Services, because there is a distinction between service provision and policy co-ordination, and that's really their role. So, I think it's been useful for them to move so they can maintain their focus on overall policy co-ordination across government, and not get so identified with one department. But, I think it's been a fairly smooth transition for them.

Mr. Friesen: Just because I don't happen to have a copy of the departmental Estimates for '13-14 in front of me right now, I was going to ask the minister, were there any other changes in terms of a designated responsibilities within her role? Was it just this one additional duty or were there others, as well, that would have been added, or would there be others that might have been deleted or put into some other area of another minister's responsibility?

Ms. Howard: I think that the only thing that came with me was the Disabilities Issues Office. I remarkably went from, like, four or five to two jobs, so that's good. And the other change, of course, was that Minister Struthers retained responsibility for Hydro.

Mr. Friesen: Still on page 33 of the Estimates under the subappropriation for the Disabilities Issues Office. Now, again, on our conversation about salaries and employee benefits, here I see that, of course, there is no FTE change from the previous year of expenditure to this one in terms of estimate, but I do see that there's a 6.7 per cent increase for professional and technical wages. Could the minister just comment on the increase to that line of salary and employee benefit?

Mr. Chairperson: Just before recognizing the minister I just want to remind everyone that we'll try to use, when we're referring to our colleagues, as honourable members or in their MLA titles or as in their ministerial portfolio.

An Honourable Member: Can't we use their names in committee?

Mr. Chairperson: It's a bit of a grey area. Our head clerk—it has moved over years—[interjection] But, yes, it's totally fine.

Ms. Howard: Thank you for that. I was—I misunderstood. I thought it was acceptable to use names in committee, but I stand corrected. Learn every day. You should never trust the words of a former House leader when it comes to the rules, I will assure you of that.

So this—yes, this is normal salary adjustment, as the member for Morden-Winkler requested. This is the—just normal salary adjustment, and, again, it would be merit increases as people move up the classifications. I don't believe there's anything else going on here in terms of a reclassification or anything like that.

Mr. Chairperson: And just because everyone asked, the reason why the rules are different in standing committee than in Estimates is because Estimates is technically part of the House.

There you go, see the things you learn on a Monday afternoon.

Mr. Friesen: Well, the Chair has enlightened us all, and we can all say after today that we come away a little bit smarter than we entered the room.

I just wanted to ask the minister on this same subject, whether—is it normal, a 6.7, almost a 7 per cent increase? I know this is—we're only speaking about an FTE equivalent of six; it's not like there's a large staff working here, but is a 7 per cent increase over the period of one year within the bounds of normal increases to a salary?

Ms. Howard: I think one of the things that might happen here, because you're dealing on a base of six positions, is—so if somebody's moving up in that classification and it's a full-year adjustment—so, say somebody's anniversary of hire is April 15th, you're going to get a full year of the impact of that, and because you're on a smaller base of six people that's likely going to show up as a larger percentage increase than it would, say, if you had a complement of a hundred people and you had a few people who had earlier dates in April. So the merit increases happen throughout the year, usually on the anniversary date of hire. So, if it's a full-year cost, it's going to be a higher cost than if it's the middle of the year.

It also, I think, there—you know, in some classifications, we may be getting into—there's an additional long-service step for people who have been with the government for a number of years. Different classifications have different sorts of steps as they go along. But I think this is just part of the normal salary adjustment, and when you do have smaller complements of people, when you're dealing with a base of six FTEs, one change can look perhaps bigger than it is.

Mr. Friesen: Now I know, Mr. Chair, that when we were last in the departmental Estimates last week, there was a little bit of quarreling happening about what would be considered to be in scope and out of scope. But I see that because the Disabilities Issues Office is housed within the minister's responsibility, then looking at page 32 I could ask questions in good faith about specific operations in that office. What I wanted to know—and I was reading through the Expected Results and I know we—I've been following along as well because obviously I have groups in my community who are also speaking about the implications of what's being considered and contemplated on their operations. What I wanted to know, just specifically as a side question just this afternoon, can the minister comment on what grant programs might be available or that the government is currently contemplating which would go particularly to encourage measures to come into compliance in the private sector?

So, for stand-alone private sector businesses, I know that the focus so far has been a lot about, you know, making sure that government buildings are in compliance and that they in every way, shape and form encourage accessibility. What about when it comes to granting programs that the minister might be looking at for private sector? Is that something she can comment on at this time?

Ms. Howard: So, in terms of grant programs, and I'm not sure how much this would apply to the private sector, depend on the use of their property. Certainly I know several organizations, not-for-profit organizations, would've applied under Community Places for grants to do everything from elevators to ramps.

So I think we've all seen those in our constituencies. Some, I know, have used money through the child-care funding office to invest in more accessible playground equipment. I'm not contemplating a stand-alone grant program for the private sector to come into compliance, because, frankly, the law already exists for them to be in compliance. The accessibility legislation doesn't create a new requirement for people to have accessible services. That requirement is found in The Manitoba Human Rights Code.

* (15:10)

What the legislation is designed to do is have the sectors who are affected and the sectors of people with disabilities come down to a table and talk about, okay, so there is this obligation to make things accessible. What does that really mean?

And the way that we hope to be able to deal with some of the impact on that is by allowing more time for those things that are more difficult or more expensive. And that's why, in the legislation, we try to put in there a provision that one of the things that will be considered as the standards are developed is economic impact.

So I give you a for example. I wouldn't expect that making an old building accessible would be the year one project. That is something that will take more time, that may use the opportunity of other renovations that are happening. But I would expect that training your staff to know how to provide accessible customer service is something that could be done more quickly. It's less expensive and, in some respects, you're going to be able to meet the same goal.

So, as we go along and develop these guidelines, we're going to try to be conscious of the cost impact, ensure that we provide a significant amount of time to come into compliance where there is cost. But I—you know, I know the advice that I got when we first started looking at this and I went to Ontario to talk to people who had done it—the advice I got pretty specifically was not to bring in separate special grants to do these things, but to work with those sectors that will be affected and give them time and give them other supports.

But really, this is not a new cost. What the hope is, that by developing these standards, we'll be able to give more clarity to people about how to be accessible and more discussion up front so that we can avoid some of the complaints that come after the fact.

Mr. Friesen: I appreciate the minister's response. You know, as the minister understands as well, when we start talking about, you know, retrofitting older buildings and things, you know, costs go up very, very quickly. I know anytime anyone contemplates renovations, even on their own home, you know, what you think should cost \$10,000 is quickly cited as a \$40,000 cost.

I'm trying to think about the sticky areas of this. For instance, what happens when a private sector for-profit group is delivering services to a clientele who might be, by and large, affected by accessibility issues? So think of your local occupational therapy or perhaps like a physiotherapy's—therapist office in community who might be occupying your own building, renting or whatever, and now the—a lot of their clientele—perhaps they're even delivering services to the—on an contractual basis to the RHA, and now a lot of their clients are encountering issues, maybe even just the physical issues with getting into the building.

Now, even there, we—there would—the minister is saying, just to be clear, that there would be no opportunity looking down the road for any kind of measures that would allow them to better serve their clients in a way that there might be a separate granting area. It would just be—you know, of course, there would be the opportunity for them to go through a Community Places grant, but, as we all know, those don't—those can be—there can be a lot of those awards; oftentimes, they don't go as far as one might like in helping them bear costs.

Can the minister just make that clarification? So, private sector—no grants into compliance.

Ms. Howard: Well, I think, as I said, this is not a new law. This is not new that these organizations should be in compliance with The Manitoba Human Rights Code. The Human Rights Code has been around since, I think, 1987.

What this is designed to do is help provide guidance for, what does compliance mean.

And, you know, we—as we move along as government, what we try to do is, as we're renovating, as we're renegotiating leases, to build into those projects accessibility measures, because, you know, one of the lessons from this is it's a lot easier to eliminate a barrier before you begin to build than once you've already built something.

So I'm not contemplating a separate grant program. I would expect businesses to have the time and the support to plan for this.

The other thing I would say is that the Building Code will continue to exist and be the primary way that—what people have to do for buildings—how that—how those changes are made, that isn't retroactive—that the Building Code is on a go-forward basis.

But the other thing I think is, like, business owners, like the member cites will have access to hopefully more information and examples of things that you can do when maybe a modification of the building isn't—you're not able to do that immediately or it's costly. So for example, in some places, what they will allow is an alternate suggestion; maybe you have a group of clients that can't get into the building for physiotherapy or occupational therapy, but you have a community centre that is accessible, and once a week you can move your practice there, or you can do some practice in home or—so I think alternate methods will also be entertained. Yes.

So, you know, another example of that we've heard in many communities—where the library is in the oldest building in the town and that's very challenging to make accessible, very costly. But you could have a situation where you've got the ability for somebody to say, these are the books I'm looking for, and have those books brought to an accessible location and pick it up from there. So we're also looking for creative ways to meet the test.

The best way always in accessibility is for people with disabilities to access the same services on the same basis as everyone else. But I think throughout the formation of the legislation, we've tried to bring both private sector, public sector and people with disabilities together to the table to talk

about doing this in a practical and a reasonable way that's going to achieve those results. And that's the way I would see forming the regulations as well.

Mr. Friesen: Still on the subject of the Disabilities Issues Office, the third matter addressed under Expected Results is that the minister has a duty to meet monthly with the Accessibility Advisory Council. Could the minister indicate—with respect to that committee—how many members and what are their names?

Ms. Howard: We'll get—if we don't have them at the table, we'll get that to you. It's not me that's meeting monthly with them, though; I hope that's not an expectation. It is—I try to meet regularly with them. I think it is the staff—the Disabilities Issues Office are meeting monthly with them.

But that is made up of people from various sectors, so we've got folks from retail and restaurant and hotel there; we've got someone from the City of Winnipeg, somebody at the AMM; we have a cross-appointment with the Council on Aging—I think they're called something else now. But—and then we've got a variety of people who either live with disabilities or represent organizations that work with disabilities.

But I'll add it to the to-do list and we'll get you a list of the current membership—I think it's about 13 or 14 people on there.

Mr. Friesen: I thank the minister for supplying that information. You never know what duties as assigned might accrue to you as a result of these proceedings; we should be careful what we suggest in this place. So I stand corrected. It is not the minister who's meeting monthly but the Accessibility Advisory Council is meeting monthly and with members of her department—no, I might need one more clarification on that.

In any case, the other question I was going to ask was with respect to the subcommittees, it does say that there will be meetings monthly with the Accessibility Advisory Council and a subcommittee, so then this might also fall into the category of information that the minister may not have at her disposal today. But what subcommittees—and could we also receive a list that would show who comprises those subcommittees?

Ms. Howard: So I should say for the record the disability—the access advisory council might not meet every month; there may be some months where they meet several times and some months where they

don't meet; they may take time off the—during the summer because they kind of meet in response to the work that they have in front of them. And they had—their next task is going to be developing the customer service standards.

I don't believe they currently have any sub-committees; we'll check. They have the ability to strike subcommittees, and they may want to do that, but I don't think they currently have any. But we'll—if I am wrong, we will provide that.

Mr. Friesen: I warned the minister earlier in these proceedings, I think on the first day, that I might glide back and forth as I went to some clean-up topics. So on the subject of clean-up topics—I think on the first day of departmental Estimates we had been speaking about some of the orders-in-council, and I was endeavouring to just understand a little bit more the way the loans worked through to other government agencies.

* (15:20)

Just looking back for a moment at the orders-in-council, I had noticed that in January of this year, there were a number of appointments, including on January the 8th, Jean-Guy Bourgeois was appointed as senior adviser to the Minister of Finance. There is an indication here in the orders-in-council about the salary range and what the starting salary would be. I just wanted to ask the minister, I know that she referred to this individual, I think, on the first day when she was talking about the organizational chart of her office. What would have been the process to bring this individual onto her staff? Is this a competitive process?

Ms. Howard: This was a direct appointment. It's an order-in-council position. And this is a person providing policy and strategic and political advice. And so those tend to be direct appointments. It was felt that he had the experience and knowledge sufficient to do that job.

Mr. Friesen: Were there other individuals considered for the position?

Ms. Howard: No.

Mr. Friesen: The minister indicated that this was an appointment, just trying to understand the process a bit better than. So the minister, I believe, confirmed on the first day of Estimates, there would be three individuals in her office that would be considered political staff. Is that correct?

Ms. Howard: I think—I mean, I would consider the political staff, the special assistant, who is Jeannine Kebernik. I always get a bit confused about the executive assistant who works in the constituency office, whether they continue to—their part—as a minister, you get that position, but they're really in the constituency—that's Courtney Maddock. And then Jean-Guy Bourgeois is the special adviser. And that, you know, with the exception of, I think I get one fourth of a Cabinet communications staff, and, you know, we'll work with other staff on a as-needed basis. But that's who I would consider as my political staff.

Mr. Friesen: Just as an aside, does the executive assistant for the constituency office have duties that would bring an individual here to the Legislature as well, or does that person reside only in the constituency office?

Ms. Howard: Well, when they're trying to track me down to sign something, they often have to come here. But we do—we have had a practice when the special assistant will be away, of bringing the executive assistant in to take her place.

Mr. Friesen: Of course, I would be remiss if I did not indicate that there's a strong southern Manitoba connection here, and that the executive assistant for the minister is actually from Morden—from the city of Morden. So I actually know Ms. Maddock from when she was still a student at Morden Collegiate, and her parents continue to reside in the Morden area. So that's always nice to see when our young people go forward and consider careers in this area. It's an important enterprise, and sometimes I think knowing someone from the community, you don't always have a sense of who might eventually gravitate to this kind of work. So I know I was really interested to find out that Ms. Maddock was working for the minister, and, I must say, and the minister never even disclosed the fact to me. So I was really excited to learn about that.

Aside from that, I just want to ask the minister one more clarification on this. So, then, could she just indicate to me, as a senior adviser to the Minister of Finance, what would Mr. Bourgeois do? What would be the duties assigned to him, generally speaking?

Ms. Howard: Well, he would have a role, kind of, working on, sort of, overall policy direction. Certainly, the work that we did leading up to the budget, he would be involved in that; sort of, discussions around some of the priorities in the

budget in terms of training new people, skills training, investing in infrastructure; and he would also be preparing information based on the overall policy direction of government, how to achieve those goals, taking a look at what's going on, perhaps, in other provinces, giving some information about that; and giving, sort of, advice on a really strategic basis about how do we move forward and achieve the goals of the government and how do we achieve what we believe are the goals of Manitobans.

Mr. Friesen: Would the minister please indicate who formerly occupied that position?

Ms. Howard: I think as a result of some of the reorganization after Cabinet, these positions would shift. And I know that—I'm not sure there was one in the immediate time before me, but there was some—a special adviser who had also had Hydro as part of their responsibility with Hydro leaving that position would leave.

But I will say this was a position that we thought was necessary. It serves both myself and the Minister of Jobs and the Economy (Ms. Oswald) to give a focus to that part of our kind of policy agenda that is very much about skills training, creating jobs, investing in infrastructure.

So there may not have been a position exactly like this before, but I think that would likely be as a result of some of the shifting of responsibilities after the Cabinet shuffle.

Mr. Friesen: Also in the—under the category of just tidying up loose ends, we had been talking about staff and complement of staff, and we had been talking about total positions within the department. I don't know if I had remembered to ask the minister in the days preceding about providing a list of staff who would have retired from the department for the fiscal years 2012-13 and 2013-14. Could the minister provide that information, if not now, if she has available, then at a later date?

Ms. Howard: We'll give the—we'll provide the information that we can to the member. I think that the names of those individuals, they may be necessary to be confidential names. But we'll—I'll check that out with the civil service folks and the human resources, and we'll provide the information that we can. I could probably—we'll see if we can provide an overall number, but I don't know that I am necessarily going to be able to provide the names of everybody who's retired.

Mr. Friesen: I thank the minister for endeavouring to take on that matter, to ascertain whether she can share those names or not, and then I think one other question that I do not believe I had asked previously would have to do—we had talked about people within the department, people who worked in various areas of the department. I wonder if the minister could also indicate a list or provide a list of individuals who have been hired on a contractual basis within the department for the 2012-13 and 2013-14 fiscal years.

Ms. Howard: We'll have to assemble that information as well.

Mr. Friesen: And while the minister is endeavouring to assemble that information, could she also indicate a total value of the contracts to contractors for both of those fiscal years?

Ms. Howard: Yes, we'll put that together.

Mr. Friesen: And would the minister also be able to indicate, when it comes to contracting work outside of departmental staff—when she's providing that list, can she indicate whether that was a sole-source contract or whether it was a tendered contract, and indicate those contracts by that subcategory?

Ms. Howard: I just want to clarify what that—I'm—just want to clarify what the member is requesting, make sure we get him the information that he's looking for. So you had been asking about employment contracts, which employees were on contract, and of those contract employees, you wanted to know whether they were tendered or sole sourced. And I wonder if what you're asking is—are you asking about all contracts or—I'm just a bit confused as to what we're looking for.

Mr. Friesen: Well, just to clarify, then, perhaps what we should be saying is, like, is there a threshold amount? Is there a—what is the threshold within the department, perhaps? Maybe that's information that she could then provide.

Ms. Howard: Okay. We'll do our best, and if it's not what the member's looking for, I trust him to let me know and see if we can get him better information.

* (15:30)

Mr. Friesen: I thought it was interesting this morning as I was driving in from the Morden-Winkler constituency. I was listening to one of the radio news programs, and I noticed that we seem to be very pertinent here in the departmental Estimates for Finance, because today there was a lead story that talked about the fact that the Manitoba Home

Builders' Association was saying that in Manitoba we have the highest land transfer taxes of any of the provinces.

Now, I know we had a very fulsome discussion last week on Friday, but there was an important clarification provided in the context of today's news program. I had found some information last week and indicated what the average home price was now for Manitoba, and I believe I was right in the ballpark because this morning in the on-air reporting, the average home purchase cost in the province of Manitoba was quoted as \$280,000. That—and the broadcast went on to reveal that the—even for a home that is \$200,000 in value, the land tax that would be assessed to the purchaser is \$1,400.

So I thought that was an important clarification. Third-party groups expressing today, on the heels of our own discussion, that they have concerns about what this means in terms of affordability, especially for young—well, not necessarily young, but new homebuyers or first-time homebuyers. And I thought that was an interesting discussion they were bringing up. What the broadcast indicated is that there have been presentations made to this government, to this minister, with respect to creating some relief for the—for exactly this area that affects first-time homebuyers.

I know that we had this discussion last week, but could the minister indicate just once again, then, based on these calls from the industry for government to pay careful attention to this, is there any intent to meet again with these industry officials?

Ms. Howard: Thanks very much for the question. I assume that we would meet again with those groups. We meet frequently with both the Home Builders' and the Real Estate Association, and I expect that that would continue to be the case.

And in our discussions they do raise the topic that the member has cited. And, as I said previously, and as I've said to them, I am open to discussions with them about how to enhance affordability of home purchases within the context, of course, of getting to a balanced budget in '16-17. That's the context in which we talk about any kind of movement on expenditures.

And I also think last week, as we discussed, and as I also discussed with the organizations that the member is talking about, is all of the different costs that go into owning a home. One of those costs, which is property taxes, and if you look at what—

where we have put our focus and some of our money in terms of tax reductions, you will see very aggressive moves on increasing property tax credits to the tune of about \$350 million that go into those programs. And those programs have gone from about \$200 a year in 1999, now to \$700, which means for some homeowners that there is very little, certainly, education tax that they're paying because that \$700 comes off the top.

But we certainly remain open to those discussions within the current fiscal context that we live in, which is a desire to balance the budget in '16-17.

Mr. Shannon Martin (Morris): I'd like to remind the minister of one of the other costs of owning a home is actually the cost of home insurance, which is now subject to a 8 per cent PST.

I'd like to get some—chat to the minister to get some understanding under the Province's pension liability.

So I know that previously the government, effective October 1st, 2002, brought in a policy that the full pension costs for each new employee will be the responsibility of the hiring department or government agency, with the plan that the outstanding pension liability of the Province would be fully funded by 2029.

Is that policy still in effect, that the full pension cost for each employee is the responsibility of the hiring department or agency?

Ms. Howard: So I'll refer the member to page 13 in the budget papers, sort of halfway down the page on priority area managing debt. Talks about the unfunded pension liability and gives some bullets there of what we're doing, and so the second bullet there talks about funding the employer's share of current service pension entitlements in '08-09, the first time since April 1st, 1961, and so I would expect that would be reflected in the salary costs in each department.

So this took us from a method where the liability was sort of paid as you went along on a month-to-month basis to trying to take into account the full scope of that liability.

Mr. Martin: So, in all—pardon, excuse my—like I said, I'm just trying to get an understanding of the Province's pension liability. So, if the government is funding the employer's share of the current service pension entitlements, starting 2008 and '9, then can

the minister explain—and again, the answer might be quite simple, why the pension liability is up 14 per cent since 2011?

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

The committee recessed at 3:39 p.m.

The committee resumed at 4:04 p.m.

Mr. Chairperson: This section of the Committee of Supply will now resume consideration of the Estimates for the Department of Finance. As previously agreed, questioning will proceed in a global manner, and the floor is open for questions—or an answer, depending where we left off.

Ms. Howard: It was mine. I think it was my turn when we left off. I think the question was about—my turn. The—I hear my toddler's voice in my head many times throughout the day: my turn.

So I think the question was about the pension liability and progress on that, and I think a few things probably goes into that. One, we're at the start of that process in '08, in '09. There are actuarial assumptions that are going to change depending on when the plan is valuated that might have an effect on increasing or decreasing the liability. And the other thing, I would say, that did happen, there were—I think things have been relatively better in terms of markets and investments, but there were a couple of years there for—any of us who have any money invested know that there were a couple of very difficult years, and that, I think, would also have an impact on the speed with which that liability gets written down.

Mr. Martin: Just a point of clarity for the minister. The minister referred—sorry—originally—just got to find that page the minister referred to me that started this conversation. Oh, so page 13, in terms of Priority Area—Managing Debt, referred to me to the bullet line that said that funding the employer's share of current service pension entitlements in '08-09, the first time since April 1st, '61.

What about service pension entitlements up to 2008-09? Like, is this a one—were they only—sorry. Were they only done in '08-09? Were they done up to '08-09? Like, I'm just trying to clarify that.

Ms. Howard: So I'm going to answer this question in a few ways because I want to make sure that I understand it.

So, of course, the liability has existed for some—many years, predating both of us, and when we became government the first commitment we made on the pension liability was begin to fund it for new hires. And then in '08 and '09 we deepened that commitment to fund the employer's share of current service pension entitlements to begin the funding of that pension liability.

As the member has noted, there is, of course, still a large unfunded liability. I think that, probably, this is one of the situations where it would have been even bigger had we not made those moves in forming government and in '08-09, but it continues to be a priority for us to deal with the unfunded liability.

Mr. Martin: Sorry, not to beat a dead horse, but I just want to be absolutely clear, then. So the minister—when the minister was talking about the policy about funding the employer's share, that started in '08 and '09 and has continued through to today? The new employees, I believe, the minister referenced started in, I believe, it was 2000, I want to—or, sorry, was effective October 1st, 2002.

Ms. Howard: Yes, so whenever it was in '01-02 we started funding the pension liability for new hires. In '08 and '09 we started funding it—we started funding it on for all hires, but we have not yet accomplished complete funding of the liability.

Mr. Martin: The minister—I note the Premier (Mr. Selinger), when he was Finance Minister, indicated a plan, quote, a plan showing us retiring the pension liability in 35 years. And that was a statement he made on—in May of 2003.

* (16:10)

I wonder if the minister can advise whether or not they are on track for the funding of the pension liability in that original time frame laid out by the Premier.

Ms. Howard: Certainly, it remains a priority, and I believe we're going to make all the progress we can in that time period. I think, you know, there are some things that you can't always plan for or expect, like the great recession, major downturns in the markets. But, within that, I believe it has been very clearly a priority of the government since we began government to deal with the pension liability. It

remains a priority and we'll remain to try to work within that time period that was laid out by the First Minister.

Mr. Martin: And just—I'm wondering if the minister can just help me understand, when we're talking about—sorry, page 20 of the budget under other obligations and pension assets. And we've seen pension assets grow, I believe, by about \$437 million since 2011. Can she—I would appreciate the minister could walk me through what constitutes pension assets and the growth in that number.

Ms. Howard: So I think the growth in pension assets would be due to two things, one would be any investment returns, positive returns, and the other would be growth in contributions. I think there has been increased contribution rates that—from both employee and employers that were agreed to. And I think that would make up the majority of the growth in those funds, both new contributions from new hires—that I think there's been some increased contribution rates in that time—and investment earnings.

Mr. Martin: And again, I know originally when the government did address the pension liability, they did it and they indicated it was under pressure from credit rating agencies. I'm wondering if there's been any discussion with credit rating agencies related to the pension liability. I noticed the minister noted that it's still the government's long-term goal to address the pension liability, but that no date in terms of a retirement has been laid out as previously provided by the Premier (Mr. Selinger).

Ms. Howard: I think since we've begun to pay down the pension—well, pay towards the pension liability and make that a priority, certainly the pension—or the credit rating agencies such as Moody's do not see the current level of pension liability as a credit risk. When they did a evaluation looking at pension liabilities—well, across Canada and in some other countries—and they found that our ratio was fifth. So about the middle of the country, and that it had improved by 15 per cent between 2008 and 2012, whereas most provinces had actually seen their pension liability worsen during that time.

Mr. Martin: And I appreciate those comments. I wonder if the minister would be able to share with me if—she indicated we were fifth, I believe, in terms of ranking—where the other provinces stand in terms of their—do they have a policy similar to this government in terms of funding their pension liability?

Ms. Howard: I will have to check on what the other policies are. I don't have that here, but—so we were fifth after Ontario, which has a fully funded pension liability; BC, which was at 3 per cent; New Brunswick, which was at 8.3 per cent; and Nova Scotia, which was at 12.4 per cent. And our ratio was 16.4 per cent.

Mr. Martin: Jumping track just slightly, just a question about public debt costs, and I want to make sure, again, we're talking apples to oranges. I note that—*[interjection]* Oh, sorry, apples to oranges—you know what I mean. *[interjection]* Apparently, apples to apples, thank you. *[interjection]* Yes.

I note that the government in it—in an—in Budget 2000 made reference that the public debt costs in '99—the fiscal year '99-2000 at \$481 million. In—on page 5 of the current budget we've got debt-servicing costs depending on—I mean, core government, 230 million, consolidated impacts, 642 million, and summary, 872.

I'm just wondering which of those numbers is the apple-to-apple comparison to the previous number put forward to the—by the government to \$481 million as a public debt cost owed or paid for by the government in '99-2000.

Ms. Howard: So that number that the member is citing from 2000 of 421, can you just clarify for me, is that the debt of the government business enterprises? Is that what—the number that is—that he is referencing?

Mr. Martin: I can appreciate that the minister and her staff probably don't have the 2000 budget handy. So, that's fine that there'll be delay in the answer or whatever.

But, on page 5 of budget paper B, in financial review and statistics from the—from that—from the '99-2000 budget, it notes that public debt costs are projected to decline 6.6 per cent in '99-2000 from 515 million in the 1998 budget to \$481 million. So, like I said, I'm just trying to achieve an apple-and-apples comparison as to public—what the government was referencing or defining as public debt cost in budget '99-2000 versus what they're calling debt servicing costs, and I just want to make sure that I'm consistent.

Ms. Howard: We'll take that away and take a look in the 2000 budget. You're quite right, we don't have that here at the table. So, we'll take that away and take a look at that and provide you with an answer.

Mr. Martin: And then jumping back to the pension liability and, sorry, I didn't mean to jump around here, so the pension contribution right now that the government is financing, is that owed to the TRAF and superannuation board? Correct?

Ms. Howard: Yes, it's TRAF and the superannuation board.

Mr. Martin: And what about health-care employees? How is their pension handled? Are they part of the superannuation board? Are they outside the superannuation board?

* (14:20)

Ms. Howard: I think, although we'll just try to confirm for you that the health employees' pension plan, HEPP, is not part of the superannuation board—so it would be funded—I believe those contributions from the employer's side would be funded through operating budgets to health-care facilities, to health-care employers.

So I don't believe that that plan shows up in the pension liability. I believe that plan—I don't know if it's fully funded or not because I do think it qualifies for an exemption under the rules that allows—it doesn't have to meet the same valuation tests that a purely private sector plan would have to meet. But we can go away and look at it, but I think the numbers that you are looking at only comprise TRAF and the superannuation board. And HEPP would be more seen throughout the operating costs of primarily the Health Department, although their employees in the HEPP plan may work for other departments.

Mr. Martin: So would—and, again, I'm just trying to figure it out. Would the minister then suggest probably that Health Estimates would be a better place to find out information related to the HEPP plan? And I'm fine if that's the minister's comment.

Ms. Howard: I'm not sure that you'd get information about the plan there. You could probably ask questions about pension contributions because the way I understand it, and again, we're—I'm out on a limb here, but the way I understand it is that HEPP, it's a pension plan, although it is a public sector pension plan, the way that we would fund it would be through operating costs to, say, I don't know, Morris hospital, if there is such a creature, Morris hospital, and we would give them some funding and they as an employer would fund their portion of the pension costs, their pension contributions as an employer.

So you might get—you might be able to get some of that information. If you want to find more information about how the plan operates you'd see what you could find out online, what kind of disclosure they have online, but I'm not sure beyond that where you would be able to go to get more information.

Mr. Martin: And one last comment about the pension liability just again in terms of clarity. So, we've got the TRAF and superannuation. Are there any other pensions that the government is responsible for, that there's any other liabilities that, say, aren't part of the pension liability as laid out in Manitoba summary financial statistics?

Ms. Howard: I think the best thing would be to provide you a list. There are a number, I think, that would probably show up in the summary side of government reporting entities, like, I believe, the university plans. Our plan would be in there, the judges' plan, but we can provide you a fuller list.

Mr. Martin: And would the Province be liable, then, for any pension shortfalls in those plans as noted by the minister?

Ms. Howard: Not directly in the same way that we are as an employer with the sup. board, but they would be—they would—they form part of the government, not—the other reporting entity, so they would show up on the summary side. So they would affect our summary bottom line, but I don't believe we're liable in the same way that we are liable as an employer, for pension costs.

Mr. Martin: And, again—and this might be more historical, and that's fine if it takes some time to give the answer. So would that be the reason, then, that TRAF and superannuation were the two pensions that the government targeted back in 2000, and not these other pensions as noted by the minister, and any outstanding liability there? I'm just trying to understand the logic for the original setup, that's all.

Ms. Howard: I think in terms of the pension liability, they're—you know, the action that we took was on those pensions that we are directly responsible for, like the Civil Service Superannuation Fund because we're the employer, but certainly other pensions that also show up in the summary and other public sector pension plans, we've also been active with them trying to ensure that those pensions are funded and on stable footing. Certainly, I think that's true with the universities.

We've also taken some action with respect to some other plans that exist in the not-for-profit world that experience some significant challenges as a result of the economic downturn.

So, while, you know, we don't have the direct responsibility for a lot of those plans, we have still attempted to play a helping role in dealing with some of the challenges in those other plans. But, when we take a look at pension liability, which shows up, certainly, in—on the core government side, are those two plans, TRAF and Civil Service Superannuation Board, for which we have some direct responsibility.

Mr. Martin: I appreciate the minister's comments. Can the minister expound a little more when she says the government has—I believe the word is taken action and provided assistance. Just, again—just to get a better idea of what action or assistance the government has provided those respective plans or those respective employers to help address their pension situations?

Ms. Howard: Sure, sometimes it's been in the role of technical assistance. We have people that work within government who have lots of experience with pension plans and, particularly, sometimes if you're a smaller organization, you may not have access to that kind of technical expertise, so we've tried to provide some of that. Sometimes, it has been changes in regulations. We made changes to the pension regulations as a result of the downturn in '08-09.

When valuations were coming in, and a valuation, of course, is a moment-in-time look at the pension plan, so if that moment in time happens to hit when you've got, kind of, the worst investment returns in many, many years, your plan is going to look like it's less stable than it is, and then the next thing is going to be, as an employer, that you have to put in a lot of money. And so we provided a longer time period, in some cases, to put that money back in. And, in some cases, we exempted some plans that were public sector plans, for which there was not a likelihood that the employer was going to wrap up any time soon.

So, I know, for example, we exempted municipal plans from that requirement because municipalities are likely going to continue on and be able to meet their obligations, and so those pension recipients are protected; so, it was that—in that sort of nature of assistance.

So, it was trying to have regulations that both protect pension plan recipients, because that's what you want to do, but also be sensitive to the fact that we were in a unique period of time and we didn't want plans to—we didn't want employers to have to wind up their plans because they couldn't afford to meet obligations in an extreme economic period, and then providing for some organizations some technical expertise to help them make their way through that.

Mr. Martin: And I appreciate that information from the minister.

My final question to the minister on this subject line is: the minister indicated that the anticipation is in 2016-17 to go back and they're making payments towards the general purpose debt. Will it be at that time, then, that the government would have available to it a target date, in terms of the retirement of—the fully—the funding of the pension liability, the full funding of pension liability?

Ms. Howard: There's a number of things that would feed into that. Some of it will be, you know, what actuarial assumptions are made; some of it will be what is the market doing. Certainly, when we—with our goal in '16-17 of coming back to balance, when that's achieved then I think, at that point in time, we can take a look at how we can get—continue to make the progress on the pension liability. Now, that progress has continued, of course, even during the downturn. I think earlier I referenced a report from Moody's that showed in that time period between 2008-2012, when most other provinces were seeing their pension liability increase or worsen, Manitoba was actually seeing an improvement in their pension liability. So we have maintained that work, even through the downturn.

But I would assume that in '16-17, as the budget returns to balance, as we get back to those kinds of things that we were doing before that time period, we'd have more information available then to make some longer term projections.

* (16:30)

Mr. Martin: And my last question to the minister is, I believe the general policy, previous to the suspension of payments, was that funds that were—that the government put into the debt retirement account that would subsequently be collapsed and paid towards the general purpose debt, and the pension liability, was—going from memory here—I believe was about—usually dedicated, I think, maybe

one third to the general purpose liability and two thirds to the unfunded pension liability.

I'm wondering if the minister can confirm my numbers and whether or not it's the government's intention on a go-forward basis to continue that policy, that split, in terms of attributing the Debt Retirement Fund in that ratio to the general purpose debt in the pension liability.

Ms. Howard: So I just want to be clear that even during the time of the economic recovery, we still continue to make progress on the pension liability because, of course, we have both a policy in place since 2001-2, where new hires—their full pension costs are paid, and then in '08-09, we extended that to all employees. So that, I think, has been responsible for the progress that's been made.

My understanding, under the legislation, in terms of payments into the debt retirement account, is there's an allocation committee that would make those decisions, and so I would assume that that would continue to be in place and that they would make the kind of decisions that the member is asking about.

Mr. Chairperson: I've got two members with their hands up.

Mr. Martin: Can the minister advise the membership of the allocation committee?

Ms. Howard: So in the act, it refers to the Deputy Minister of Finance and then four other individuals appointed by the Lieutenant Governor-in-Council.

Mr. Martin: Can the minister identify the four individuals that are appointed by government?

Ms. Howard: Yes. I'll have to get that for you. I don't think we have it at the table.

Mr. Friesen: The Auditor General mentioned in her annual report, with respect to the publishing of quarterly reports, some concerns. I'm looking at page 49 of the departmental Estimates under Fiscal and Financial Management, subappropriation 07-2d dealing with taxation, economic and intergovernmental fiscal research. Under expected results, it indicates that this is the area of government that is—the area of the department that is responsible for preparing reports and presentations to support the Province's fiscal and financial objectives.

I would invite the minister to comment on the Auditor General's concerns with respect to when the

quarterly reports are published in the province of Manitoba.

Even this year, I notice that the period of time between the release of the second-quarter results and the third-quarter results was not a very long time period. As a matter of fact, the Auditor General makes the comment that the average time for Manitoba to release a quarterly report during the period they examined is 57 days, ranging from 49 days to 106 days, whereas other provinces averaged 34 days, all with smaller ranges and understanding, of course, that the information is timely and needs to be released in a timely manner so that groups can react to what they read there.

How does the minister respond to the concerns as raised in the annual report of the Auditor General?

Ms. Howard: Yes, I mean, I accept those concerns and I accept her quest for us to get those in a more timely way. I think, as the member noted, the last quarterly report, the third quarterly report, I think, came out in mid-February. It would've been about six weeks after the end of the quarter, which would be, what, about 42 days, so it would've been on the faster side, I guess, of the equation.

I think, you know, in—what I have noted in the time I've been Finance Minister is there's always a balance between trying to get information out that's timely and trying to get out the most complete information that you can.

So, for example, with the second-quarter report, we got to a time period where I knew that very soon we were going to have more current information on federal transfer payments, and so we could've gone out with a report that would've had information that would've been stale in a matter of days, and so we decided to hold off until we had the most recent information.

And I think that's just—that is just a judgment call with each report. Do you go out with—you can go out fast with information that may not be as complete as possible, or you can take a little bit more time and have more complete information. And I would assume, you know, that the timing of quarterly reports is going to continue to vary with the quest to get out as recent, as timely and as complete information as possible. But I take your concern that we could be faster with the release of that, and we'll do our best—we'll take that and do our best to do that while also trying to provide as complete information.

The other thing, of course, is that we've got very good people who prepare these reports, who are always balancing workload because they're also the people most engaged in preparing the budget. And so the time of year at which the report comes on, you're always prioritizing the work. And preparing the budget is going to be the priority.

But, you know, I think that we were able to get the last one out in a more timely way, and we'll aim for that in the future. But there will be times when you will know that the information will improve if you wait a week or two, and so we may make those decisions in the future, as well, to put out more complete and accurate information, even if it takes a little bit longer to do it.

Mr. Friesen: I appreciate the minister's comments and the caution she provides. Of course, we have to understand, too, that the information would be really accurate if—you know, if we waited until the year to do it; there's a reason why these reports are required on a quarterly basis.

I do note while she indicates that this last report was released within 41 days, I think, is the number she quoted, I mean, the auditor's period of time in which she inquired about these things indicates, you know, dates that range from 92 days to release to 106 days to release; a number of these dates are above 80 and 90. So it does indicate here that we are not leading the pack. As a matter of fact, what we lead the pack on is the amount of days, the average days to release quarterly reports. It looks like we are basically worse than all other jurisdictions that were measured.

I wonder, when the minister says that they are committed to the goal to doing everything they can to get to this, is the minister, at this time, with her department, committed to defined dates by which—like, fixed dates on which they would report the findings in the quarterly results?

Ms. Howard: No, we're not prepared to commit to fixed dates. I don't know if there are other jurisdictions that have that, not to our—not to my immediate knowledge, although we could take a look.

I do think that you want to be able to provide timely information that is accurate and complete. And I think, as the member stated, there is certainly room for us to improve on the timeliness side, and we will make our best efforts to do that, but I'm not

sure that completeness of information is necessarily going to be served by an arbitrary deadline.

Mr. Friesen: Looking on the page that follows, on page 51, still dealing with Taxation, Economic And Intergovernmental Fiscal Research, I was looking at the salaries and employee benefits there, approximately 35 FTE positions here—the minister referenced workload. Is any of the challenge in meeting a timely release of quarterly reports related to the number of positions that are unfilled in that area of the department?

Ms. Howard: No, I don't believe so. I think it's just, you know, this department has a kind of cyclical rhythm, like probably most do in Finance, and when it's the time of preparing the budget, that becomes the priority work. And, you know, so if that's the priority work, sometimes it may take a little bit longer to get the quarterly report out. But I think that I would not in any way seek to say that it's because they don't have enough people or those people aren't working hard enough. I think the people are working very hard; they do a very good job.

But I also think as the minister and as the deputy minister, part of our role is to help set priorities for work. And when we're leading up to a budget, that is the priority for the work, and sometimes that means that a quarterly report may be a little later than would be desirable or wished for.

* (16:40)

Mr. Friesen: I was discussing earlier how it is that the proceedings of these Estimates have been somewhat pertinent to things going on across the country. And I thought on that same theme of pertinence, I was interested to see how some of the conversations that we had last Friday when we were last in the Estimates were directly—or were referenced in a report that was released today by the C.D. Howe Institute with a report entitled *Credibility on the (Bottom) Line: The Fiscal Accountability of Canada's Senior Governments, 2013*. It's a really interesting report, and I invite the minister to read it through if she has not already done so, but one of the results of the report is they issue what they call their Pinocchio graph. And it shows the degree to which provincial governments are overrunning their spending estimates. Manitoba ranks third highest in this list at \$3.3 billion. Could I ask the minister to indicate whether she thinks that spending overruns is a problem for this government?

Ms. Howard: I do have that report. I haven't gone all the way through it. One of the questions I had about that report when I looked at it is what is included in those overexpenditures because there are years, and certainly some of the years covered, where you would have high emergency expenditures, and so the response that I got was yes, and they don't make any exemption that I'm aware of for those kinds of years. So, for example, I would expect, including a year like 2011 when there was of course very severe flooding throughout the province and we did have a large deficit in that year, because we made decisions in the year to combat that flooding, that you would have an overexpenditure.

I think all governments, and ours included, you strive in the budget to put forward a budget that you believe is achievable and then you spend the rest of the year trying to manage to that budget, but you also recognize that we live in a world, and particularly in our province, that may be prone to issues like flooding, issues like forest fires that you have to combat. We also provide services, some of which are outlined in legislation, and while you make your best efforts to prepare a budget that can accommodate the service volume that you expect, there are some years that that budget is inadequate and so you make a decision to continue to provide those services rather than cut them back and try to manage the budget in other places to compensate for that.

So I believe that our government, like all governments, takes the budgeting extremely seriously. We put forward a budget that we believe is achievable. We spend the rest of our time managing to that budget. I do think, over time, with the exception of things like emergency expenditures, we have been able to get more accurate on both the revenue and the expenditure side. But, of course, every Finance minister wants to be as close as possible to their budget and that includes me, but I also, as an elected official, am not going to hesitate to put in place the services required to help Manitobans in a time of disaster because I'm worried that that will blow past a budget that didn't contemplate those disasters.

Mr. Friesen: On this same report, it's interesting, the study in brief, the rationale at the beginning of the study, indicates that over the last decade, Canada's senior governments have overshot their spending targets by some \$47 billion combined, and while this Finance Minister certainly has no responsibility for how other jurisdictions fared, it does indicate that

with respect to Manitoba that number is \$3.3 billion, which is significant.

Anticipating how the minister would respond today, and I acknowledge that the flood from 2011-12 is certainly an extenuating factor when it comes to accounting for the financial performance of the Province, so what I did just for comparison is I compiled some calculations based on core government expenditure and core government revenue, but what I did is I removed, considered the impact after the 2011 flood impact, and even calculating those numbers from, let's say, 2000 and 2001, from that fiscal year, straight through to 2012-13, what those calculations indicated is that when it came to expenditures for core government for the Province of Manitoba, that budget-to-actual increase amounted to 1.8 per cent. When it came to revenues, that budget-to-actual increase was equivalent to 2.1 per cent. And that means that when it came to—it was showing a differential between expenditures and revenues in terms of a budget-to-actual.

But, when I compare the actual-to-actual—and that's what we were doing last week, we were talking about year before then this current year and looking at that kind of comparison. What I found when I crunched those same fiscal year numbers from 2000 right through to 2012-13, so, 13 fiscal years, what I—what the calculations indicated is that where the revenues—this is core government—showed a 4.5 per cent year-over-year increase, the expenditures in core government showed a 4.8 per cent year-over-year increase. I think that's what the C.D. Howe refers to when they talked about a substantial overshoot of spending.

Would the minister, then, comment on this calculation, where when the flood cost from 2011 and '12 have been removed from the calculations, her government spending still outpaces government revenues by 0.3 per cent over 13 years of budget, which I assure her is a substantial figure.

Ms. Howard: Sure, I'd be happy to receive the work that the member opposite has done and have my officials review it. I think sometimes it can be challenging to assess exactly what are flood-related costs. We had a very, very long conversation about that the other night at Public Accounts and many, many questions about what was in and what was out. So I'm happy to receive all of his background documents and take a look at it.

I would say, you know, I guess one could take 13 years and take an average. But, the reality is not every year is exactly the same and not every economic condition in those years is exactly the same. There was certainly a period of time when this government was in office where we had very strong economic growth. We continue to have relatively strong economic growth.

Although, after the onset of the recession in '08-09 and the recovery period, that growth in every province in the country has been moderated from what they would have expected beforehand in that—so, if you were to take a graph and look at budgets, sort of, overall, you will see a time period there of about 10 or 11 years when you saw several government surpluses, and those would be years in which the government took in more money than it spent. And those surpluses would have gone into the rainy day fund; they would have gone towards debt repayment. And then, we had the event in 2008-2009, known all over the world as the great recession—certainly not a term I've invented, but a term—I think we've said before—is used by everyone from Minister Flaherty to President Obama. And that reset the global economic context.

Provinces—ours included—and the federal government made a decision in the light of that recession to go into deficit in order to provide stimulus funding so that we didn't see the kind of widespread unemployment job loss and, really, human misery that could've come about if we allowed the recession to continue and spiral into what could've been a depression. When economists look at that time period, they do cite that the great recession was the most challenging economic time in our history since the Great Depression.

And I'm no future forecaster, but I would say when history has written of this time, they will also say that that decision made in this country by the federal government, for which I give them credit, and provinces, to invest in stimulus funding to protect jobs, and to, in our case, protect public services, that that decision made a big difference. It saved a lot of jobs. And I think that decision is also responsible for us having a recovery period now. It's a relatively strong recovery period, although one that is fragile.

* (16:50)

So, you know, I don't think you can look at every year as being exactly the same. When you look at the past 13 years, there was a time period there

where growth was strong, revenue exceeded expenditures, money was put into the rainy day fund and expenditures were made that invested in the economy. Then we had the great recession. Now we're in an economic recovery period. And we have continued in that recovery period, and we've been, I think, pretty clear about this, and that we are going to go into deficit in order to invest, whether that be in infrastructure or skills training, in order to spur economic growth, which I believe is the only way that a recovery proceeds, but that we are also—we're going to protect the services that mattered to Manitobans, that we weren't going to take an approach during difficult economic times to make things even harder by cutting back on things, whether they be health care or education.

So those are the decisions we made. Many governments made similar decisions. We made that decision within the context of knowing that returning to balance was important, and we've set ourselves on a track to return to balance responsibly.

So I guess all of that's probably a long-winded way of saying that I don't think you can look at every year as if the economy has played out in exactly the same way. In fact, we've seen quite significant changes in the economy over the last 13 years.

Mr. Friesen: I would submit to the minister that that is exactly why a calculation that takes into account 13 separate fiscal years is probably a good indication of a trend. Certainly, in the case of Manitoba, where her government has been at the helm for such a long time, it affords us an opportunity to look at these numbers and see, because of—that average exactly has the effect of working down any anomaly that will appear in those years.

She indicates—the minister indicates that you can't just look at one year in isolation. At the same time, she's quick to offer the evidence of where she says that her revenues have exceeded her expenditures. I would submit you probably can't have it both ways. If you're stating that you cannot, indeed, do that—look at a year in isolation—nevertheless, the trend is there. And I realize that this is not a—the calculations I did were not of summary government, but they are of core government and indicating exactly, as the C.D. Howe report reveals, is that we have a problem when expenditures constantly overrun revenues. As a matter of fact, the—this report simply makes the claim at the very outset that more accuracy in hitting budgeted amounts would have made today's taxes and public

debt lower. And I know the minister appreciates that these are exactly discussions we've had in the context of these Estimates: the cost to Manitobans when it comes to taxes, the cost to Manitobans when it comes to things like public debt and the cost to carry that debt and the way that debt is increasing, our debt-servicing costs continue to increase, and the amount that this government adds to the debt, indeed, also continues to accumulate.

I have another questions just pertaining to this report that came out today, because we also had a discussion last week. It became a little bit chippy at points, I thought. I thought we'd had a very positive conversation, but the minister seemed to become a little bit defensive when we were talking about just the way in which we report and the way we turn our attention to the departmental Estimates. And this report talks about the need to report in such a way that things are clear and that there is clarity. The Auditor General, of course, also went into this area, and she talked about the need to set targets and then to measure progress against those targets.

So I was interested to see on table 1 of the C.D. Howe report, when it came to grading the overall way that Manitoba presents its numbers for revenue spending and balance, the overall grade given to our province was a C. And some of the concerns that were cited were that: Does the budget present one prominent set of revenue spending and balance figures, and the answer was no. It presents multiple revenue spending and balance figures. And later on it says, you know, do the Public Accounts—and I realized we were considering the Estimates today, but there are clear questions here about the Estimates—do the Public Accounts prominently display comparisons of actuals with budget? And for Manitoba the conclusion was no. While the reconciliation tables explained deviations, they come late in the document. I found that interesting, because that was actually a specific question that we talked about both within the context of these proceedings and also last week at Public Accounts.

How does the minister respond to this report that gives her government a C when it comes to the way it reports its financial situation?

Ms. Howard: I think that it is probably true for all governments, throughout all time, that we all need to strive to make financial information clearer to people. The—when you have an organization that is complex, as government is, you always need to try to communicate more clearly and more transparently. I

think we've made some progress in that respect. I think the fact that we just recently received our sixth clean opinion on the books from the auditor, is testament—is testimony to that. I think that when we—and I know we differ on this, but I think when we made the move to summary budgeting, that was actually an attempt—and recognized by the Auditor General—as a way to provide a more complete picture of the finances.

I would note that before that move, the former government actually received qualified audit opinions; that, you know, I looked through some of the coverage at the time, and words that were used at the time were that the PCs were fudging the books, that the auditor was not satisfied that the public accounts of Manitoba accurately represented the public accounts to the citizens of Manitoba.

So we have had, as I say, several—several—clean opinions from the auditor that the public accounts that are represented do accurately portray the public accounts of Manitoba.

And I would note that recently the last holdout in the country, Saskatchewan, has also finally decided to move to summary budgeting, and it took some pain to get there. I think we know the budgets that are often cited by members opposite, the Saskatchewan budgets, I know that they weren't—didn't understand before a couple a weeks ago that those budgets that they were citing were actually not being approved by the auditor general, that when the auditor general did their work on the Saskatchewan books, did not give them a clean opinion. And I—you know, and I know the Auditor General, at the last Public Accounts Committee, made that clear for the members. So that was a step forward.

I think when you look at, for example, the infrastructure plan that was put forward, a five-year plan of infrastructure funding, that was a step forward in transparency and accountability, and that's, you know, not something that I say by myself, but we'll look at some of the comments we got on our five-year plan from people like Dave Angus from the chamber of commerce who said of that five-year plan, I do commend the government for actually listening to the stakeholders because what we see is something that is transparent, accountable and measurable. And Chris Lorenc similarly said, this five-year plan, which is a huge part of Budget 2014, is focused, it is transparent, it is dedicated and it is accountable. And these are not folks that are given to 'hyperblicly' praising government initiatives.

So we've made some steps forward, absolutely. Can we make more steps to make government accounting even more understandable and transparent to the citizens of Manitoba? Yes, I believe in that. When I go out and do some of the prebudget consultations, I strive very hard to make that presentation as user-friendly as possible, because I do think it's important for Manitobans to have a good understanding of their budget and where that money goes and what it is spent on.

I do just want to say the member—just so he doesn't misunderstand me, I certainly wasn't saying that you can't take one year in insolation and look at the results. I think what I was saying, that the practice that he was undertaking of averaging a budget over many years, I think averaging probably works well for comparison if you can average for something for which most of the variables are controlled. So all other things being equal, you can look at the average. But that isn't, frankly, true for a provincial economy. You can't control all the variables, you can't control whether or not there is a global recession brought on by lack of regulations in the US financial markets. You can respond, and I think that we responded, as did other provinces and the federal government, appropriately. And, you know, I will continue to accept the criticism of the member opposite, that that response was wrong. That was what they said at the time, that we should not—

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

EXECUTIVE COUNCIL

* (14:50)

Mr. Chairperson (Tom Nevakshonoff): Order. This section of the Committee of Supply has been dealing with the Estimates of the Executive Council.

Would the Premier's staff and staff of the Leader of the Opposition please enter the Chamber.

I see we have some new staff with us today. Perhaps the Premier and the Leader of the Official Opposition would like to make introductions.

Hon. Greg Selinger (Premier): Yes, the new individual I have today is Jim Eldridge. He's the acting deputy minister of federal-provincial and international relations.

Mr. Brian Pallister (Leader of the Official Opposition): Permettez-moi de vous présenter Michel Trudel.

Translation

Allow me to introduce Michel Trudel.

Mr. Chairperson: The floor is now open for questions.

Mr. Pallister: I want to, first of all, welcome Mr. Eldridge. I understand that he's new here and that this is a new experience for him and recognize—he—excited and on pins and needles with the newness of it but nice to see you, sir.

Just a mixed bag of questions, I guess, today for the Premier on the—we'll begin with the issue of this vote tax subsidy that the government introduced last year to—which, of course, our party has refused to accept but which I understand the government did accept last year.

Can the Premier verify that the government did, in fact—the NDP, I'm sorry, did accept that vote tax subsidy last year and how much it was, in fact, that they accepted?

Mr. Selinger: The member will recall that an independent commissioner made recommendation from this regard—and yes, I think—yes, I'll just move my microphone here, so it's clear.

There was a commissioner that was—independent commissioner that was struck to look at the mix of public and private support for democracy in Manitoba, a representative democracy as represented by us fortunate enough and honoured enough to be elected to the Legislature. He recommended a certain amount of money, and he said if you're in difficult times you could reduce that by up to 30 per cent. So I will get the exact amount that was received by the New Democratic Party and the Liberal Party and any other political party in the province of Manitoba based on the independent commissioner's report.

Mr. Pallister: Well, just in the interest of saving the Premier time, I have some of those numbers here. I just—I think he answered the question as I was asking it. In respect of the amount, it was 30 per cent less than the maximum amount eligible. Could he just verify that? I think that's—the other parties, I have that list here, so I don't need him research that for me.

* (15:00)

Mr. Selinger: Yes, my understanding is that the commissioner recommended \$278,811, and 30 per cent of that was returned, which was \$83,643.

And the Leader of the Opposition will know that when he ran for the Conservative Party of Canada, they received over \$200,000 from votes when he was a federal candidate.

Mr. Pallister: I wasn't sure either. Okay, well, thanks for that clarification then. So how much are—the party, the NDP, going to accept this year?

Mr. Selinger: Again, that determination will be made and put on the public record when the decision is made.

Mr. Pallister: So is the Premier saying he doesn't know the time frame or is that—he doesn't know the time frame for determining that or—I'm not clear on the answer there.

Mr. Selinger: I'm simply saying when the decision's made it'll be a matter—it'll go on the public record and it'll be available for the Leader of the Opposition and anybody else who wishes to know about it.

Mr. Pallister: So that would be in the not-to-distance future. I'm assuming it's in line with filing of an annual financial statement and I believe there's a deadline for that. Is that the Premier's understanding, that there's a financial statement that has to be filed and you have to say whether you're taking it or not. Is that the gist of the ruling on that one?

Mr. Selinger: Yes, again, I understand there are reporting and filing requirements and an indication of what you're prepared to accept and or rebate—and return in terms of the up to 30 per cent that can be returned.

Mr. Pallister: Could the Premier give us an estimate of how much time he spends fundraising? What percentage of his working time would he devote to fundraising?

Mr. Selinger: I don't keep track of it in that regard. And I'd be interested to know what the Leader of the Opposition what time he spends on fundraising, and I'll see—I'll get a sense of whether of what I'm doing, how it relates to what he's doing. But, you know, I don't keep track of it in that regard.

Mr. Pallister: Well, okay. I accept that the premise in general of the observations the Premier makes, but I would guess it would be a fair observation that he needs to spend less time now than he did a year or two ago fundraising, given the reality that it's being done for him by the tax on—being imposed on Manitobans whether they support his party or not.

In respect of the amount that was available, I understand there was previous legislation and that the NDP, along with the PC Party, refused to accept that subsidy at that point in time. So, why the change now? Maybe the Premier could explain that. Why is it okay now and it wasn't okay a couple of years ago?

Mr. Selinger: I started my statement by saying there was an independent commissioner that made a recommendation in terms of how political parties should be supported in Manitoba, in the public interest, and what the mix of public and private financing should be. And the member will know that for many years we've had a system where there are rebates for people that present themselves for public office. And any candidate that receives support of 10 per cent of the votes in their constituency receives a refund of up to 50 per cent of eligible costs that they've incurred in getting—in presenting themselves as a candidate. And any party with a Manitoba-wide vote that meets the 10 per cent threshold also receives a refund of 50 per cent of eligible costs.

So the rebates are paid automatically. The member for Fort Whyte received a rebate of \$16,107.53 in 2012 by-election. And then I've got a list here of all the other rebates that members received on—who ran—presented themselves as candidates for the Progressive Conservative Party. And if the member is interested, I'd be happy to read that information into the record.

Mr. Pallister: I believe that what the Premier is doing there is trying to include the concept of a rebate with the concept of a vote tax subsidy and say they're just exactly the same but, yet, to my knowledge there's only one other province that actually does the subsidy and the rebate. And, I think, around the Western world, in most jurisdictions, if not all, recognize rebating of election expenses back to political parties and candidates is a pretty acceptable part of the democratic process that helps it work. So our questions don't centre on the rebating, although, if the Premier wants to make a proposal or advance legislation, we could debate it.

My questions are about the vote tax itself, and that's something that the political party opposite turned down in the past and accepted last year. So, again, I ask him why? What changed? Why did—why was the acceptance of an additional—beyond the rebate—the acceptance of an additional vote tax levy based in some—on some formula, based on vote gained, not acceptable to the NDP two, three years ago, but acceptable last year?

Mr. Selinger: Again, I've indicated that this Legislature created the first, in Canada, independent commissioner and—who determined the appropriate mix of public financing for political parties in a democracy, and that public financing includes reimbursement for election expenses by candidates and also some reimbursements for political parties based on the number of votes that they've garnered in an election. And this is not unique to this jurisdiction. Certainly, it was available when the member was a candidate at the federal level.

The subsidy that was received by the leader of the opposition in 2000 was equivalent to over \$30,306.50, and that was the amount that the Conservative Party of Canada received based on the votes that the leader of the opposition received in 2000. That amount rose to \$40,143.25 based on the votes the leader of the opposition received as a federal candidate in 2004 election. And in the 2006 election, when the leader of the opposition was a federal candidate, the payout was \$45,008.25.

*(15:10)

So the total payout to the Conservative Party of Canada for the votes received by the Leader of the Opposition was over \$200,000—\$200,609.50. Didn't seem to be a problem for him then; I don't know why it's a problem for him now. Maybe he could explain that.

Mr. Pallister: I'm happy to answer the Premier's questions if he wants to get practised up. I don't mind. That's fine.

First of all, he needs to check—his researchers need to do a little homework, though, because he's wrong on the 2000 election because vote tax subsidy wasn't introduced then, so I'd encourage him to just go back and have his researchers do their homework a little bit more. The vote tax subsidy that was introduced by the previous Liberal government in Ottawa was introduced and enacted in June of 2003, so he'll need to just spruce up a little on those attack figures because they're not accurate.

Now, he's quite right on the rebates that were offered using a vote tax formula in the two other elections he cites. I'll have to double-check him, but I'm taking him at his word on those numbers because there was a vote tax subsidy in place in those elections, but there wasn't in 2000. That being said, I'm proud to say I fought against it, and I did, as part of a government that wasn't in place then but was later, I was proud to stand and vote to have it

repealed. So, as far as my principles, I feel pretty good about them, actually. The—it was approximately \$1.95, as I recall, and it was removed as a result of a federal Conservative government removing it.

But that doesn't change the fact that the Premier hasn't answered my questions in respect to what changed from his angle, because from my angle, I think I've been pretty consistent in this respect that I don't think that this is a smart thing or a necessary thing. I'm all for any political party raising money and I'm all for involving Manitobans and Canadians generally in the activities of political parties, and I think we all are here, I hope, supportive of that.

But what a great number of experts say about vote tax subsidies is that they are more deterrent and more dangerous to that involvement than helpful. That's on the vote tax subsidy concept, though, not on the rebating concept. The rebating of election expenses, as I said earlier, is not the issue.

So on that, again, I just ask the Premier: I understand that he was, at least two or three years ago, was opposed to this vote tax concept as well, and I just wanted to ask him what his reasoning was.

Mr. Selinger: The member will know, as a former member of Parliament, that the per-vote rebate started after legislation was introduced in 2003, as he's indicated, but it was based on the votes he received in 2000 when he ran for office. And so those payments totalled \$30,306.50 and they were commenced in 2004 but they were based on the vote he received in 2000.

So I want to correct the record. In fact, there was a subsidy received by the federal Conservative Party of Canada based on the number of votes he received in 2000 starting in 2004. So I wouldn't want him to mislead the Legislature that there was no subsidy based on what votes he got in 2000. There, indeed, was a subsidy, which he received and did not protest; he accepted it on behalf of the Conservative Party of Canada. He accepted it again in 2005 and '6 and in 2007 and '8, so total of \$200,609.50.

And so the issue is the question, in a democracy, about what is the appropriate mix of public and private financing for democracy.

We're the political party, for the first time in history, this government and this political party banned corporate and union donations in the province of Manitoba, the second jurisdiction in Canada to do that. That was opposed by the members opposite and, as far as we understand, still opposed

by the members opposite. They have never said definitively that they would not bring back corporate and union donations as part of the political culture in this province. We think that those contributions should be outright illegal and they have been since we brought the legislation in.

When the independent commissioner was struck, he was aware of that constraint on political fundraising in this province and recommended public financing that would allow political parties to have resources to make their case to the people, along with private support as well. There's a healthy mix here, and we want a democracy in this province where—you take a look at, for example, in the United States, and virtually most of the politicians have to have access to millions of dollars of fundraising to get elected, private fundraising, which creates the perception, if not the reality, that they are beholden to very, very powerful interests for getting elected to those legislatures. And, if you take a look at the Senate, for example, in the United States, they're all millionaires; most of them are millionaires. I think you'd be hard-pressed to find any of them that wasn't a millionaire.

We want to make democracy available to the average person in Manitoba, the school teacher, the small-business person, you know, the professional. Wherever they're working in the public or the private sector, we want democracy to be available to a wide range of Manitobans, and we want people to be able to contribute to the democratic process through donations and get some support for that. But political parties are an important part of the culture of the system of democracy that we inherited from Great Britain, and they are an essential element of the democratic process in the British parliamentary tradition that we follow. And—but we don't want those political parties beholden to powerful interests through various forms of private donations. Certainly, some of that will occur, but the mix of public and private financing strikes the balance for a democracy which is widely available to all Manitobans and accountable and responsive to all Manitobans as well as the various private and other interests which contribute and get involved and engaged in the political process and the public policy process. So it's a question of striking the mix.

We had a very well-respected political scientist act as the independent commissioner and make the recommendations, and this is a person that I think all of us have a great deal of respect for, given his long track record as being an academic and a scholar in

the field of politics, not only in Manitoba but across this country, in public administration and with very—a series of recommendations over the years on how we can strengthen the democratic process in this province. And, in this case, he made a recommendation on some support for political parties and allowed for some variance on that, given the recovery period that we're going through in terms of the recession, and those recommendations were brought into force in this Legislature, and we made a rebate of over \$80,000—or a reimbursement of over \$80,000 while respecting the spirit and principle behind the independent commissioner's recommendations.

Mr. Pallister: The member refers to spirit and principle but won't answer the question about what changed with his spirit and principles. There's an interesting contrast there. Also, he's comparing my record to his. Go ahead.

He said it was a bad idea, wouldn't take it, then introduced it, and took it and now defends it. I didn't introduce it; the previous government federally introduced it, and then we fought to have it removed, and it is. So that's a nice contrast, I think, in terms of words and deeds.

The reality is that, level playing fields aside, the party opposite didn't see the need for a vote tax subsidy when it was raising more money than the PC Party. I have the figures and he knows them. Between '99 and up to 2006 or so, there was no need for a vote-tax subsidy; all those highfalutin principles he just alluded to didn't exist. Then suddenly, well, maybe they existed, but they existed in the absence of any action by the member opposite.

And the reality is, of course, that it was only after the PC Party began to work harder at its fundraising and encountered more success, largely with lower donations. In fact, low donations, 250, I call—250s not a low donation, but numbers under 250, we depend largely on those kinds of donations to fund our party. The implication the Premier makes of being beholden the moneyed interest doesn't—isn't carried out by the numbers. The reality is that the NDP is far more dependent on larger donations than the PC Party is. Of course, they're less dependent now because they have a million-dollar subsidy. So I guess they could argue that on his high horse over there he doesn't need money anymore because it's given to him by taxpayers.

* (15:20)

But it seems like there's a price to be paid for that kind of dependency, and the price, according to many political scientists—he talks about one that he appointed, well, he actually appointed two; I think one declined to continue and another came in, both respected gentlemen, I don't dispute that, but there are many other views on this issue besides those views. In fact, here's an interesting quote: Essentially, the new system makes political parties wards of the state and diminishes the incentive to communicate with partisans between elections and involve them in party affairs—so diminished motivation to involve people in party affairs.

Fundraising, going out and asking folks to support your party, I don't think is demeaning or belittling to politicians or to the people you talk to. I think it should be part of our fundamental responsibility. There's nothing wrong with admitting that we require money to run elections or that we require funds to operate as political entities. Yet this expert is concerned that—his name is William Cross. He's a Ph.D. from Western University, graduate school of political management, holds a chair in parliamentary—Canadian parliamentary democracy at Carleton University. In his view, the system works to the reverse of what we here, I would hope, would agree is a good thing, which is to involve more people in the operations of our parties, whether it's in a policy development context or in some other way.

And so, you know, there's a downside, according to a lot of the experts that I've been able to get input from, that this isn't a good idea. The growing dependence on the public treasury leads parties to become more interested in managing the state for their own good. This, according to Professor Jon Pierre, a professor of political science at Gothenburg University in Sweden, and many others—I could go on. The point is, I would hope, as apart from the disparaging comments the Premier made earlier, I would hope he would recognize that there are legitimate different views on this issue. He would need to understand that and be open-minded to it. I expect anyone who's been of two minds on the same issue, as he has, would be open-minded, but I haven't seen any expression of that here today.

The fact of the matter is that the political party the Premier is currently leading is losing out in the fundraising wars and has been for four or five years, in particular on the area of reaching out for smaller donations. Maybe the Premier could clarify: Is the NDP reaching out for smaller donations? Is his caucus heavily engaged in fundraising, or do they

employ a company to raise money for them? How do they work it?

Mr. Selinger: The issue is what's the right balance of public and private financing of democracy. That's the broad issue, and how does that manifest itself in terms of the various forms of support, both public and private, for political parties.

As the head of government, we spend—and members of government—nobody spends any time doing fundraising. They do that as members of a political party and leaders of a political party, so I'd hope the Leader of the Opposition is not spending any of his time, while he's in government, doing fundraising. He only does that in his other role as leader of a political party, and that's the case with us as well.

We've always supported the principle of public financing of political parties. That's—when he tries to characterize our behaviour or my behaviour, he's completely inaccurate. We've always supported public financing of political parties as a way to have a balance in democracy, and that was put on the record when we voted to ban corporate and union donations in Manitoba, only the second province to do so.

And the opposition opposed it. They resisted it with every fibre of their political party and every fibre of their representation in this Legislature. They were opposed to it. They did not want to abolish corporate and union donations as a source of revenue for political parties. We did.

When that source of revenue dries up, there are—at the same time as that source of revenue has dried up, there have been greater demands for accountability and administrative requirements for political parties in terms of their reporting of how they do their job. And the commissioner—the independent commission was struck, was asked to identify what resources are needed for a political party to be accountable to Elections Manitoba, for example, for the role they play in a democratic society, and recommended a certain amount of money to support those functions. And those functions are increasingly complex, in terms of, for example, just even the accounting and the bookkeeping required on that, but also complex in terms of reporting, but necessary as democracy involves—and people want greater transparency and greater transparency involves greater record-keeping and stronger administrative functions, in order to ensure that transparency's done.

So—that was the gist of the commissioner's recommendations and there's more that can be said.

The commissioner gave a pretty good report, I thought, and commented on those things. For sure, there's other points of view and seems that the Leader of the Opposition has been able to find some of those other perspectives. That's the nature of democracy. There are always more than one point of view on something. But on balance, what is the most appropriate 'brepoach' to support the democracy we have in this province and the democracy we have across the country. And the commissioner recommended a certain amount of resources for political parties to meet the clients' requirements of being accountable and transparent in the province of Manitoba, given some of the changes we've made in Elections Manitoba legislation, legislation that governs how we run elections and be accountable to the public for how we run elections across this province, not only in by-elections but in general elections. So these are important features of how we go forward.

I think it's an important debate. We've had lots of opportunity to debate that in the Legislature. I'm sure we'll have future opportunity. But let us not be mistaken about the fact that the members of the Progressive Conservative Party in Manitoba receive very ample public financing for what they did as candidates, and presenting themselves as a political party in Manitoba. The Progressive Conservative's chief financial officer said of their election reimbursement, this amount was the highest reimbursement the party's ever seen, bragging that, compared to the NDP, we're receiving higher reimbursements than they are. He was very proud of the public reimbursements that he received for his political party.

And that's fine, but it's quite different than the message that the Leader of the Opposition's sending when he opposes public financing. Public financing is just one tool to allow democracy to function, along with private involvement, along with citizen participation, along with political parties, conventions, resolutions, policy development, platforms. These are all important ingredients to running a democratic system at a provincial level in a federation, but also at the federal level as well. And as we see democracy being threatened around the world and in crisis in some places while it's flourishing in others and finding new ways to go forward, democratic reform is one of the many issues that allows us to think every year about how we can

strengthen the fibre and the fabric of democracy in this province. We want as many people to participate as possible and to be aware of the issues as possible and to exercise their franchise as possible and to be involved as citizens between elections as possible. Public financing is one element of that, not the only element, but one important element of that.

Mr. Pallister: Well, if the Premier wants involvement in the democratic process, and he just paid lip service to it there, it's really interesting that he would do away with the right of Manitobans to vote on a major tax proposal, which was provided to them under the taxpayer protection act. I sense just a wee, tiny, you know, bit of a conflict between a stated principle and his actions.

I'd have to say, also, and I think it's not an unfair observation, that anyone who would wait for close to the maximum amount of time period to call a by-election and then call it in January, for a vote in January, is not really thinking of the people first or for their—the opportunity for them to exercise their democratic rights. So, I don't think that that's really reflective of a sincerity that should be a quality we all share. Reducing involvement by restricting or removing the right of Manitobans to participate in a referendum or delaying the occurrence of a by-election to a most inopportune time of the year, certainly in this province—although it seems like winter this year is probably consuming a lot more than the usual length of time; I give the Premier that—doesn't reflect a real belief in inclusion or involvement. You know, democracy is, as the Premier has said in the past, you know, a precious flower. Well, it doesn't last long in the middle of January in a by-election if it's that precious and I agree it is.

* (15:30)

As far as the cursory references that the Premier has made to a process that is deserving of respect, which he used the word independent as an adjective to describe the process; nothing could be less true. And the fact is that the appointment of Bill Neville, and following him, Paul Thomas, was not designed to objectively come up with a recommendation that provided any balance at all. It was designed to create a recommendation for funding political parties, and so the preconceived notions were clear in the mandate that each of these gentlemen was given. I'm not sure of the reasons that Mr. Neville had not to continue, but I do know that Mr. Thomas—and both gentlemen are deserving of our respect—Mr. Thomas

was also given a rather restrictive, restricted mandate. He wasn't asked to weigh evidence on whether political parties should receive a taxpayer-funded allowance. The government already decided that that was the outcome. Rather, he was given the task of deciding what kind of allowance they should receive, and that's an entirely different thing.

So to make the suggestion somehow that this was objective or independent in any way is wrong. Most certainly it is not. The fact remains that the government saw no need to advance this unearned vote tax subsidy to itself when it was far more successful at fundraising than its opponent. When it fell behind its opponent in fundraising, in short order, it decided it needed a subsidy—kind of like handicapping a race horse that's too good, or rewarding one that's, you know, too tired. The fact remains that the advice that was given by Mr. Thomas came in a—parameters within parameters that were narrowed by the government at the outset. The position that was created was narrow at the beginning. The mandate was narrow at the beginning. Mr. Thomas was asked to make recommendations within a prescribed purview and not given the opportunity to use the intellectual expertise that he has to come up with genuine independent recommendations at all.

So, again, the Premier slips into his generalizations of the election expense offsets and tries to obfuscate between the real issue, and the real issue is the vote tax subsidy. I think every jurisdiction, certainly, in Canada does offer taxpayer subsidy support for candidates provided they receive certain percentages of the vote. So that's a well-understood practice and well accepted, I think. I don't hear the Premier advocating for an end to that, so his continued references to it as a criticism should fall on deaf ears, if the ears are attached to a head that's thinking.

That being said, the reality here is that we're talking about the vote tax subsidy, which his party didn't introduce until it fell behind in fundraising, then said it wouldn't accept out of a concern for political damage, and then contrived to introduce a stilted practice which limited the recommendations that it could receive to parameters it had previously established, and then decided to accept it, but then decided didn't want at all and gave some back, and now won't answer the question about how much or what percentage it's keeping this year. That's the reality of the situation that we're in in Manitoba. Other jurisdictions haven't seen fit, around the world,

to introduce vote tax subsidies. Certainly, in Canada, the majority have not any. Yet this government appears to believe it is the rightful recipient of subsidization for some reason, which is interesting because, of course, it has the advantages of incumbency, which are very real.

Political parties that are in power have tremendous advantages over their opponents. That's true in any case. And so the government has the ability to do its own—use taxpayers' dollars for innumerable things, 14-plus billion or so dollars available to it to spend as it wishes: set the agenda that it likes; time the announcements as it wishes, as it did with the STARS contract—that's, I think, a prime example of that kind of manipulation; use advertising budgets and communications budgets to its advantage. Certainly, this government has now the record for announcements. I believe we're up to about 50 a month now, none of them paid for by dollars raised by NDP MLAs, however, all of them paid for by the taxpayers at large—none of them included in election expenses.

So the reality is incumbent governments have tremendous advantages built in to being incumbent governments, and this government's not shy about using those advantages. This is just a subsidy and nothing more that adds to the disproportionate advantages an incumbent government has over its opponent. And really, a reflection, I think, more of political posturing than of anything else.

The—Stephen Brooks, in his fourth edition of the *Canadian Democracy: An Introduction*, says political parties may be defined as organizations that offer slates of candidates to voters at election time. To this end, they recruit and select candidates, raise money to pay for their campaigns, develop policies that express the ideas and goals that their candidates stand for and attempt to persuade citizens to vote for their candidates. All good so far, we all share that understanding that that's what political parties are, in a general sense, at least.

But he goes on to say, in a democracy, parties are not created by, nor are they agents of the state. And that's the problem here—when you begin to establish that your political party—as is the case with the NDP now—operates on the basis of a million-dollar subsidy, taken not from supporters and not given voluntarily, but rather forced from non-supporters and supporters through a tax system—you begin to have an organization that acts as an agent of the state, not of the people within it,

diminishing the power of individuals to participate in a political process, and enhancing the power of the state to command that participation means that the participation is not voluntary. And that means that people aren't committed to being part of the process, and they're not buying in, and that's what the government is finding.

And we, on the other hand, have accepted no vote-tax subsidies, so we accept a related, then, concomitant challenge which is that we have to raise a million dollars to start at square one, even with the government, and that's a big challenge. We're willing to do it, because we believe this to be wrong.

So the Premier's right if he refers to principle, if in saying that he recognizes that we are standing up for principle across the way here, and it is that this subsidy is not something that is good for our system in Manitoba, and it's not something that is necessary. Rather, it is something dangerous to the operation of our political organizations for the good of the people of the province.

Maybe the Premier'd like to comment on that.

Mr. Chairperson: Order, please.

Report

Mr. Mohinder Saran (Chairperson of the section of the Committee of Supply meeting in room 254):

Mr. Chairperson, in the section of the Committee of Supply meeting in the room 254, considering the Estimates of the Department of Infrastructure and Transportation, the honourable member for Steinbach (Mr. Goertzen), moved the following motion: that the motion be amended to delete all words after—reduced to and replaced with \$2.70.

Mr. Chairperson, this motion was defeated, carried on a voice vote. Sequentially, 'sequently,' two members requested that a counted vote be taken on this matter.

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

All sections in Chamber for recorded vote.

* (16:00)

Recorded Vote

Mr. Chairperson: Order. In the section of the Committee of Supply meeting in room 254, considering the Estimates of the Department of Infrastructure and Transportation, the honourable member for Steinbach moved the following motion:

that the motion be amended to delete all words after reduced to and replace with \$2.70.

This motion was defeated on a voice vote and, subsequently, two members requested a formal vote on this matter.

The question before the committee, then, is the motion of the honourable member for Steinbach.

A COUNT-OUT VOTE was taken, the result being as follows: Yeas 20, Nays 32.

Mr. Chairperson: The motion is accordingly defeated.

Mr. Chairperson: The sections of the Committee of Supply will now continue with consideration of the departmental Estimates.

Order, please. Will the staff of the First Minister and the Leader of the Official Opposition (Mr. Pallister) please join us in the Chamber.

The floor's now open for questions.

Hon. Jon Gerrard (River Heights): I want to first of all address one of the issues that has come up in relationship to diabetes. And, to begin with, in the Throne Speech last year, the Premier had put in the Throne Speech that the number of people newly diagnosed with diabetes has been decreasing. And, you know, in the numbers that I have in front of me—in which I had tabled, in fact—the highest number of people newly diagnosed with diabetes—

Point of Order

Mr. Chairperson: The honourable First Minister, on a point of order.

Mr. Selinger: Sorry, I just can't hear you, Jon. And there's a bit of a murmur in the room, so I'm going to try and pay attention. *[interjection]* Sure, if you've got one, that'd be great. I'll get an earpiece.

Mr. Chairperson: Thank the First Minister for that. And I would ask all members to please co-operate and keep the murmurs to a minimum, so we can hear the questions put by the honourable member for River Heights.

Mr. Chairperson: The honourable member for River Heights has the floor.

Mr. Gerrard: Okay. You know, I could move down closer if that would be better?

Mr. Chairperson: Does the honourable member for River Heights have permission to move closer? *[Agreed]*

Mr. Gerrard: Okay. Now, the first question deals with diabetes. And one of the things that was said in the Throne Speech was that the number of people newly diagnosed with diabetes is decreasing. The problem is that, you know—and I have—and I tabled these numbers earlier on—the number of people newly diagnosed from age one up with diabetes in the last two year—the last three years, are actually the highest numbers that they have ever been.

Now, the study that was done by the Manitoba Centre for Health Policy used—instead of the raw numbers, used the age- and sex- and gender-matched statistics for the number of people being diagnosed with diabetes, and that can be a useful measure. The fact that that goes down doesn't mean that the total number of people is not going up, right? Because what we're seeing is the total number of people with diagnose—with diabetes is going up. But the statistics that were produced by the Manitoba Centre for Health Policy relied on the fact that the people who are being evaluated were present initially and then all the way through for 10 years in their records.

So it completely disregarded anybody who had moved in or out of the province; we've had a lot of people immigrate and move into the province, and it would disregard people who may have been lost track of for a while, and that also can potentially be a problem. So, you know, the—one has to be a little bit careful. The differences that they saw in terms of the age- and sex-matched incidence of diabetes going down was small.

* (16:10)

And I point this out, first of all, because I think it's important to clarify and have a common understanding that, in fact, the number of people newly diagnosed with diabetes is actually still going up, even though the age- and sex-matched incidence may possibly be going down very slightly.

But the larger question really relates to we've had an epidemic which has been ongoing since 1996, and what is the government's plan? There was a plan which is still on the government's website from 1998. Is the government still following that plan or is the government following another plan, or what plan has the government got in terms of addressing the diabetes epidemic?

Mr. Selinger: First of all, I thank the member for the question. This is an important issue not only in Manitoba but it seems everywhere in the Western developed world that—I read a really interesting article lately. I can't even remember. It was a piece of actual research that showed in economies where they rapidly deregulate the economy and there's a large influx of fast food chains, within about a decade after that there's a dramatic increase in obesity, and as the member can imagine, there's probably an increase in diabetes as well.

But there seemed to be something about this sort of rapid increase in a lifestyle that depends on fast food and the availability and access to it that is really creating massive problems with obesity. It's not the only reason, but it's a big factor and we're starting to hear reports of this out of China and places where these—and they seem to link the research not to just fast food like, not like street fast food, you know, sort of like local culturally appropriate food, but this sort of corporate fast food culture, you know.

I don't think that's the only factor, by any means. I think a lot of it has to do with opportunities for physical activity and recreation and access to facilities and lifestyles like the kinds of lifestyles we encourage, and there's lots of discussion about what's happening to young people as they spend more and more of their time on devices like iPhones and iPads and all the electronic technology that they can use. And I don't know about you, but a lot of us spend way too much time looking at these devices on a daily basis. So it is, I think, a significant issue that we have to find ways to balance on.

Now, I'm just looking at the report here, and I just want to make sure that we're correct. Diabetes incidence seemed to be going down between 2007 and 2011 from 0.19—from 0.91 per hundred residents to 0.85 per hundred residents. Is that your read on it?

Mr. Gerrard: This is what the Manitoba Centre for Health Policy report says, right. Okay. What it doesn't say is that the total number of people newly diagnosed with diabetes is going down. Okay. Right. And, if there are more people who are older and more of, you know, people are getting diabetes because they're older, you could have the age- and sex-matched incidence going down slightly but the overall incidence going up. Right.

We know from other work that the absolute number of people with—of new people, newly diagnosed with diabetes is continuing to go up, right, but that could be because there's a demographic shift

or it could be as a result of the way that they did the report because their analysis required that somebody was present at the beginning of the 10-year time period and at the end, right. This was—so somebody who had moved into or out of Manitoba would be immediately eliminated, right. If you had more people who were new immigrants getting diabetes, that could explain why they would see or report a decrease in the age- and gender-specific incidence of diabetes, right. It's complicated, but you got to be careful in terms of how you report.

But I mean the major problem, which I think we can all agree on, is there's far too many people who are still getting diabetes. I mean—

Mr. Chairperson: The honourable First Minister.

Mr. Selinger: I have to confess, I'm not completely following your logic on—you're—I think what you're saying is even though prevalence may be going down, that may be because some people that have had the disease for a while are going into remission but more new people are picking up on the disease? What are you—I'm not clear on what you're trying to argue here.

Mr. Gerrard: Right, the prevalence is the total number of people with diabetes, that is continuing to go up. *[interjection]* No, no. That's the—that is the—what they are reporting is the age- and gender-specific incidents of diabetes, all right? So they're comparing, for instance, what happens with somebody—a group of people who are age 50 to 60 now and 10 years ago, the age people who are 60 to 70 now and 10 years ago. Okay? But, if you have more people in a group who are 60 to 70, the incidence that's specific to that age group could be going down, but the total number of people newly diagnosed could be going up, which is the overall incidence. Okay?

Mr. Selinger: I think I understand you. You're saying if the universe is getting larger, incidence can be going down, but prevalence can be going up because there's more people in that universe?

Mr. Gerrard: Okay. Look, let me explain it this way, all right? If we've got, for instance, age 60 to 70, all right, suppose that there were 500 people in that age group, right, and that the number of—were newly diagnosed with diabetes in that age group 10 years ago was, oh, say it was 5 per cent or 25. Okay, now, 10 years later with an aging population we may have a thousand people, all right. All right, so with a thousand people, right, instead

of having a 5 per cent incidence, we could have a 4 per cent incidence and the newly diagnosed people is now 40.

An Honourable Member: Yes, that's what I said.

Mr. Gerrard: Yes, okay. Well.

Mr. Selinger: So the universe is getting larger, so the incidence is down, but the absolute numbers are up.

An Honourable Member: Yes.

Mr. Selinger: Yes, okay. Okay, I understand what you're saying, all right and that's helpful. And that could in fact be happening because we have more people in a certain cohort, which is your point, in this case 50 to 60 or 60 to 70.

And I accept that even if that's not the case, that we still have too much of it. And in some communities we have much higher percentages of the community that are diabetes type 2. They're picking this up. And you can see that when you just take a look at people—or at risk of diabetes because of, you know, the amount of weight they're carrying, et cetera. And I've seen incidences of this and I've had anecdotal evidence where I've been in certain communities and I've talked to the medical professionals there and they've told me that it's an epidemic of diabetes in that community without giving me hard numbers.

So I want to check and see if there are newer cases. I've got a note that says there's fewer new cases, but it might be the case that people are living longer so there's more cases surviving. So that might be another factor too. We might have just more continuity of people with a disease like diabetes as opposed to—the mortality rates might be lower and, therefore, the prevalence is higher.

So anyway, the point is this, what can we do about it? That was really the genesis of your question. Now that we've sorted through a bit of the stats on it—and you want to make a comment first, yes? Okay.

Mr. Gerrard: Sure, yes, I mean the, you know, the—your government or your Department of Health may have provided erroneous statistics, but the one that I've got shows that the numbers are still going up, all right. Now, let's go to the—

Mr. Chairperson: The honourable First Minister.

Mr. Selinger: We have a consensus that it's still too much, and the question is what are we going to do

about it and is the Diabetes Strategy still in place or is it being upgraded or do we need to improve it?

Well, okay, so first of all there's been a number of initiatives, even in this budget we introduced some more resources for our Northern Healthy Foods Initiative because some of those communities are the most difficult to provide and have access to healthy foods, which is, I think the member would agree, one of the key variables in diabetes is whether you can have access to affordable, healthy foods in sufficient quantities that that becomes a staple in your diet as opposed to relying on less healthy foods that may be more readily available and may be not very good for health outcomes. And we all know that this is a big issue when you go—just anywhere you go.

* (16:20)

Again, on an anecdotal story, one of the things we often think of is convenience stores being a source of a lot of unhealthy food, because you go in and the chips, the drinks are at the front. Well, I read an article recently about this matter, and a convenience store—and it was in an American neighbourhood, the guy took a completely different approach. Instead of selling tomatoes in bulk and cucumbers, he broke them down into little veggie packs that were at the front and they were available for a very low cost compared to, say, a chocolate bar. And people were coming in and starting to buy the veggies as opposed to the chocolate bars because it was price competitive and they knew it was healthier.

So I think there's a lot of things we could do to help people have access in a convenient, affordable way to healthier choices. You know, whether it's almonds, or whether it's veggies or whether it's fresh fruits, et cetera, you know, there are ways to price these and provide these products, and I think we need to be doing more of that.

We've been doing a lot of northern gardens. We went from about five to 900. You know what we did in schools in trying to discourage sugary drinks in schools. I'm sure you're aware of the recent—I think it—was it the WHO that came out with new recommendations on the amount of sugar calories we should have a day? I think it's down to—is it an absolute 25 grams a day that we should be restricting ourselves to, which is the equivalent of what, one glass of orange juice or something, which most people go beyond that. And I've got to tell you, I think it's a tough challenge, but they're making some pretty dramatic recommendations on sugar.

And—but then I was reading some other people that were saying, you know, we tend to go from one thing to another—fats and then sugars and then something else—and that the best approach is to have an overall balanced diet and access to the right mix on a balanced diet. And apparently Brazil is bringing in an approach which is very different than what we have in North America, where we have the food pyramid, and you're supposed to sort of get most of your nutrients out of a certain part of the pyramid, as opposed to another. In Brazil they're taking a different approach. They're not talking about a pyramid. They're talking about 10 ways to have access to healthy, affordable food. Do more stuff at home. Have more local food production, you know, very practical strategies, kind of a different way of thinking about it, as opposed to managing calories. Manage the way you access affordable and quality food and sort of choices in how they make the arrangements in neighbourhoods, urban and otherwise, to get access to healthy food.

So I think part of the solution is to encourage more people to have their own gardens, for more people to have access to local protein. I'm aware of one youth project in the North where they're raising their own chickens, and that sounds pretty trivial, but it's not. When you go to any part of the world, families in some of the poorest parts of the world, chickens are a part of the lifestyle. They have a small garden. They have their own chickens. They have their own source of protein and vegetables, and they're probably living quite healthy and affordably, even though they're not wealthy countries or wealthy neighbourhoods or wealthy communities. So there's a lot, I think, we can do to increase the source of local products, and I think we need to think more about how to do that and encourage that.

The member will remember in the Second World War that there used to be a lot of victory gardens in urban centres where people grew their own vegetables right in their front yard. And then, after the Second World War, that was no longer fashionable. You had to have a lawn; the lawn had to be cut; you had to put fertilizer on the lawn; you had to put insecticides and pesticides on the lawn. So we've gone a long way from using our land as productively as we could have, even in urban centres.

And I know urban farming is making a tremendous comeback around the world, and, personally, I think we need to think about all of these things. There's a lot of folks out there that want to do

urban farming. There's a lot of folks—there's a lot of community gardens sprouting up in Winnipeg and in other urban centres. I see boulevards now that have vegetables on it as well as flowers, as opposed to just grass. And I think there's a lot of things we could do to have people source local food and healthy food, and we could encourage that. And even a better relationship with farmers outside of the city where there are some organizations where they sign up as a group of 20 families and they have vegetables grown for them and they make a commitment to taking a certain amount of product throughout the summer, throughout the growing season and the harvest season.

So I think all of these relationship-building exercises between people that grow food and people that need food are very important. I think the nutrition that we—in schools, I think we should be teaching people how to cook. A lot of people don't know how to cook anymore, or they're not comfortable cooking. They're much—it's much easier for them to go with fast food or ready-made food. And people have very busy lifestyles now. In most families both parents work, and I don't know about you, but when both parents work and you come home, the motivation level to start a fresh meal from scratch is pretty tough during the week, and I think, maybe, a lot of the members of the Legislature experience that challenge as well.

So there's a lot of things I think we can do, but we have been encouraging restaurants to list nutrients on menus, and a lot of them have taken up that challenge and they're starting to list nutrients. I think that's helpful.

So I think there's a variety of approaches: more locally grown products, more skills on how to prepare food, more education on how to know what food choices are healthy for you, more encouragement of retailers to provide affordable healthy snacks to people, maybe more farming and relationships between people that produce food in and out of the cities, market gardens.

We've been very supportive of market gardens, you know, like, for example, the one in St. Norbert where, you know, you have producers come in and they're making their vegetables and their products available in a way that people are very interested. The St. Norbert market garden's extremely popular all summer long when they're offering stuff.

So there's just a lot of things we could do. In my neighbourhood, we have Jardins St-Léon up on

St. Mary's Road. I don't know that they grow, actually, anymore. I think they source their fresh vegetables from other market gardeners in Manitoba and they bring in fresh fruits as well. And a lot of people like to go there and they get good, healthy, fresh products when they go there.

So I think there's just a whole number of things we can do to shift away from the fast, overly prepared, overly ingredients types of products that are out there, which are often the fastest and easiest to get a hold of. I've noticed even big chains like McDonald's are offering much more healthy options now, salads, and they're trying to let you know how many calories are in a product you buy and that allows people to make more informed choices. I don't know if it's sufficient, but I think it's helpful. So those are some of my comments.

Mr. Gerrard: I would only offer this. I think this is a huge problem and the Premier is looking for solutions. And I—but I think that in order to solve this problem, to start actually decreasing, you know, having the epidemic going down instead of up, that it will take, you know, not only a greater public awareness, but it will take a more sophisticated approach than we have at the moment.

And it may be the sort of thing that—in past years we have put together an all-party task force, for example, on a complicated issue like this to try and look a little more incisively at what our—you know, rational things that can be done in many different ways. There's a lot of new evidence not all fruits appear to be beneficial in decreasing the risk of diabetes. Not all vegetables appear to be.

So that, you know, how we approach this, I think, can be pretty important, and I think that that's, you know, it's not the only option, but if you're going to build political will around the whole Legislature and to address a major issue, it is something which maybe Premier might consider. Okay?

Let me move on to a second area, and that is the child and family services. I think all of us in this Chamber are well aware of the fact that there's far too many children in care, with about 10,000 kids in care.

You know, in February I was in New Zealand. They have a population of 4 and a half million, almost four times ours. If they had the same number of kids in care proportional to population as we do, you'd expect them to have 40,000 kids. They have about 4,000, right, and they've used approaches which reach out more effectively to the extended

family and get them involved in decision making. And I think that the—this is a—it is a big problem, right?

And when I was there I was talking with people who recognize that no matter, you know, how well you have a system when you take kids into care that taking kids into care is traumatic and that the results in the families that they are put into are not always as successful. And kids, you know, often have—or too often have bad experiences, right, not only in their original family but in the new family.

* (16:30)

And the result is, in spite of all the precautions and all of what we want to do, that I'm convinced, that one of the things that we've got to do is to try and do better in supporting kids in home instead of, you know, apprehending them and putting them into care. And I think that that is possible in a much more effective way than we're doing at the moment. And I just give the Premier an opportunity to comment.

Mr. Selinger: Certainly, reducing the number of children in care is a very important priority, and strengthening families' and communities' capacity to care for and raise their children is very important. I think we all agree that we have too many children in care, and nobody wants to see as many children in care as there are. It's not a desirable state of affairs. It is driven by the best interests of the child.

And that's what the child welfare system is there for, to ensure the child's best interests are taken into account. And, as the member knows, these are very challenging decisions to make because, you know, there's always—there's a—it's a difficult balancing act maintaining children with families where there may be risk factors that have been identified. And, so, to be a child-welfare worker is a very difficult job. Sometimes it requires the wisdom of Solomon, if not more, to do it.

They are developing better tools for assessment to identify risk factors. And they are—and as you know, we've invested some significant money into prevention workers to be available in communities to work with families on prevention. And, as the member knows, we've invested a very significant amount of money into early childhood development, including a new increase in early childhood development funding in this budget, and a partnership with the McConnell foundation and some of the private sector individuals that are going to raise money for an early childhood development innovation hub in Manitoba.

And then, of course, we continue to expand child care and put an emphasis in child care on early childhood learning. And you've also heard of what we're trying to do in schools in terms of reducing class size, so—the member might also be aware that we passed community school legislation last year, and community school legislation is fundamentally about building relationships between parents, children and teachers and communities, schools and children. So all of these things are tools and resources to help strengthen the capacity of families and children to not be in care. So it's important. We have to keep working at it; it's no question.

There are some jurisdictional challenges, for sure, that have to be overcome. And one of the things the Hughes inquiry said was, is that this needs to be discussed at the Council of the Federation because there needs to be a federal partner in meeting these challenges. And I have certainly raised these kinds of issues with my federal counterpart, the Prime Minister, on a regular—almost every time I meet him, I discuss these kinds of issues with him and the need to continue to find ways to move forward on these issues.

And it does come down to—resources is an important part of it. We know we want more kids to graduate from high school. We want better outcomes in education for kids in school. These are really important matters for the future of the province and the future of the country, that we continue to make progress in this regard.

So I do think the prevention work's important, but I actually think we should—got to find ways that communities can work on these things systemically, not just in silos of child-welfare education. I think child-welfare education, recreation, all of—families all need to be finding ways to work together to provide opportunities in safe cultures, in safe experiences for young people, and growing experiences for young people. That's why I think the community school legislation is a big part of that, because it talks about those community-based relationships between institutions, families and neighbourhoods or—and how they can be fostered and nurtured. I think those are very important elements that we need to continue to work on.

The non-profit sector is very important here. Hiring people that play a role in the community as home visitors or family support workers is very important. There's a lot of people that have a lot of natural helping capacities and indigenous skills in

doing this, and culturally appropriate skills. So, there's just a huge amount of work that has to be done here. And we really need to have good systems to support that in terms of accountability and tracking. But really important that we get people on the ground that are collaborating together to leverage the resources that they have in their communities for the benefit of children. No question about it.

Mr. Gerrard: Just—the Premier brought up child care. In the Legislature, in the last couple of weeks, the Premier has used numbers, I think, of—in 1999, there were about 12,000 child-care spaces and going up to about 28,000 child-care spaces. I'm told by somebody who's looked at this closely that the number of child-care spaces in 1999 was—I'm going from memory here—21 to 22 thousand and that it's currently about closer to 31 or 32 thousand. I mean, there's been an increase, but I just bring that up and suggest that maybe the Premier could have a look at those numbers and, you know, so we're at least talking about the same numbers that have been present.

I want to talk for a moment about the water management, right, which I have raised, and I know the government has talked about having a Surface Water Management Strategy, which, in my view, is long overdue. And, you know, I know the government is trying to do a variety of things, but I'm just wondering what's the status of the Surface Water Management Strategy, which was, you know, in the Throne Speech—I don't know—a couple of years ago or three years ago. Where are we today?

Mr. Selinger: I would encourage the member to have that conversation with the Minister of Conservation and Water Stewardship (Mr. Mackintosh).

But, in broad terms, the strategy is being worked on, but it's not just doing nothing until the global strategy or a bigger strategy comes in place. But there's been a number of initiatives, including legislation on phosphorus, including riparian tax credits, including on upgrading massive amounts of infrastructure with respect to clean water and sewage treatment in Manitoba—very—a lot of money's gone into that, and more money will go into that—including experiments with the international institute on sustainable development on using cattails to capture phosphorus in lakes like the south end of Lake Winnipeg, and then the revegetation experience on Lake Manitoba after the flood. And, as you know, we've been supportive of maintaining the

Experimental Lakes as a site for research and identifying a portion of the money we give to the IISD as being allocated towards the Experimental Lakes.

So—and then, of course, Pimachiowin Aki itself is an opportunity to preserve fresh water in Manitoba. About—my understanding is about 10 per cent of the fresh water that goes into Lake Winnipeg comes from the east side of the lake in that Pimachiowin Aki area, and so the preservation of that provides lots of other opportunities for research and preservation of ecosystems that will allow us to manage water.

But, as you know, we—just last week, we gave the award—the water stewardship award on behalf of the council federation to Ducks Unlimited in Manitoba. And they had some very impressive statistics about the amount of wetlands that they've been able to preserve and restore in this province and the amount of resources they've been able to mobilize to do that. I don't have those stats in front of me, but I was impressed by what they've accomplished over the many decades that they've been active in Manitoba, and they're good at what they do. I mean, they've got, you know, Oak Hammock Marsh, but they're also always out there trying to work with the rural communities to preserve wetlands, and we've tried to work with them on that.

So there's lots that's been done, but it's—as the member knows, there's always threats to these systems, as well as, you know, new forms of technology are applied in agriculture as some people put an emphasis on drainage to the exclusion of other ways of managing water.

So I think there's lots that can be—and there's new ideas coming forward and—true—in terms of how we store water. Now, you'll—we all—member and I would know about the slough system and—but there's, you know, there's other ideas that are coming forward on how we can store and maintain water on the land, because it may not be needed all in the spring, but it might be needed during the course of a summer. And I know you grew up in Saskatchewan; I can remember the days when you didn't let a drop of water escape from a rural farm. It was all kept in a cistern system in the basement or barrels outside, and water was a precious commodity that a certain generation didn't waste a drop of it and had very low-tech technologies to maintain and preserve it.

So I think there's lots that we can do. The Surface Water Management Strategy is important, both in terms of quantity and quality of the water, and the member–minister responsible will be bringing that forward. But the reality is, since we've stepped up to allocate more money to the Experimental Lakes Area, and we've worked with Ontario on that and the institute–international institute–and so we're finding ways to look at how we can manage surface water and maintain it.

*(16:40)

Mr. Gerrard: I think one of the big concerns—and Ducks Unlimited has done some studies on this—and the issue is that, with an approach which has seen a lot more drainage than there has been water retention, we've had a net loss of wetlands and that in some areas of Blanshard municipality. And, for example, the loss of wetlands is in the order of 70 per cent, and when you drain this proportion of wetlands and one of the results is that you get a lot more water coming off the land, a lot quicker, and your risk of flooding goes up as well as the problems of getting more phosphorus into the land.

And it—you know, one of the sad things in the last number of years is that there was a pilot project in the Blanshard municipality, and that pilot project supported, paid—provided some dollars to farmers for keeping wetlands and being stewards of wetlands. But, when that project ended, you know, farmers made up for lost time and drained, you know, a lot more water, and I think that if you looked at it today, that there may have been a temporary slowdown, but the extent of draining has just continued. And, certainly, after the 2011 flood, the response of many farmers in southwestern Manitoba was to engage in a lot more drainage, and that, without a coherent surface management policy, we need to enable, to be flexible in allowing farmers to be able to drain their croplands, but on the other hand we need to be able to be assured that we're not having more water coming off the land. So we need to be engaged vigorously in water storage to balance what's happening in terms of drainage. And so I think that, you know, we're looking forward to the water surface—surface water management plan, but I think it's a—this is fairly urgent—it's not something which should be put off and put off, right? And, you know, I just want to make sure that that sort of message gets across. *[interjection]* Sure.

Mr. Selinger: One of the things we are pursuing is the Lake Friendly Accord where we're trying to get

other jurisdictions to the east-west of us and south of us to sign in and be partners in this. And a lot of stakeholders have been involved up to now, very enthusiastic about it, and so we're pursuing that. I've had conversations with, for example, the governor of North Dakota on nutrient management strategy for the Red River basin. Minnesota is taking some good measures in terms of quality of water. And so we are look—and I've talked with the premier of Ontario as well. So, as the member knows, there are issues in North Dakota, the classic issue of Devils Lake and how we managed the—that issue, and, both in terms of quantity and quality of water, we've been making some good progress there and some recognition that we've got to find a way to address that issue in a way that doesn't make our situation worse. And they also know that there's been a lot of drainage done down there too and a lot of the wetlands have disappeared.

We have to be careful about inter-basin transfer issues, too, from the Missouri system. There's pressure to do that, to bring more water into North Dakota which could bring organisms that were not present in our system into our system. So there needs to be work done on that. The International Joint Commission's done some good research on what's already in our basin and what's practically—what we can manage in terms of that. So we are looking at—water issues are international issues as well, as the member will, I know, fully appreciate, but I want him to know that we're paying attention to those issues, both in terms of political liaison but also we have engaged counsel as necessary to carry our concerns into the courts when litigation occurs as well. And we've made some good progress in making sure that our concerns are taken account of in decisions they make for how they build their infrastructure and what the impacts could be on Manitoba, or Canada, more generally.

So there's lots of good work going on here on water issues, and you can never really relax on these matters. You have to sort of stay in touch with them on an ongoing basis, but they are important issues and I just wanted to inform the member of some of the other things we're doing with respect to water issues.

Mr. Gerrard: Just—the Premier mentioned the Experimental Lakes Area. It's my understanding that there have been some steps with the IISD potentially taking over the responsibility for the Experimental Lakes Area. I think that there's a pretty critical deadline coming up for the end of this month and—April the 1st—and maybe the Premier has some latest

information on just where we stand and what sort of steps need to be taken before, you know, that vision naturally happens?

Mr. Selinger: The lead negotiator on this is the institute itself, but we're obviously supportive of them coming to a conclusion. I know that they've been conducting very active negotiations. I don't know the status of them in terms of details, but I do think that they're making significant progress.

As the member will know, one of the major issues was who addresses the liability issue if at any point the system had to shut down. But I understand that good progress is being made the last time I was in contact with some people from IISD. And I think that would be within the last month, I believe, that I had some contact with them. And they were—and I don't want to preclude anything, but at that point they were optimistic that things were moving in the right direction.

The only other thing I could say with respect to water is the very significant investments we're making in flood protection in Manitoba, which is all about water: the diking, dikes being made permanent, the engineering work being done on Lake Manitoba, Lake St. Martin, even the individual flood protection program has generated quite a bit of investment by people in protecting their properties, you know, work is going on in Brandon. So there is lots of good work going on as we look at how we continue to strengthen flood protection in the province, which is all about water too.

So the Surface Water Management Strategy is going to be an important element, but there's much going on right now that's dealing with water both in quality, quantity, domestically, internationally, and in terms of treatment and infrastructure, and specific to Lake Winnipeg as well. There's lots of things going on, including lake-friendly products which was announced several years ago, but very important that we—I think it's sulphates in detergents, et cetera. We've made some good initiatives in Manitoba that have had an impact across the country on water quality. So more work to be done. We're working on things like the Portage Diversion and the Assiniboine River dikes, and we want to move forward on all of these things.

But it's going to be a big part of how things go forward in the future. And, I don't think it's exaggerated to say there's a big link between these issues and climate-change issues as well, in terms of what that means in—well, look at this new term that

we're now hearing; polar vortex, seems to be the buzz words this year for all this very unpredictable weather we're getting. But this unpredictable weather has a lot to do with moisture and water as well, as we know.

Mr. Gerrard: I think that the—that one of the things which is critically important to be aware of in terms of flood prevention and diking is that if the only approach is to dike rivers and to put the water in narrower channels and not, you know, eliminate flood plains, that's a problem long run. In fact, other jurisdictions have ensured that there are a combination of dikes and areas where the water can be—you know, flow out, right. And you can have some ability—and, in fact, I mean, it's found elsewhere that it was very, very cost effective to take initiatives which planned for that, right. So that if you said, you know, this is an area where we will have, you know, water flowing out, and we've got, either in arrangements with the farmers or you take over that land, or what have you so that it's not just diked and the channel is narrowed, that you can actually save a lot in terms of the size of the dikes that you have to build. So I think it's, you know, important to not only to be spending money, not only to be protecting from floods, but to be managing the water in a way that's cost effective, but also very effective in terms of reducing the amount of flooding. So I just, you know, put that forward.

* (16:50)

Let me move on to one other area, and that is we had a lot of landowners who were here earlier on today. And I think that the responses from the government were to some extent just in terms of, you know, the 150 per cent compensation, and that's the full answer. But a lot of this, from what I'm hearing from the farmers, has to do with, you know, Manitoba Hydro being ready to treat farmers with respect in terms of going on the land, treating farmers with respect in how discussions are undertaken in terms of areas like biosecurity, areas like—you know, for some farmers, the towers will go right down the edge of a field and not be as much of a problem as when they go right down the middle of a field, right?

And so, you know, in some cases towers are going right beside somebody's home or where it is now, and so that there's a—as—you know, I think the government has recognized that each farm is different, but it's important to be able to not only have a framework but to be able to deal, you know,

respectfully with people in which people feel like—you know, that they're being listened to. And so I just—I think that the government would get a better reception and Manitoba Hydro would get a better reception in some instances by just being a little bit more respectful in dealing with farmers. And I think it's—you know, I send that as a—what I think is a—you know, an important message and a fair message.

Mr. Selinger: I would agree with what the member has said. I—and I'd be surprised if Hydro was trying to do anything other than treat farmers that they're working with on transmission line siting other than with respect. I've been informed that they've listened to farmers and where they have made adjustments in the location of the line or the proposed line and have tried to accommodate as much as possible concerns that have been raised.

When they enter people's property, they should obviously take proper precautions and biosecurity in terms of equipment, but also even their own personal footwear and clothing et cetera. So we do know that it's very easy to inadvertently transmit disease, and we've seen incidences of swine disease coming to our—or hog disease coming to Manitoba this year, and our vets have moved very quickly to contain that with the co-operation of the farmers.

So I think these are important issues and I think Hydro has to treat the citizens, who are also their customers, with respect, understanding that greater transmission capacity adds more security to the system and a greater reliability for people that rely on Hydro to have access to that resource. I mean, what we don't want to be is in a situation like we've seen in other parts of the country this year where people don't have access to electricity for extended periods of time, which really has a significant impact on their quality of life. So we want to find an appropriate way to move forward with increasing the security of transmission and electrical reliability in the province and at the same time be respectful of farmers.

And I have no reason to believe Hydro thinks otherwise that they have to do that. There may be specific incidents where there are disagreements and things that have not gone properly, and I think Hydro has to be very careful not to be precipitating any of those kinds of incidents but to be as responsive as possible to the concerns that are raised by people and at the same time find a way to increase the reliability and security of our energy system in this province.

I mean, this was all triggered by the realization that 70 per cent of the power was going down two transmission corridor—transmission lines in the same essential corridor in Manitoba, 70 per cent of the power, and out to one station, Dorsey, and Hydro's been working to diversify the security of that energy transmission system for the benefit of Manitobans. And so they're doing it for their—to meet their mandate requirements to provide reliable, affordable, secure energy to the people of Manitoba.

But any time you have transmission, there's always going to be the risk of some people not being satisfied with where that is being sited, and Hydro has to be respectful and listen to that and see if there's anything they can do to accommodate the concerns that are being raised. I—that's how I think they should operate, and I think they know that's how we think they should operate.

Mr. Gerrard: Yes, just a couple of questions, just to wind up from this. If there is a disagreement between the landowners and Hydro, you know, is there any place that a landowner can go, right, in terms of having somebody mediate that?

Mr. Selinger: Check and see what specific resources are available for mediation. But, in half the cases, they've apparently arrived at easement agreements that are satisfactory to all parties, and I would hope they would continue to find a way to move forward on that. But I'll check on the specifics if there's mediation resource available.

Mr. Gerrard: I mean, it's—it tends to be the last 10 per cent which are the, you know, difficult ones, where you need to have, you know, potential recourse.

We talked a little bit earlier on about child care and early childhood education, and there was a public consultation process that was led by the MLA for St. James a number of months ago. It wrapped up at the end of November, I understand. When will there be a public report or feedback on that?

Mr. Selinger: What we did in the budget was we tried to take account of some of the needs that have been identified through that consultation process, and that's why there's more resources in the budget to expand child care, early childhood learning opportunities in Manitoba and more money for training and more money for salaries for early childhood and learning educators, or daycare workers, as we call them. So the budget responded in part to what was heard. There's obviously a need for

additional resources with a growing population and more people coming and choosing Manitoba as a place to live. But the budget take—took account of what the MLAs heard and tried to reflect that with some additional support in the budget for all those things I mentioned, including how they can improve the use of technology for managing demand and ensuring that it's accurately reflected in future planning positions.

Mr. Gerrard: There was, in addition, you know, over a year ago, I think the Province led a study on early childhood educator wages. Will there be a public report on that? And what is the Premier doing?

Mr. Selinger: Again, the budget has resources for increased wages for early childhood educators. And I think the association, Manitoba Child Care Association, has their own research they do on a regular basis on this. And—but I know that when we came into office, the wages were, in many cases, \$20,000 or less, and I know they're—have been increased to over \$32,000 now. And so there has been improvements. And we're looking at other ways to continue to increase the support for people working in the child-care system. Some people have worked their entire careers there and made a tremendous contribution. I've met many of them, and it's very impressive, the dedication they have to what they do.

So we're looking for ways to continue to support child-care workers and parents and families and child-care centres in Manitoba. We think it's an important dimension of the quality of life in this province, and we're—even in the face of very tight budgets and population adjustments by the federal government, which are—is costing us a half a billion dollars in transfer payments, which have been flat for five years, and the slower-than-expected global economic recovery, which has also impacted on the Canadian economy—we're looking for ways to increase the support for child care. So we're doing those things, and we're looking for ways to continue to do those things.

Mr. Gerrard: Will the report by—done by the MLA for St. James be publicly released?

Mr. Selinger: Well, as I said earlier, many of the findings in that report were reflected in the budget, with some additional resources.

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

Call in the Speaker.

IN SESSION

Mr. Speaker: The hour being 5 p.m., this House is adjourned and stands adjourned until 10 a.m. tomorrow morning.

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, March 24, 2014

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