

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

Official Report
(Hansard)

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The Honourable Daryl Reid
Speaker*

MANITOBA LEGISLATIVE ASSEMBLY
Fortieth Legislature

Member	Constituency	Political Affiliation
ALLAN, Nancy, Hon.	St. Vital	NDP
ALLUM, James	Fort Garry-Riverview	NDP
ALTEMEYER, Rob	Wolseley	NDP
ASHTON, Steve, Hon.	Thompson	NDP
BJORNSON, Peter, Hon.	Gimli	NDP
BLADY, Sharon	Kirkfield Park	NDP
BRAUN, Erna	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
MAGUIRE, Larry	Arthur-Virden	PC
MALOWAY, Jim	Elmwood	NDP
MARCELINO, Flor, Hon.	Logan	NDP
MARCELINO, Ted	Tyndall Park	NDP
McFADYEN, Hugh	Fort Whyte	PC
MELNICK, Christine, Hon.	Riel	NDP
MITCHELSON, Bonnie	River East	PC
NEVAKSHONOFF, Tom	Interlake	NDP
OSWALD, Theresa, Hon.	Seine River	NDP
PEDERSEN, Blaine	Midland	PC
PETTERSEN, Clarence	Flin Flon	NDP
REID, Daryl, Hon.	Transcona	NDP
ROBINSON, Eric, Hon.	Kewatinook	NDP
RONDEAU, Jim, Hon.	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
TAILLIEU, Mavis	Morris	PC
WHITEHEAD, Frank	The Pas	NDP
WIEBE, Matt	Concordia	NDP
WIGHT, Melanie	Burrows	NDP
WISHART, Ian	Portage la Prairie	PC

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, May 15, 2012

The House met at 1:30 p.m.

Mr. Speaker: Good afternoon, everyone. Please be seated.

ROUTINE PROCEEDINGS

INTRODUCTION OF BILLS

Bill 25—The Groundwater and Water Well and Related Amendments Act

Hon. Gord Mackintosh (Minister of Conservation and Water Stewardship): I move, seconded by the Minister of Health (Ms. Oswald), that Bill 25, The Groundwater and Water Well and Related Amendments Act, be now read a first time.

Motion presented.

Mr. Mackintosh: Essentially this puts in place new protections for water wells, specifically looking at qualifications for well drillers as well as protections in terms of the drilling and sealing of wells, and as well, formally recognizes in legislation the important role of aquifer management planning. Thank you.

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

Bill 29—The Contaminated Sites Remediation Amendment Act

Mr. Mackintosh: I move, seconded by the Minister of Health, that Bill 29, The Contaminated Sites Remediation Amendment Act, be now read a first time.

Motion presented.

Mr. Mackintosh: This bill proposes a strengthening of the reporting, investigation, and management of sites that may affect human health and safety.

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

**Bill 216—The Crown Corporations Public Review and Accountability Amendment Act
(Manitoba Hydro Ratepayers Protection)**

Mr. Reg Helwer (Brandon West): I move, seconded by the member for Midland (Mr. Pedersen), that Bill 216, The Crown Corporations Public Review and Accountability

Amendment Act (Manitoba Hydro Ratepayers Protection), be now read for a first time.

Motion presented.

Mr. Helwer: This bill requires that a major hydro project, such as a dam or transmission line, proposed by Manitoba Hydro be submitted to the Public Utilities Board for an economic review before construction can begin.

The PUB review which involves public hearings is to be— is to consider such matters as the need for the proposed project in light of load forecasts and contracts for the sale of electricity, whether reasonable alternatives to the proposed project have been adequately considered, the capital costs of the proposed project and how Manitoba Hydro proposes to finance these costs, and the effect of the proposed project on electricity rates to be charged to Manitoba consumers.

Following the review, the PUB is to provide its report to the government and make it publicly available on its website. Cabinet must then consider the report and PUB's recommendations before approving the construction. Thank you, Mr. Speaker.

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

Any further bills?

PETITIONS

Personal Care Homes and Long-Term Care—Steinbach

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

These are the reasons for this petition:

The city of Steinbach is one of the fastest growing communities in Manitoba and one of the largest cities in the province.

The growth has resulted in pressure on a number of important services, including personal care homes and long-term care space in the city.

Many long-time residents of the city of Steinbach have been forced to live out their final

years outside of Steinbach because of the shortage of personal care homes and long-term care facilities.

Individuals who have lived in, worked in and contributed to the city of Steinbach their entire lives should not be forced to spend their final years in a place far from friends and family.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Health to ensure additional personal care homes and long-term care spaces are made available in the city of Steinbach on a priority basis.

Mr. Speaker, this petition is signed by L. Kostyniuk, M. Kornelsen, A. Bartel and thousands of other Manitobans.

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

PTH 16 and PTH 5 North—Traffic Signals

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

And these are the reasons for this petition:

The junction of PTH 16 and PTH 5 north is an increasingly busy intersection which is used by motorists and pedestrians alike.

The Town of Neepawa has raised concerns with the Highway Traffic Board about safety levels at that intersection.

The Town of Neepawa has also passed a resolution requesting that Manitoba Infrastructure and Transportation install traffic lights at this intersection and in order to increase safety.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Infrastructure and Transportation to consider making the installation of traffic lights at the intersection of PTH 16 and PTH 5 north a priority project in order to help protect the safety of the motorists and pedestrians who use it.

This petition is signed by S. Zechowski, R. Scott, R. Kostewchuk and many, many other fine Manitobans.

Mr. Speaker: Any further petitions? Seeing none.

TABLING OF REPORTS

Hon. Ron Lemieux (Minister of Local Government): I am pleased to table the Supplementary Information for Legislative Review for Department of Local Government 2012-2013.

Mr. Speaker: Any further tabling of reports?

MINISTERIAL STATEMENTS

Southeastern Wildfires Update

Hon. Gord Mackintosh (Minister of Conservation and Water Stewardship): I have a statement for the House.

Manitoba Conservation and Water Stewardship and the Office of the Fire Commissioner continue to respond to wildfires in southeastern Manitoba and support municipalities and fire departments. Strong winds last evening and throughout the night challenged the fire suppression efforts. One fire near Marchand, fire No. 30, is now over 1,100 hectares, and the fire near Badger, fire No. 29, has recently been mapped at over 5,300 hectares.

The community of Badger continues to be a concern for the department and the RM of Piney. Crews will focus on building a fireguard around the community. Sixteen individuals remain evacuated until further notice.

Municipal fire crews continue to be supported by more than 73 forest firefighters from Manitoba Conservation and Water Stewardship, along with bulldozers to cut fire lines. Substantial air resources are also in place: water bombers, land-based aircraft, and helicopters. Through the Canadian Interagency Forest Fire Centre, 40 initial attack firefighters from British Columbia and two CL-415 water bombers from the province of Québec will be arriving today to assist in firefighting efforts. I would also like to thank Minnesota, that is providing additional supports to our efforts.

The fire danger continues to be high in the southeast region of the province due to low relative humidity and high winds.

The Premier (Mr. Selinger), along with the Leader of the Liberal Party, the MLA for La Verendrye, and myself, toured the fires in southeast Manitoba yesterday to see the impacted areas first-hand. I am sure, on behalf of all of us, that I would like to recognize the tremendous efforts of the municipal and provincial firefighters who are working diligently to protect property and resources.

To assist these efforts and reduce the risk of new fires, backcountry travel restrictions are now in place.

Mr. Dennis Smook (La Verendrye): Mr. Speaker, I would like to thank the minister for the latest update regarding the wildfire situation in southeastern Manitoba.

I would like—I would also like to thank the Premier and the Minister of Conservation for letting me accompany them yesterday on an aerial tour of the fire zone. The information I received during the tour was very beneficial.

The wildfires continue to cause a great deal of concern for residents of my constituency and for people who own seasonal properties there. Unfortunately, a home was destroyed in Badger area yesterday, but the residents were able to escape. Other buildings and equipment have been lost in the fire zone and a number of people remain evacuated.

*(13:40)

I would like to commend the provincial staff, firefighting crews from other jurisdictions, municipal officials, and all others who are working so diligently to protect the people and the property from these fires. Bringing the fires under control will take time. We continue to hope for rains and lower winds to assist this fight.

I appreciate the ongoing updates on the fires. Thank you.

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

Mr. Speaker: Does the honourable member for River Heights have leave to speak to the ministerial statement? *[Agreed]*

Mr. Gerrard: Mr. Speaker, I want to thank the Minister of Conservation and Water Stewardship for his report on the fires, and also thank the minister and the Premier for the opportunity to visit in the area and to be able to see first-hand what was happening with the fire and to meet with some of the people who are involved in fighting the fire.

And, certainly, they are putting in a huge effort down there and working very, very hard, and not only firefighters but many who are there as part of the support team and, of course, including those who are involved in the water-bombing operation as well as those who are involved on the ground. I would like to not only recognize these people but to thank

all those who are working so hard in order to try and keep this fire contained and, indeed, to get it under control and, hopefully, put it out in the not-too-distant future.

I want to extend sympathy to people in the Badger community, and hopefully the firefighting efforts will be successful and the community, except for the one home nearby which was lost recently, will be saved.

It is interesting to see how fast this fire is spreading along the ground and how easily it can get into the treetops and really blow up with a lot of flames and, of course, a lot of smoke as well. And so, it's quite a dangerous fire, and with the high winds and the dry conditions it makes it even more so.

So, certainly, hats off to all those who are helping, and, once again, thanks to the Premier and the Minister of Conservation and Water Stewardship.

Introduction of Guests

Mr. Speaker: Prior to oral questions, I want to draw the attention of all honourable members to the public gallery where we have with us today from Hordean Mennonite School 23 grades 6 to 10 students under the direction of Mr. Martin Friesen. This group is located in the constituency of the honourable member for Emerson (Mr. Graydon).

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

ORAL QUESTIONS

Government Performance Accountability

Mr. Kelvin Goertzen (Steinbach): Mr. Speaker, Manitobans deserve a government that they can trust, and they don't have that in Manitoba today. Instead, they have a government that says one thing and then does another.

They made a promise that they wouldn't raise taxes. Did they keep that promise? You know, they made a promise that they were going to keep all the election laws. Did they keep that promise? You know, they said that they wouldn't take taxpayers' money, and then we found out they took taxpayers-funded Jets tickets. So did they keep that promise?

Mr. Speaker, will the Premier acknowledge today that the biggest problem, and his government has a lot of problems, but the biggest problem that they have today is that they are not a government that can be trusted by Manitobans?

Hon. Greg Selinger (Premier): Mr. Speaker, I appreciate the well co-ordinated question from the member from Steinbach, and I thought—and we'll do our best to give him a straight-up answer.

Mr. Speaker, Manitoba retains one of the lowest cost of livings in the country, and that was as a result of this budget where this—where the retail sales tax is the lowest—second lowest in Canada; where the small business tax is zero, the lowest in Canada. And we also protected services that Manitobans count on: health-care services, education services, and services to families and children.

And, Mr. Speaker, we're still waiting for members opposite to declare whether they received any gifts from either businesses, Crown corporations, or unions. They've been very clear they do not want to talk about any gifts they've received from businesses. We hope that they will—

Mr. Speaker: Order, please. Order, please. Time has expired.

Ministerial Apology

Mr. Goertzen: Mr. Speaker, once again, the Premier, he's a day late and a dollar short. He missed it yesterday.

You know, Mr. Speaker, Manitobans, they're accustomed to a deal; a two-for-one deal is something Manitobans like. We seem to have gotten in this Legislature a one-for-two deal. Last week, the Premier said that he expected his Minister of Finance (Mr. Struthers) and his Minister of Energy (Mr. Chomiak) would be apologizing to Manitobans. Yesterday, the Minister of Finance gave a half-hearted apology, but at least he took an effort at it. We've not yet heard from the Minister of Energy; in fact, quite the opposite. The Minister of Energy has been saying something quite different in the media.

I wanted to give the Premier a chance to clear this up. Should Manitobans be expecting another apology?

Mr. Selinger: What Manitobans should expect is this: that all members of this Legislature live by the same set of rules when it comes to disclosure on whether they've received any Jets tickets.

All the members on this side of the House have fully disclosed whether they've received any tickets, and that has been put on the record. We've seen nothing from the members opposite. We have not seen any policy statement from the members opposite.

Perhaps the member from Steinbach could get together with the member from St. Paul, who said a gift is a gift is a gift and everybody should disclose it. Perhaps they could get a co-ordinated policy on the other side of the House.

Mr. Goertzen: The Premier got together with himself on Friday and he held a news conference, and I want to quote, Mr. Speaker. It was a bit of a one-man band, but the Premier said there are—these are people—and he was referring to the Minister of Finance and the Minister of Energy—these are people that I believe are ethical, and I think that they will apologize as required.

Well, we heard yesterday from the Minister of Finance a sort of apology, he was sort of skirting the edges of it, but we still haven't heard from the Minister of Energy.

I want to know, is the Premier—can he give us any indication whether what he said on Friday is still the fact today? Is he still expecting his Minister of Energy to apologize to Manitobans as he said he would last Friday?

Mr. Selinger: We made it clear that members on this side of the House would do the right thing. The member from Kildonan did the right thing. He paid an equivalent contribution to charity based on the tickets that he received.

Members opposite have done no declarations; they have done no policies. The member from St. Paul very clearly said the regulations are very clear and you're supposed to declare gifts. I think common sense would tell you the chances are that that was a gift you should have registered.

None of the members opposite have declared any gifts. The member from Steinbach needs to get together from the member from St. Paul, and they should decide on what their policy is and whether they will be forthcoming to all the people of Manitoba. We think the rules should apply equally on all sides of the House. I only wish the member of Steinbach would have followed the same precedent.

Mr. Speaker: Order. I want to caution all honourable members before we move on to the next question that I'm having a great deal of difficulty hearing the questions and the responses—the answers to the questions.

So I'm asking for the co-operation of all honourable members. Please allow the member to

ask the question and allow the member to answer the question.

Government-Funded Organizations Purchase of Winnipeg Jets Season Tickets

Mr. Ron Schuler (St. Paul): Last week, the Premier confessed that NDP Cabinet ministers took free taxpayer-funded Jets tickets from Crown corporations. He also confessed that a student fee- and taxpayer-funded organization, Red River community college, gave free Winnipeg Jets tickets to Cabinet ministers.

Does this Premier know how many Jets tickets were bought through its numerous agencies, boards and commissions?

Hon. Greg Selinger (Premier): Again, I'd like the member from St. Paul to take a moment and talk to the member from Steinbach and agree on what their policy is on declarations. We have put in place—we, on this side of the House, we have put in place—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please. The clock is ticking on question period. It's very valuable time that we have here each day. I'm asking for, again, for the co-operation of all honourable members. Please allow the question to be posed and some courtesy for the answer to be given.

The honourable First Minister, to conclude his remarks.

* (13:50)

Mr. Selinger: Yes, thank you, Mr. Speaker, for calling order.

I was about to say that we've put in place, for the first time in the history of this province, a policy that requires anybody who receives a ticket from a Crown corporation, from a business, or from a union to declare that.

And we would like to know whether the members opposite support that policy. We have a statement from the Leader of the Opposition (Mr. McFadyen) that he does not believe that tickets received from private businesses need to be declared. We disagree with that.

We think all tickets should be declared when they come in the form of a gift. We actually are supporting what the member from St. Paul is saying.

Could they let us know what the position of the caucus is on the other side? What is the position of the official opposition when it comes to declaring tickets or gifts from private businesses? Could they be clear about that?

Mr. Schuler: Mr. Speaker, last week the Premier was asked if he would investigate how many government-funded organizations, such as special operating agencies, RHAs and post-secondary institutions have Winnipeg Jets tickets. He answered, and I quote: It probably would be useful to know that.

Will the Premier table which special operating agencies, RHAs, post-secondary institutions have Jets tickets, as it probably would be useful to know that?

Mr. Selinger: Mr. Speaker, I appreciate the question from the member from St. Paul, and I wonder if he thinks it would be useful to know how many tickets were received from private businesses by the member of the—by the members of the opposition and whether or not they support a policy on whether those should be declared.

We, for the first time in history, again, have put a policy in place, and we look for all-party unanimity on a policy that sets a new benchmark for these kinds of practices in Manitoba. We know that in the '90s, Mr. Speaker, it was common practice for Crown corporations to provide tickets to elected officials, including and especially elected officials on the other side of the House, particularly during the Pan Am Games.

We're modernizing practices in Manitoba. We're bringing them up to modern times. Are the members coming with us, or are they looking for reasons to prevaricate and avoid the obvious?

Mr. Schuler: Well, Mr. Speaker, it probably would be useful to know if the member for Kildonan (Mr. Chomiak) is still on side, or is he man overboard?

This NDP Premier has known all along about the unethical issue of NDP Cabinet ministers taking taxpayer-funded Jets tickets.

How long will it take the Premier to present his findings? Will he give us a firm date of full disclosure so that this NDP government can be held accountable, Mr. Speaker? Because it probably would be useful to know that.

Mr. Selinger: Mr. Speaker, every member of this Legislature is a lawmaker. Every member of this Legislature has to set an example for their public behaviour. And members on this side of the House—

Some Honourable Members: Oh, oh.

Mr. Speaker: Again, I'm asking for the co-operation of all honourable members. Question period time is very, very valuable, and I'm asking for co-operation of members to allow me to hear the questions posed by members and the answers that may be provided.

The honourable First Minister, to conclude your remarks.

Mr. Selinger: Yes, Mr. Speaker, as I was saying earlier, we're all lawmakers; we all have to set an example of this side of the House. And what I—and what I'm pleased about is for the first time in history we've set a new benchmark for this kind of behaviour.

Unfortunately, the members opposite are still back where they were in 1999 when the Auditor General said, with respect to Crown corporations, there is no policy governing the 'disruption' of any of these tickets to employees. They had no policy then; they have no policy now. They were simply trying to make it into a partisan issue when it's—it's gone well beyond that now. It's about setting a new standard for public behaviour.

We invite them to participate in that exercise and show some leadership so that the entire House can have a better reputation on how we serve the public. Thank you, Mr. Speaker.

Pharmacare Deductibles Increases

Mrs. Myrna Driedger (Charleswood): While NDP Cabinet ministers got free Jets tickets using taxpayers' money, they turned around and stuck it to ordinary Manitobans by raising nine taxes and once again raising Pharmacare deductibles.

I'd like to ask the Minister of Health to tell Manitobans: How much did she raise the Pharmacare deductible by in this year's budget?

Hon. Theresa Oswald (Minister of Health): It's my pleasure to stand up and once again say to the House that Manitoba, of course, has one of the best pharmacare programs in the nation, as cited by CIHI. As we entered uncertain economic times, we made a decision publicly to connect the rate of any increases to the deductible for Pharmacare to inflation, and this

year, I believe that that increase is 3 per cent, Mr. Speaker.

Mrs. Driedger: Mr. Speaker, while in opposition, the minister for Kildonan—the member for Kildonan (Mr. Chomiak) condemned the Tory government for increasing Pharmacare deductibles, referring to the increase as, and I quote, a tax grab on Manitobans and a tax on all Manitobans and a tax, most importantly, on the sick. End quote.

Mr. Speaker, if the NDP called this a tax grab and a tax on the sick when they were in opposition, why have they raised Pharmacare deductibles by a whopping 43.8 per cent since forming government?

Ms. Oswald: Certainly, I would say to the member opposite that we are working very hard to continue to expand services that are available for Manitobans. This includes, of course, drug coverage.

We know that in Manitoba, according to CIHI, we're ranked as having one of the best programs. We know that we have added over 2,000 drugs, Mr. Speaker, to the Pharmacare formulary since being in office. We've also worked to remove roughly 25,000 Manitobans completely off of having to have a deductible because of adjustments to the program.

We're going to continue to expand that program that doesn't discriminate based on age or illness, as is the case elsewhere in Canada. We're going to continue to have that universal program, and we're going to continue to expand it.

Mrs. Driedger: Mr. Speaker, this Minister of Health, since breaking the election law, has no credibility in this House.

The NDP like to have it both ways. They say one thing and they do another. In opposition, they railed against Pharmacare deductible increases. They called it a tax grab, they called it a tax on the sick, and since they formed government they've increased deductibles for Pharmacare by 43.8 per cent.

How in the world can they say one thing in opposition and then turn around and do something totally different in government?

Ms. Oswald: Interestingly, I note that the member neglected to mention that just last month we made, for the first time in Manitoba history, oral cancer drugs for Manitoba patients completely free. No deductible whatsoever.

And what's really interesting is that during the election campaign, when the Canadian Cancer

Society called on all parties, Mr. Speaker, to make the pledge to fund oral cancer drugs, we answered them with one word. We said yes. You know what they said? Absolutely nothing.

**Newborn Screening Program
Omission of Hearing Screening**

Mrs. Leanne Rowat (Riding Mountain): It's a fact Pharmacare is up 43.8 per cent under this NDP government, Mr. Speaker.

Hearing loss is one of the most common congenital disorders, affecting approximately 40 newborns in Manitoba every year. Half of those affected have no obvious risk factors. Early diagnosis and treatment can optimize outcomes for children found to be affected.

On Tuesday, May 8th, exactly one week from when the NDP government refused to support Bill 202, The Universal Newborn Hearing Screening Act, the Minister of Health put out a press release announcing expanded universal newborn screening, but forgot to include the hearing testing, Mr. Speaker.

Mr. Speaker, would the minister please explain why she misled Manitoba families by intentionally leaving hearing screening out of her department's recent announcement, or was that an inadvertent mistake?

Hon. Theresa Oswald (Minister of Health): It is true that, indeed, last week we were very, very proud to stand with members from the Children's Hospital and the Children's Hospital Foundation to announce expanded newborn screening of—for Manitobans with tandem mass spectrometry, including newborn screening for cystic fibrosis, Mr. Speaker, making us the top three in the nation for the breadth and depth of universal screening that we do in Manitoba.

* (14:00)

I note with interest that the member neglects to add that we are already doing universal newborn screening in four regional health authorities in Manitoba. She never quite seems to include that point, regrettably, and we have plans to roll that out across Manitoba. We believe in universal newborn hearing screening, in addition to being in the top three in the nation, Mr. Speaker.

Mrs. Rowat: This minister has no credibility. She can't even follow The Elections Act.

Why is this Minister of Health confusing Manitoba families into thinking a universal hearing screening program for newborns has been announced when really the new program does not include hearing screening at all?

I'll table a copy of the status report released by the Canadian Paediatric Society which clearly ranks Manitoba as tied for last, Mr. Speaker, in the country under newborn hearing screening, while BC, Ontario, New Brunswick, Nova Scotia, Prince Edward Island, all rate excellent in newborn hearing screening. Again, this minister is coming in dead last when she's supporting Manitoba families.

Mr. Speaker, I ask the minister today: Why has she failed Manitoba families and announced—and why won't she announce a universal newborn screening program when she's confusing Manitoba families and not including it in her program?

Ms. Oswald: Well, yes, indeed, somebody's confused.

I would say again for the member that we expanded last week, in partnership with the Children's Hospital and the Children's Hospital Foundation, who, it's worth noting, Mr. Speaker, do excellent work on behalf of Manitoba children every day. And they're to be commended.

But we announced, in partnership with them, that we would be doing additional newborn screening that will transform the trajectory, transform the outcomes for newborns all across Manitoba. We're adding over 40 new tests, Mr. Speaker, making us in the top three in the nation in depth and breadth for universal screening.

On the subject, specifically, of universal newborn hearing screening that the member is referring to, we already have this particular test in four RHAs. Our intent is to roll it out as appropriate with resources and staffing in all RHAs. That's our intent; that has always been our intent.

Top three in the nation on universal newborn screening. Well, we're on the podium, Mr. Speaker; they never were.

Mrs. Rowat: We're still dead last.

During the debate on Bill 202, I appreciated the comments from the minister of child and youth opportunities, unlike the Minister for Health. He said, and I quote: ". . . it's something that's vitally important to me, having a 19-month-old son and, you

know, I do have to say that it is a privilege to be able to stand up and talk about these types of things."

Mr. Speaker, Manitoba's infants deserve the advantages of early hearing loss detection and timely intervention.

So, again, I ask the minister why she continues to let Manitoba families down, including the member for Point Douglas (Mr. Chief), by not committing to a universal newborn hearing screening program in Manitoba.

Ms. Oswald: I'm reasonably sure that the member for Point Douglas would point out that Manitoba was the first in the nation to have a screening program for FASD. That's worthy of note.

Furthermore, I would say without hesitation that every parent wants to know at the time of their child's birth that their child is okay. That is the child of a parent that might have a hearing loss. That is the child of a parent who might have cystic fibrosis and any other condition, Mr. Speaker, which is why we've worked very hard to expand the breadth in a variety of areas.

We're continuing to work on hearing screening. We're for the first time doing screening for cystic fibrosis within the last year, Mr. Speaker. We're going to listen to doctors and parents and do the best that we can. We're top three in the nation on overall universal screening, and we're going to keep working to get to be No. 1.

Mr. Speaker: Order, please.

Rural Economic Development Lack of Government Support

Mr. Blaine Pedersen (Midland): Mr. Speaker, since 1995, the Community Works Loans Program has assisted rural and northern communities to help kick-start local businesses. But this cash-starved NDP government is clawing back this valuable seed money.

The seven regional development corporations have also had their modest funding slashed partway through their fiscal year. The Association of Manitoba Municipalities notes that this was done without consultation, something that is so typical of this NDP government.

Mr. Speaker, what does this government have against local efforts to stimulate economic development in rural and northern communities?

Hon. Ron Kostyshyn (Minister of Agriculture, Food and Rural Initiatives): Refer to the question brought forward by the MLA for Midlands, I want to somewhat educate the MLA from Midlands.

The regional development corporations have been in existence since 1960s. And I think there was an understanding with the 'municipal' governments—that there was an understanding of a 50-50 cost share and there was seven regional development corporations that existed today. Unfortunately, there is only three that are very active in that position, and it's not only it's happened in the last year or two; it's been a long-time history.

So, we, as a provincial government, felt it was in the best interest to somewhat refocus, and we put our team forward from the GO offices to help in moving forward in community developments.

Mr. Pedersen: Mr. Speaker, last May in agricultural Estimates, the Minister of Agriculture—the former minister of Agriculture talked about the value of the regional development corporations, saying that they are really knocking the ball out of the park, they're well organized, they reflect their communities' wishes and desires. Must've been inadvertent.

Now this NDP government has slashed two successful programs and replaced them with a community economic development extension fund with a total budget equivalent of one staff person. This amounts to one staff person located in Winnipeg with Jets season tickets.

Mr. Speaker, I ask again: What does this government have against rural and northern communities and job creation?

Mr. Kostyshyn: I guess we're kind of dealing with a similar question that was asked to me last week, and I think I referred to maybe certain issues that we need to focus on as a province.

And I know I have the support of the opposition party when we not only talk about the rural and northern countries, but we talk about the whole province as a whole, and my question is: Where were they when the Canadian Wheat Board was brought up as an issue and we worked together? And I suppose that's just a small issue as far as the opposition's considering it. Thank you.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please. I'm asking for the co-operation of all honourable members. Please

allow the member for Midland to pose his final supplementary question.

Mr. Pedersen: Thank you, Mr. Speaker.

During the agricultural Estimates just this past Friday, the member for Tyndall Park (Mr. Marcelino) summed up the minister's level of understanding about business quite nicely, and I can table them if you like. He stated, and I quote: I don't think the minister is competent to answer those questions about business and plans and business intent or business decisions. End of quote. I couldn't have said it better myself.

Mr. Speaker, why would this government slash two successful programs instrumental in giving small business ventures in rural and northern Manitoba a hand in getting started, only to be replaced by a staff person in Winnipeg? Can he demonstrate some competence today and reinstate the program *[inaudible]*

Mr. Kostyshyn: Well, I definitely have to thank the opposition member from Midland on the comments. But, I think, you know, maybe we need some clarification to my fellow colleague in that statement.

I think, in our Estimates, we were talking about the MCEC program, and, I think, as you can anticipate, the Estimates deal with the budgetary issues. Obviously, the MCEC is an organization that deals with the cattle industry in the province of Manitoba directly, so it's not a direct link to the Estimate budgetary figure.

So I sense that the opposition leader is trying to mislead the comments that was been brought forward by my leader. So I suppose that's their typical game play. They only say half of what they're trying to say to make a person look somewhat incompetent. Thank you.

* (14:10)

Regional Development Corporations Funding Cancellations

Mr. Cameron Friesen (Morden-Winkler): Mr. Speaker, two weeks ago, the government cut funding to seven regional development corporations without notice, without input, without consultation, and yet this minister questions whether they are active.

Well, allow me to educate him. They are active providing support for mid-size and small-size business. They're active conducting regional studies.

They're active looking at marketing and projects for member municipalities. They support education, business, and tourism, and they look at the big picture for the region.

Mr. Speaker, why can't this minister see the big picture that RDCs have a successful track record and they come at a bargain?

Hon. Ron Kostyshyn (Minister of Agriculture, Food and Rural Initiatives): As I've indicated to the previous questions, I do believe in the rural economic developments. They've done their time much like the Canadian Wheat Board obviously's done their time by the support that we shown by the opposition party who never supported it for the people in the city of Winnipeg and rural area. Thank you.

Mr. Friesen: Mr. Speaker, the minister says they've done their time, and yet it's clear that the regional development corporations, the funding agreements ran from April 1st to March the 31st, and yet his department didn't notify the RDCs until April 30th that their funding was cut.

That means the minister deliberately, not inadvertently, but deliberately misled the RDCs and he left them on the hook for the expenses they occurred in this past month. They've paid salaries. They've paid the lease. They've paid their overhead. They've incurred these expenses in good faith, anticipating the renewal of their operating grants.

For instance, the Pembina Valley Development Corporation just recently completed an \$8,000 audit to comply with the agreement—a large expense on the eve of their funding being cut out from under them.

Mr. Speaker, my question for the minister is this: You have experience in municipal government. You know the success of the RDCs. Will you assert yourself in your new role? Will you restore the grants and send the message that economic developments corporations are a success?

Mr. Kostyshyn: And I'll gladly address the question again.

As you may somewhat not be aware of, as three years ago, there was a contract that was drawn up at all the RDCs with the understanding that it is a renewable contract every three years. I think you also have to check the emails that were sent out from my department in February indicating that don't take it for granted that the renewal of RDCs will exist.

So I'm sensing there's a lack of communication with the information that's being brought forward by the member opposite.

First Nations Communities Water and Sewer Infrastructure

Hon. Jon Gerrard (River Heights): Mr. Speaker, we're all aware of the totally unacceptable situation of 1,400 homes in northern Manitoba without any clean, running water.

Two years ago, the MKO announced their timetable to get these homes the clean, running water and to make sure it was done completely by the end of December of 2012. That's this year.

The Premier is well aware of this effort and the MKO's reaching out to achieve this goal, and yet, I ask the Premier: Where is his plan? Will the people—will the Premier tell us his plan to get these 1,400 homes clean, running water by the end of this year?

Hon. Greg Selinger (Premier): Mr. Speaker, I appreciate the question from the member from River Heights because, once again, it allows me to put forward that we have said consistently in this House and have taken this message to Ottawa that we're there to train people from these communities to have the skills to install this infrastructure to enable those homes to have clean water and sewer.

We've also said that we're prepared to continue with the road on the east side which we've put in the budget along with labour market money to ensure that there's access to those communities so they could get cheaper access to products such as products for clean water and sewers.

The member opposite knows full well that First Nations communities are the primary responsibility of the federal government. We've gone beyond our normal mandate to provide dialysis services in those communities. We've gone beyond our normal mandate to provide airstrip services in those communities. We've gone beyond our normal mandate to provide services to youth and recreation in those communities, particularly ones that are high risk.

And we will continue—we will continue—to do everything possible to help those communities to have the same standard of living as all Manitobans have all across this province.

The member from River Heights knows that and I reaffirm it again today.

Mr. Gerrard: Mr. Speaker, the Premier has had 17 months since the MKO set the timetable till the end of this year to get clean, running water for the 1,400 homes.

Mr. Speaker, I table the agreement that Bob Rae initiated with the federal government in 1992 to make sure Ontario First Nations' homes had clean, running water. It is now 20 years after that agreement was formed, and yet this Premier, in 12 years of office, has not yet got an agreement.

Yesterday, the Premier told a—that he had a proposal for the federal government. Will the Premier table his proposal and show us that he's serious about delivering clean, running water to homes in Manitoba?

Mr. Selinger: Mr. Speaker, I appreciate the persistence from the member of River Heights on this question.

I only wish he would have taken that same approach when he was a federal minister and had the opportunity around the Cabinet table to 'prioritize' clean water and sewer services for the people of Manitoba when he was the regional minister. He completely failed to do that. He never raised the issue once. He never advocated for it. He never spoke about it in public. He didn't do one single thing to advance that cause.

Today in opposition, he's raising that issue. We have gone to Ottawa; the deputy premier, the Minister of Aboriginal and Northern Affairs has put on the table with the federal minister our willingness to co-operate with them to advance this cause of clean water and sewer in those communities. We will continue to do that.

And while we're waiting for them to put resources on the table, of which they did bring some incremental this fall of about 5 to 6 million dollars, we will continue with labour market training and we will continue to build the road which will give those communities access to all the goods and services that other Manitobans enjoy.

Mr. Gerrard: Mr. Speaker, 20 years ago, Manitoba could have had an agreement; 12 years ago, if the Premier had some initiative, the government of Manitoba could have had agreement with the federal government.

But this Premier has steadfastly refused to take an initiative to make sure there is clean, running water in First Nations' homes throughout Manitoba.

The ND—the MKO have talked about this is a crisis. The MKO have mentioned that this is subhuman conditions that people in northern Manitoba are forced to live in, and yet the Premier has not acted. The MKO are asking for a renewed relationship with a real commitment to meeting the December the 1st, 2012, deadline to get clean, running water to homes in Manitoba.

Will the Premier stand up and honour that deadline and show his plan?

Hon. Eric Robinson (Minister of Aboriginal and Northern Affairs): Before I respond to the member's question, allow me to congratulate Sagkeeng's Finest for winning the—certainly a—positive news for Aboriginal people in our province and, indeed, Canada.

I just want to indicate to the member from River Heights to date that we have three of the four Island Lake communities that have signed BCRs to work with the Province of Manitoba in engaging the federal government to ensure that this basic human right is met in northern communities where there is no running water.

Our department has been a lead on this. We have been dealing with the Frontiers Foundation and we have had interest shown by the Mennonite Central Committee.

People are on board; we need the federal government to come to the table and deal with the Province of Manitoba and the First Nations to ensure that these people are treated like Canadians.

Specialized Services for Children and Youth Facility Construction Status

Ms. Deanne Crothers (St. James): Mr. Speaker, our government understands the pressures and challenges that families with special needs face on a daily basis.

Could the Minister of Health please inform the House how we will help them save time and improve access for children living with special needs?

Hon. Theresa Oswald (Minister of Health): Yes, it was my great honour today to be accompanying the Premier and many, many individuals that have been deeply invested in bringing together these specialized services for children and youth building.

We turned the sod today on the building that is going to be providing expert care, all under one roof,

Mr. Speaker, for children with special needs and for their families.

There will be a number of services almost too numerous to mention: child development services, central intake and delivery of therapy services, communication disorders clinic, rehab services, Manitoba Fetal Alcohol Spectrum Disorder Centre, autism outreach, respite services, and the list goes on. This is not only going to allow our clinical experts to be able to consult on cases, but it's also going to help families with the day to day, Mr. Speaker, of being able to come to the centre, a one-stop shop, for—in order to help them with—

Mr. Speaker: Order, please.

* (14:20)

Letellier Bridge Construction Landowner Expropriation Compensation

Mr. Cliff Graydon (Emerson): Denis Houle, a constituent of mine, is a hard-working dairy farmer from Letellier, Manitoba. Originally his home and dairy operation operated across from the Letellier bridge over the Red River.

Over two years ago, when this NDP government decided to build a new bridge at Letellier, they expropriated Mr. Houle's land and operation, and offered him very little money in the process. The bridge is complete, open to traffic; the land where Mr. Houle's home and operation once stood is gone. The single fact still remains Mr. Houle has never been paid. The Province has taken his land, his livelihood without making a single payment.

Mr. Speaker, I ask the minister today: Is the cheque in the mail, or is this another broken promise?

Hon. Steve Ashton (Minister of Infrastructure and Transportation): Well, I thought the question might be, is the bridge built? And, in fact, if the member will recall, we've dealt with a lot of challenges in terms of infrastructure in the last period of time.

And one of the things I'm really proud of, as part of this government, is the fact we're now investing quadruple what we used to when those members were in government in terms of our capital program, as we face the additional challenge ahead. With 80 bridges that were compromised during the flood last year, whether it be in the southwest Manitoba, whether it be in the Portage area, I think we can point to our success over the last number of years, in

rebuilding our infrastructure, and building the needed bridges and rebuilding needed bridges.

I would have thought for once, maybe members opposite would stand up and congratulate, not just this government, but MIT and all the staff and all the people in the contract industry that have met that challenge. We're rebuilding this province.

Mr. Speaker: Order, please.

Mr. Graydon: Mr. Speaker, I'd like to stand up and commend the federal government for paying for 50 per cent of that bridge.

Two years have gone by. The bridge is completed. Mr. Houle has moved. His land has been taken away. The federal government had to pay 50 per cent of the cost of the project to get it to go ahead. The bridge was built, but now the provincial government will not do their job and pay Mr. Houle.

The Province harps on and on about compensation and how much they've done. The simple fact is nothing has been done for Mr. Houle.

I ask this minister again: When will a cheque be in the mail, or is this another broken promise, sir?

Mr. Ashton: You know, I always put on the record when there is any federal cost sharing. Unfortunately, over the next number of years, it's declined from about \$80 million a year to \$30 million a year.

But I would encourage the member opposite, when he stands up and talks about the federal government—in fact, I'd encourage members opposite, generally, if the federal government wants to do what we do in terms of our gas tax, where we put in \$2 for every dollar we raise, they put in 25 cents for every dollar they raise.

If the federal government matched the provincial commitment to infrastructure, there'd be a lot of cheques in the mail to rebuild their infrastructure.

Mr. Speaker: Time for oral questions has expired.

Introduction of Guests

Mr. Speaker: Prior to members' statements, I'd like to draw the attention of honourable members to the public gallery where we have with us this afternoon Mr. Brian Pallister, the former member for Portage la Prairie.

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

MEMBERS' STATEMENTS

Don Penny

Mr. Reg Helwer (Brandon West): It is with great pride and esteem that I rise today to congratulate Mr. Don Penny on receiving the Lieutenant-Governor's Award for outstanding contribution to the community by an individual. He received this award by the—at the Manitoba Business Awards last fall.

Don has had a large impact on Brandon, Manitoba and Canada. As a founding partner in the accounting firm of Meyers Norris Penny, now known as MNP, Mr. Penny drove the expansion of this small Brandon accounting firm from a small practice to being the fifth largest firm in the country.

My father-in-law, the late George Horne from Neepawa, was one of the first accounting firms to merge with Meyers Norris Penny. It was, indeed, fortunate for me, as that merger brought the Horne family to Brandon, where I met one of their daughters, Aynsley. And she eventually agreed to marry me. I'm quite sure Don saw this as a great way to ensure customer loyalty, seeing the daughter of a partner marry the son of a major client. Indeed, Shur-Gro Farm Services continues to be a client of MNP to this day.

Don has been a mentor to many young people across Canada, including myself. He's always patient, while challenging your thoughts and beliefs. He is a past president of the Brandon Chamber of Commerce, chair of the Brandon University Foundation, a fellow of the Canadian Institute of Chartered Accountants, as well as having served on many other boards.

The awards and recognitions honouring Mr. Penny's lifetime of commitment to career, family and community are extensive. In 1984 he received the appointment of Fellow Chartered Accountant. In 1999 he was the recipient of the honorary Doctor of Law from Brandon University and he was appointed honorary Lieutenant Colonel of the 26th Field Regiment, Royal Canadian Artillery.

He received the outstanding volunteer fundraiser award for 2001, Manitoba chapter. In 2005, Mr. Penny received the highest Canadian honour given for lifetime achievement, The Order of Canada.

I recently spent time with Don fundraising for the new building of the Brandon Family YMCA. As always, Don was instrumental in helping us find the

right connections to the right people to produce fabulous results. Mr. Penny has had a huge impact on Brandon and, indeed, Canada. I'm very proud to be able to count him as one of my friends and mentors. It is a great privilege to bring attention to Don's life and achievements for our members and the public today.

Thank you, Mr. Speaker.

Honouring Women Walk (The Pas)

Mr. Frank Whitehead (The Pas): Mr. Speaker, on May 11th I participated in the Opaskwayak Health Authority's first annual Honouring Women Walk in The Pas. Nearly 200 people came together to walk through Opaskwayak Cree Nation and enjoy a feast prepared by local residents.

It was no accident that the walk took place so close to Mother's Day, when all Manitobans honour the women who raised them. Of course, it is not only mothers who play essential roles in our lives, and community members in OCN wanted to make this—take this opportunity to celebrate all women.

OCN is one of 14 communities across Manitoba that are running a pilot project called the maternal child health program. Workers make home visits to local families and help them deal with various parenting challenges.

These workers saw the need for an upbeat event to raise spirits and bring people and families together. They also recognized that respect for women, their voices and their decisions is essential in every community. This is how they came up with the idea for the Honouring Women Walk.

During the event, Elder Brian Ballantyne spoke on women's historical roles in First Nation communities, and the importance of nurturing female leaders. Children and youth, women and men joined the walk, and were accompanied by traditional drummers.

I would like to thank everyone who participated in this wonderful event. In particular, I would like to congratulate Erin Funk, Olive Lathlin, Beverly Young and Kim Young, who organized the walk along with many other eager staff members and volunteers. I know they are planning to make this an annual event because it successfully raised awareness about the issues families are dealing with every day, and because the walk brought smiles to many faces.

I look forward to attending the Honouring Women Walk for years to come.

Thank you.

Asessippi Ski Area

Mrs. Leanne Rowat (Riding Mountain): I'd like to take some time today to congratulate a treasure in the Riding Mountain constituency: Asessippi ski hill area and resort. This winter, Asessippi ski hill was successful in receiving international certification for a slalom course in both ladies' and men's alpine ski competition by the Fédération internationale de ski, FIS.

It's—it was a tremendous honour that Asessippi Ski Area is the first resort in either Manitoba or Saskatchewan to receive this certification. FIS is an international organization that directs the development and promotion of all ski and snowboard activities worldwide. Having opened Asessippi Ski Area and Resort with the FIS international recognition in mind, and hoping to one day be certified, the many people involved can give themselves a pat on the back. Their hard work and dedication to open Asessippi is rewarded as the resort got what they wanted this winter from the FIS and became an internationally recognized skiing destination.

Asessippi is a gem in the Riding Mountain constituency and one of the—and one of Manitoba's prized ski resorts. Boasting 25 ski runs for all levels, three chair lifts, snow tubing, two terrain parks, night skiing and comfortable accommodations near the hill, Asessippi Ski Area and Resort is a Manitoba must-see destination.

This winter, ski Manitoba hosted the Manitoba Cup, February 4th and 5th and the Manitoba Cup provincial championships on March 16th and 17th and 18th at the Asessippi Ski Area and Resort. This event gave Asessippi an opportunity to showcase its many unique attributes to skiers and visitors from all over Manitoba.

With close family ties to the Asessippi area, I can personally attest to the fact that the Asessippi Ski Area and Resort is a wonderful destination. My family and I have spent many days and many hours on the slopes and après ski. The resort is an economic driver for the community and surrounding area, but also a chance—it gives the families a chance to spend quality time together and experience Manitoba winters.

* (14:30)

Mr. Speaker, again, I would like to extend my sincere congratulations to the Asessippi ski area and resort on receiving international certification for a slalom course in both ladies' and men's alpine competition by the FIS. I wish them the best of luck in the future endeavours and look forward to another good year of skiing.

Thank you, Mr. Speaker.

Northern Manitoba 100th Anniversary

Mr. Clarence Pettersen (Flin Flon): Mr. Speaker, a hundred years ago, the provincial borders were extended to include the northern half of the province. What began as a geographically very small province in 1870 was enlarged to its present northern borders along the 60th parallel and the northeastern borders along Hudson Bay. This process, completed in 1912, enabled the original postage-stamp province to become the keystone province.

Mr. Speaker, the north of the province is vast, a region where black spruce and Jack pine populate one of the last intact regions of boreal forest left on earth, interspersed by an unimaginably large network of powerful rivers and lakes that scatter the Canadian shield.

This is a beautiful and awe-inspiring land, and a land I am proud to call home. And while this year northern Manitobans are celebrating the past 100 years, I'd like to speak to the future of the north, a place that holds untold potential for the future of Manitoba itself.

Northern Manitoba is rich in resources: forests, wildlife, hydroelectricity, fishing and mining are complimented by growing tourism and trade industries. Representing over 80 per cent of the province's total area, the north is key to Manitoba's future.

The history of northern Manitoba has not always been an equal partnership between the south and the north. First Nations and Métis people were often left out of their share of the wealth that the north has to offer. Mr. Speaker, this government has recognized this historical wrong and has actively incorporated First Nations and Métis partners into northern development strategies.

I am privileged to present many very different communities, from mining and resource towns such as Lynn Lake, Leaf Rapids, Cranberry Portage and Sherridon, to Cree communities: the First Nations of

Granville Lake, Mathias Colomb First Nation, OPCN South Indian Lake, Nisichawayasihk Cree Nation at Nelson House, Barren Lands First Nation at Brochet and the Dene First Nations of Northlands at Lac Brochet and Sayisi Dene at Tadoule Lake. All these communities are unique and have challenges and opportunities for growth and development.

I hope all members will join me in celebrating 100 years of Manitoba's north, and in recognizing its prosperous future.

Thank you, Mr. Speaker.

Citizens on Patrol Program

Mr. Ian Wishart (Portage la Prairie): I rise today to recognize the Citizens on Patrol Program in—celebrating its 20th anniversary on May 19th this year. The success and growth of the program over the span of 20 years has been a testament to the real difference the program has made to fostering the growth of a safe and secure community. Underpinning the success of the volunteer—of the program are 200 volunteers that the program has had over the course of the last two decades.

The beginning of the COPP program was in 1999—1991, sorry—when RCMP detachment Sergeant Howard Kearly saw the potential in a program that would recruit local volunteers to act as the eyes and ears of the community.

The role of volunteers is to communicate with the police on suspicious activities or persons. On a proactive basis, volunteers monitor homes of families that are on vacation.

Another important program is the Speedwatch summer program, which promotes safe driving practices. COPP also competes—completes, sorry—car audit—car theft audits at the local shopping centres. This work is only possible with the help of 42 community members currently serving as volunteers, six of whom have served more than 15 years.

Not only does Citizens on Patrol Program work to protect the community, but they also volunteer to raise funds for many other charitable organizations. For example, COPP holds an annual BBQ in partnership with the RCMP.

They also co-host a golf tournament to support charities such as Big Brothers Big Sisters, Heart and Stroke Foundation, KidSport and CancerCare, and many others. The fundraising efforts of COPP and

the RCMP help to further create a well-supported community.

Mr. Speaker, I am proud of the Citizens on Patrol Program has become a cornerstone of the vibrant Portage la Prairie community. We all feel safer and more at home knowing that the patrol program is keeping watch over our family and neighbours.

Mr. Speaker, I'd like to thank all of the volunteers who have been so dedicated to the program through the last 20 years. Not only has the Citizens on Patrol Program contributed to a safe and secure community, but it's been vital in making Portage la Prairie an ideal place to live and raise a family.

Thank you very much.

Mr. Speaker: Grievances? No grievances, then we'll move on to orders of the day.

ORDERS OF THE DAY

(Continued)

GOVERNMENT BUSINESS

House Business

Hon. Jennifer Howard (Government House Leader): Mr. Speaker, would you move us into Committee of Supply, please.

Mr. Speaker: The government business will now resolve into the Committee of Supply.

Mr. Deputy Speaker, please take the Chair.

COMMITTEE OF SUPPLY

(Concurrent Sections)

INFRASTRUCTURE AND TRANSPORTATION

* (14:40)

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, questioning for this department will proceed in a global manner.

The floor is now open for questions.

Mr. Cliff Cullen (Spruce Woods): Yes, I want to go back to some of yesterday's questions. You know, I made the statement about when people received

payments or partial payments under the Disaster Financial Assistance, it wasn't very clear in terms of spelling out what the payment was actually for, and I've taken the liberty to look at one example from one of my constituents, Ed Kruger [*phonetic*], in the Brandon area, who—certainly his area, his home and farm are subject to extensive flooding. And he'd indicated that he was paid \$12 for a gas pump that he used—and the pump was very large—when it actually cost him \$250 per day. So, when you get a payment back and a cheque related to it and—but the related statement is very—it doesn't contain any details, and that's pretty frustrating for the particular people that have claims. And I'd like some clarification on why those statements couldn't be more detailed so that people really understand what the payment's for.

Hon. Steve Ashton (Minister of Infrastructure and Transportation): Well, I certainly can't comment on this specific case, and if there are issues, I certainly encourage MLAs to make sure they do remind their constituents of the fact there is an appeal process. And as I outlined during our first hearings, that appeal process is a very fair process and does result, on occasion, a significant number, if you like, of cases which are upon review, particularly first-stage review, are revised. And, of course that's—you know, I'm talking about DFA. There's also a separate process for the MASC-related claims.

We certainly have no difficulty providing full detail upon explanation, and it's not unusual for that communication to take place, and I would certainly encourage in that particular case a member to advise that the particular expenses that are eligible. There's a very specific set of criteria. There's a federal-provincial program. It does deal with a whole series of elements, and we have, over the years, actually significant enhanced that coverage, going back to '97, for example, significant higher ceiling for residences.

We moved in '97, and we moved since then, to replacement cost for essential items, and there—you know, there's a whole system in calculating what is eligible and not is eligible, so in the general sense we are—you know I say we—EMO is more than happy to provide detailed information, and if people are of the view that the settlement is not according to what they interpreted the rules to be, then obviously they're able to appeal it at that point. And we certainly provide that information to people, as well. In fact, they can appeal it.

Mr. Cullen: Well, that's exactly my point. If the detailed report was provided to the individuals, I think you might avoid a lot of the appeal process. And that's why people get so frustrated. They're having to go to the appeal process, and, unfortunately, some of them are so frustrated they actually decide not to go through the appeal process. So it seems to be a matter of EMO is wearing the people down, and they're not—in my view, a lot of them aren't getting treated fairly and equitably, and, as a result, they abandon what I think is owing to them. And that, to me, is a big issue.

Mr. Ashton: Well, you know, I told the member—recognize the complexity of a lot of claims. In many cases, there are numerous payments that are made out.

One of the areas that has been changed over the last several years is, again, getting advanced payments out and getting payments out as soon as possible. And I certainly don't make any apologies for that. I think that was one of the key lessons coming out of the '97 flood, the fact that we needed the ability to speed up the turnaround in terms of claims.

I commit—I can be very clear. Our staff is not involved in any way, shape, or form in terms of wearing down claimants. I think it's important to note that often there are claims where people do suffer losses that aren't covered under DFA, and that's because DFA has very specific criteria. We talked yesterday about the insurability, you know, of one particular category. But it's no different for the—if you run through what's covered, again, there's some very specific requirements for the DFA program.

We have to be cognizant of that, by the way, because, quite frankly, if we submit anything that doesn't meet that list of requirements, then the taxpayers of Manitoba are on the hook 100 per cent. The 90 per cent federal cost sharing—well, it's a sliding scale, but assuming it's 90 per cent in a major flood—does not apply.

And I would not want to understate the degree to which—even the '97 flood, we were receiving payments back Province probably 2008—more than a decade later. It was a very extensive follow-up period. Even now, by the way—and I'm sure that we will recover, certainly, the DFA portion—we received \$50 million from the federal government, so we have to go through a whole process ourselves.

So, when our staff is interpreting the guidelines and ensuring that claims are legitimate, it's in no way, shape, or form intended to wear anyone down. It's very much intended to ensure that we have a program, that we follow the program criteria, and that we do get the assistance that people are eligible for to them. And if people are not happy with it, I would encourage them to appeal. As I said, we do have appeals; appeals have been successful in some cases. No two circumstances are alike. And I certainly don't want to assume that every determination by our staff is final, and, you know, on appeal, cannot be overturned. But I really want to stray—stress that our staff has done amazing job, I believe, and there's not one of our staff people that's got any intent of anything other than making sure that we deliver the DFA programming that we're responsible for.

Mr. Cullen: Well, thank you. I certainly appreciate the minister's comments on that. But, you know, we get to hear the other side of the story. We get to hear it from the people that haven't been dealt with properly, and I'm going to throw one example out here too.

I had a call from Fred Driedger, who lives near Brandon as well. Fairly significant homeowner claim as well as a farm claim, but in—back in February, he said, EMO began an internal review of their basement claim; as of May 4th, he had not received any information in terms of the status of that review. So I'm just wondering when Mr. Driedger might be able to expect a response to his ongoing claim.

Mr. Ashton: Yes, I won't comment on the specifics, obviously, but, certainly, we have EMO staff here—the staff from my office. And as we do with any and all claims, if there's any information we can help provide, we will. Again, the EMO staff does interpret the guidelines, follows the program criteria, but if there's any information we can assist with, we'll note that. And if we can get the contact details, we'll follow up.

Mr. Cullen: Yes. I will follow up with the minister's office, again, on those particular situations that hopefully they can be addressed in the near future.

I want to talk, you know, specifically about the sandpoint issue. You know, I've got some documentation here from just one example. And I know there's—well, your department probably know better, but certainly the community of Glenboro

every house in town has a sandpoint—pretty well every house, I would say 99 per cent of them would have a sandpoint in their basement. And, you know, some of those people were paid right up front without any questions asked, and some of them are just now receiving denial letters for that.

And, I guess, I just want to be clear on your—the process for payment. Like, I—anybody that had water in their basement, some people were paid straight up. They—you know, the adjuster would have a look at the damage, specific damage, and then, my understanding is, would just be able to write a cheque based on the assessment of the damage in that particular dwelling without having to submit invoices for replacement drywall, carpet, those types of thing. Is that, in fact, the process?

* (14:50)

Mr. Ashton: Well, first of all, the issue, and it—this is always, you know, the area that creates the most difficulty is in terms of basement flooding.

It is very clear that overland flooding is not insurable. It is therefore eligible under the DFA program. When you're looking at any other kind of flooding—and this, again, is the interpretation of the federal-provincial program that's been in place for many years; it's not our unique interpretation here in Manitoba—you end up with situations where if it is insurable, then it is not covered under DFA.

So it—you may end up with circumstances we have overland flooding in an area. That's not insurable; it's covered. If you have other types of flooding in basements, backups, whether it's this particular circumstance or backup due to, you know, thunderstorm activity, combined sewer overflow, you know, those type of situation—we've had it in Brandon, we've had it in Winnipeg back in '93—again, if insurance is available, DFA does not apply.

The basic process for claims, though, is—it is invoice-based. We do have to, again, be very cognizant of the fact this is—you know, we are responsible for delivering this program no matter what kind of cost-share we might get eventually. If we don't document it, then we're in a position of—well, you know, we're exposed as a Province and taxpayers of Manitoba are exposed.

So, there is a thorough process that does go through, but, you know, I think the key thing on basement flooding—again, I really want to stress this—it really depends on the circumstances, and I know

it's often a frustration. I know it was a frustration in northeast Winnipeg, Emerson a few years ago when there were major rainstorms, but the reality is if it is insurable, it's not eligible under DFA. That's the bottom line.

Mr. Cullen: Well, I'm going to, you know, talk about the community of Glenboro again. And, as I said yesterday, you know, being involved in the insurance business, in that particular community probably 90 per cent of the homeowners there are underwritten by three companies, and I will table for the minister those three companies and letters that we have received indicating that this particular type of loss is not covered under their specific policy.

And, you know, the minister indicated yesterday that there was one or two companies in the province, maybe three, that did provide that type of coverage. I know I've had residents ask EMO for that list of those companies and they were refused.

Is the minister prepared to table documentation from those respective companies showing that that particular coverage—I'm talking about the sandpoint situation—that coverage would be available for those particular situations?

Mr. Ashton: Well, and I want to stress again we did identify that some companies don't provide that insurance, but we have three that do and this—we have written confirmation. One is Co-operators; second is Federated Insurance; third is Red River Mutual. And I certainly appreciate that there are people that might be dealing with other insurance companies. I know one of them is my insurance company, and you know, I use it in Thompson, I have for quite a few years, Wawanesa.

But, again, under DFA guidelines, and this is standard across the country, if insurance is available—it's not a question of whether it's available from every insurance company; the question is whether it is available.

And I know the member, with his expertise and background on the insurance side, will know that there are many insurance companies—for example, there's some insurance companies won't insure certain areas, won't insure certain types of residences, will have differing requirements on, you know, whether fire protection is available, and I know that's an ongoing issue because I've had issues in my constituency and I've seen that elsewhere in the province. And it is a competitive market, so there are numerous insurance providers.

But I can tell you one thing. In this particular case, if you have three companies that do provide it, then, according to the guidelines under disaster financial assistance, it is available. It doesn't have to be available with every single company, and, certainly—and I won't advocate, you know, for peoples' dealings with their own private insurance company, but, certainly, I'm sure customers and brokers as well may wish to raise that with some of the insurance companies that don't provide this kind of insurance.

But it—it's one of the reasons—for example, and I—to give you some sense of the fact that it's not only applied in this circumstance: tornadoes. Tornadoes are treated differently by the insurance industry from floods, and when we had the significant damage from the level 5 tornado a number of years ago in Elie and elsewhere in the province, a lot of that damage was recoverable under insurance because it is an insurable loss. So we apply it in various different circumstances, in this case, as I stated yesterday, I'm certainly aware that there were—there are three companies don't provide that coverage, but when you have three companies that do, under the guidelines, it's clearly available. And, again, DFA is there, not as a substitute for insurance, it's there where insurance is not available and—not by a single company, but by the industry, generally. So, yes, you have three companies that don't provide it, but you also have three that do, and we did go through a lot of due diligence on this, I can assure the member. And it really came down to when you have three companies to provide the insurance, it clearly, then, becomes very different than a, you know, non-insurable situation.

Mr. Cullen: The question was, would the minister share that information that he received from those companies? Would the minister table those documents that he received from those companies?

Mr. Ashton: I'll track it down, but it—you know, again, I can assure the member that's the case. I believe it's—you know, we've confirmed by email. We've certainly confirmed in writing it's available.

I just want to stress, too, that if there's any disagreement on a specific ruling, whether it's on this or related matters, people can appeal, you know, the determination from the EMO staff. And I ran through this and I'll repeat it again. Those appeals do, on occasion, result in—well, actually, there were a number of cases where they were changed on the first review from the original adjudication. So we

have not only the rules, regulations that are followed; we also have an appeal process. And I encourage people to pursue any concerns they have about a claim through the appeal process.

Mr. Cullen: Well, that's another point is—you know, there was a lot of—probably half of the houses in Glenboro were impacted by having water in the basement, and the question is, who is making that determination whether the water is coming from, you know, around the foundation or whether it's actually coming up through the sandpoints? You know, that gets to be a bit of a dicey call, I would think.

Mr. Ashton: There's a fair amount of experience with this. The staff that go out do make that determination based on examination of the overall circumstance, and, you know, the individual circumstance in the particular home or business or farm, so it's something where, again, it's often fairly easy to determine from circumstance. Maybe in some other cases it isn't, but, again, these were all issues that can be appealed, as well. There's no finality and we do get people go through appeal process, and some are successful. So, if people don't agree, then we do have that option available.

Mr. Cullen: Well, yes, and I don't see what's different than back in 2005 when we had high precipitation and a lot of claims as well. I know that the minister made comments that those claims were denied, but that certainly was not my experience going back in 2005, and I just wonder if the minister could have his staff have a look at, you know, those claims that were submitted back in 2005 in the July rainstorm, and if he could indicate to me at some point down the road, you know, how many of those claims were denied and how many were actually paid out. Would the minister be able to undertake that for me?

Mr. Ashton: Yes, again, I'm advised that that was the case, and if it was determined at the time that it was *[inaudible]* at the sandpoint wells, that being an insurable item, that they would have been denied at that time.

* (15:00)

And I want to stress that maybe in other situations, we had overland flooding or other circumstances that—or people may have been successful. And that's not unusual in these type of scenarios where, again, when you have areas where insurance is available and people don't follow through with it, and I—we are working with the

insurance industry. I know, with brokers, et cetera, I'm the poster person for that; I went to renew my insurance a few years ago and my broker asked me if I had sewer backup insurance, and I didn't. I'm—I was actually on high ground; I thought it wasn't really worthwhile. Well, after having a sewer backup a year and a half later, just before Christmas, which had created significant damage to the home, I'm thankful that I had the insurance broker reminding me of that; the cost of coverage is about \$30. And I actually have filed a second claim on that, more recently, when we had a plumbing mistake. I'll just leave it at that.

So I know from experience that there are all sorts of situations where people do have eligibility for insurance and don't follow through with the insurance. And one of the key things that we have identified with EMO is really—and the industry—with the Insurance Brokers Association of Manitoba and others, you know, in the industry is, it's certainly the need to get more information out on what is covered and what isn't because, to my mind, if people are able to get coverage, that's the best-case scenario for everyone involved. I'm a great believer in buying insurance. But we—there's a lot—there's a lack in a lot of cases of knowledge.

The other issue we're dealing with, by the way, with a lot of cases, is often people lacking tenant's insurance, which I think a lot of people aren't aware of, you know, some of the impacts when you get, you know, various problems that do develop if you don't have tenant's content insurance. And, again, you know, this is—and I realize it's not strictly related to the, you know, the insurability issue but, you know, I do think there is a role here that we all have to play, in getting the industry included in getting out the message what's insured and what's not, and what's insurable and what's not.

Mr. Larry Maguire (Arthur-Virden): Just like to back up what my colleague has said from Spruce Woods, Mr. Minister, Mr. Chairman, the circumstance in the town of Oak Lake's—quite sandy soil in that area. Virtually every basement was impacted by this type of, you know, of sandpoints. A lot of them were impacted by this type of flooding in their basements and all—virtually all of them have been refused, from what I understand. Some appeals going in, at least I've heard from a number of them.

And the community of Virden, there's also a lot from the—and the sand hills west of Hartney all the way out to Tilston in that area near the Saskatchewan

border, there's a high—the water table in that aquifer area was above the ground last year and, of course, there was a great deal of basement flooding.

But I concur with my colleague that I would also request that the minister supply us with written statements from each of the insurance companies that he's speaking about, saying that they will not cover insurance if there's a sandpoint in your basement, because I have conflicting documentation in regards to at least one of the companies that he mentioned yesterday, and so I'd be very interested in seeing whether that same company is telling the minister one thing and me another one in regards to what can be applied and not covered here.

And so that's the confusion, I think, why people are frustrated. I do have a lot of people are telling me the same thing, that they just—they don't even apply anymore because they've thrown up their hands. They say we're not getting anywhere; we're just being told to reapply and reapply, and yet, they paid us such a small amount that we don't know what we should appeal for because there's no documentation as to what they were paid on, and 80 per cent of their claim is still outstanding.

So I think it's very unfair to do that to citizens. I mean, if they're going to be covered for a portion of it, maybe we could at least tell them what portion of it they're being covered for in the letter that they get. And I think it's only fair that if we're going to have an appeal process, that it'd be one that's fair to the citizens that are actually not being paid in the first place.

And so if the minister could supply us with that kind of information, I'd certainly appreciate it.

Mr. Ashton: Well, I—well, I'm assuming, though, that, you know—and, again, this case we're talking about situations where you've had interim payments—not unusual to have a series of payments. It's not unusual for people to have a series of elements within a claim because there are various things that can be impacted. You know, whether you're a homeowner or a producer or, you know, in a business situation, that is not unusual.

And, again, the, you know, the point at which people proceed to appeal is actually when the case is closed. One of the key elements if it's not closed is often that there is some back and forth between the claimant and EMO, either in terms of quotes, either in terms of claims, you know, documentation, or in terms of damage. And it's not unusual where you end

up with a multi-year flood because last year and this year, you know, people were impacted, many people are only just getting back to the point of even being able to get in for cleanup and recovery in parts of the province, that you will end up with claims that run over a significant period of time.

And I do want to stress that a detailed analysis of the claims is available. Our staff do communicate, do very specifically identify what has been indicated as being eligible, so that is the case. And I do want to put on the record, by the way, that, combined with all of the claims this year, we have 30,000 claims. That's triple the number from 1997.

Our staff has put in a lot of time—extra hours. We brought in additional staff as well, so I do want to put on the record that I know there's always frustrations, and by the way, I always defer to flood victims in terms of expressing any and all frustrations, any and all elements of the flood response to recovery, et cetera. But I do want to indicate that our staff are dealing with historic numbers of claims, and as I speak, it's now in May of the following year from the flood, and we've paid out \$650 million in various different forms.

We're looking at in the range of \$300 million from DFA alone, so I wouldn't want to leave the impression that we aren't making significant progress. Have we resolved all the claims? No. Will there be back and forth with claimants? Absolutely. That's not unusual.

But I do want to stress that we are very significantly making progress, and I, you know, I note that even as of last month we had 1,904 out of 40–399 private claims, that includes First Nations, closed, period. So totally resolved. That means—are there others open? Absolutely.

And our goal is to get as many of them closed as possible, and obviously in some cases that may go to an appeal, but there's so many Manitobans that have a 'partional' claim that has been adjudicated, and we're working—our goal is to get 100 per cent of the claims closed.

Mr. Maguire: You know, I'd just like to thank the minister for that, but I'm only asking these questions for his—so that he knows about it as well and to try and get some results. I understand there's various stages, but maybe a letter when the cheque goes out, the letter could go with them to tell the people what they've got the money for and what they're not being paid, and if it's an interim payment or if it's not.

And I think that there—that would only be a courtesy, I think, to the individuals that are receiving funds. If that could be done, I think it would save, as my colleague from Spruce Woods has indicated, save the government and the individuals a lot of time and frustration in going back and forth dealing with these issues.

So I just thank the minister for that.

Mr. Ashton: Why, certainly, you know, I welcome questions and the, you know, the general feedback. I do want to indicate, by the way, that, you know, certainly we always examine our procedures after any major event. You know, our goal is really to get the cheques out, I mean, to be upfront. You know, I would be wary of an unnecessary layer of documentation, you know, that would slow that down, because obviously any time you prepare a document, any time you communicate back and forth, any time if you put anything to paper, the member knows that, I'm sure. You know, he sends me letters on a regular basis. Those things do take time and they take time away from other things, you know.

I don't want to stress that that is an element we have to look at, but we'll certainly look at it. If there are ways we can improve communication down the line, we certainly will. And I appreciate the advice from all members who have been raising these questions.

Mrs. Leanne Rowat (Riding Mountain): I thank you for the opportunity to ask some questions.

I'm not going to re-ask similar questions that were presented here today. There are a lot of individual cases in Riding Mountain as well that are very similar to the situations raised by my colleagues here today.

* (15:10)

In the area of St-Lazare we have several families that are still displaced. And I guess I'm just wanting to know what your, you know, what the position is going to be with regard to buyouts of flood-damaged homes that have been so badly damaged that they're not going to be able to, you know, rebuild them?

Mr. Ashton: Yes, a similar question was asked last week and, without getting into the full detail, the answer—buyouts would—be definitely on the table. Our first goal, as the case in any flood restoration, is to get people back in their homes. We certainly recognize, though, in '97 one of the components of

the protection of the Red River Valley was the buyout program, and it was done where repair and/or replacement of the home and/or flood protection was not 'practicable'.

And we also, in 2009, moved proactively to support municipal buyouts of the number of chronically flood-affected areas and also the Crown land, Breezy Point. So we have experience with both those floods. We are, obviously, going to be dealing with the same situation following the—well, I was going to call it the 2011 flood, but for a lot of people it really is the 2011 and 2012 flood. And we are anticipating—as well, we've asked Ron Bell, the—who's had a fair amount of exposure, not least of which there was background as president of the AMM, but also his current role as appeals commissioner for a lot of the programs we've set up, as a clearer view of what's happening. We've also asked him for recommendations in terms of buyouts, and as we get into this next stage of flood recovery that will really be where—that will be the determination.

But I do want to stress, and I'm—did put this on the record before, our No. 1 goal is to get communities back. I mean, we're looking, obviously, at the residences, but the municipalities were obviously very concerned about, you know, if we were into a significant number of buyouts that were for anything other than the kind of criteria I talked about, that would have a significant impact on the tax base. You know, which again impacts on remaining residents.

So even though it's—it is an option, and I'm anticipating there will be some buyouts, it will be something that will be really an element of the flood protection strategy, not a stand alone.

Mrs. Rowat: I understand it's going to probably be a case-by-case type situation. But some residents in the St-Lazare area are still not in their homes. One individual spent most of the winter in his car because he was told that the Province wouldn't cover his hotel costs anymore. And we did—I think there was some discussion to get him into a hotel, and it was then a personal decision not to use the hotel, but he did spend most of the winter in the—in his car.

He's now trying to get some sense of how to get back into his house. I've been in the house; it's not a pretty site. I don't know how he's going to be able to prepare the flood—or repair the flood damage. I think what was offered to him was a new furnace. I think

he needs a, you know, to look at something other than a—just a new furnace.

So the reason I'm asking this is because I think this individual would be interested in knowing if this is something that'll work for him.

Mr. Ashton: Yes, I can't get into specific cases for obvious reasons. In a general sense, though, I could just say that it's not unusual where you do have some cases, disputes that go beyond the, you know, the immediate flood. If there's a determination by DF—you know, or the people that—at EMO that deal with the DFA program—it's not—the damage is not entirely flood related, that there's any, you know, pre-existing issues, in some cases you do get disputes over, you know, whether that's the case or not.

And I do want to stress that we—in a general sense, I could tell you we take very seriously each and every case. And there're all sorts of supports that are put in place during a flood to ensure that people are able to have appropriate accommodation. But, again, I don't—one of the reason I don't get into talking about the specific cases, I just—you know, we do, through the minister's office, we do try and get some communication with EMO. But I don't interfere one way or the other and I don't think the member would want us to interfere on specific cases.

I'm also very reluctant to get in specific cases, well, on the public record, because, you know, in the end, whatever I say is parcel information. What the member brings forward is parcel information. There's, you know, what we have on the files, but there's also what the claimant has. And one of the reasons I'd always encourage people to look at the appeal process, again, is because if they're not happy, they do have that ability to go through the appeal process, which is a very fair process. And all these issues are brought out, and, you know, I'd rather leave it at that.

You know, I could talk broad policies, but I don't think it would be appropriate if I got into even indirect comments on specific cases.

Mrs. Rowat: I guess I just want to follow up on what the member for Arthur-Virden (Mr. Maguire) indicated. If there was some clear indication of what is covered and what isn't covered and the reasons why, I think some—you know, some clear indication of, if something's not covered, the reasons why. And I think a lot of people are looking for, you know, they don't—they're not expecting a hundred per cent coverage in a lot of these places, in these—my

communities anyways, but they are looking for reasons why something isn't covered. So I do appreciate the comments earlier and the minister's interest in working through that.

Another area that I just wanted to ask some questions of the minister is the Shellmouth Dam area. I know that there's been discussion with SAVED, which is an organization of seven municipalities up in that area and some, you know, promises and discussions from years past. I just want to know if the minister can indicate to me if the project—if they're looking at doing any work with regard to the gates or whatever, will there be an environmental approval process that will have to be followed for that?

Mr. Ashton: Yes, what I was going to suggest—I do have MIT staff that are here. It's not something EMO deals with, so, perhaps, if I could just ask my deputy to come to the front and also Steve Topping, who'll deal with this. *[interjection]* Actually, why don't—I have a feeling EMO may be back after—*[interjection]* I'll have EMO staff here.

What I can indicate, by the way, on the Shellmouth Dam, I—you know, first of all, I think the member's more than aware of the role that the Shellmouth Dam played this past year. It was absolute lifesaver. I think, you know, in years like this, we often tend or forget that there's significant elements for our flood system and that the Shellmouth Dam is one of them.

The key issue, by the way, on the Shellmouth, is the, you know, with the gates, that there is ability to enhance its role and it's a dual role. I mean, it provides control that ensures water supply in the Assiniboine River, as the member knows, as well as the ability to help regulate, in terms of flood situations.

And I do want to stress that even though at our peak situation last year, actually having the enhancement at the Shellmouth Dam wouldn't have actually enhanced our flood-control abilities because we were already, you know, beyond the level on the overflows. It's still an issue that we're pursuing.

Probably the major delay on it thus far has been the federal government initially took on the project. It's got a bit of history, as the member knows, with PFRA, jointly federally—you know, federal and provincial construction, I believe in the early '70s. And the federal agency that was responsible for this did withdraw from it, which has created some delays.

And just in a general comment, as well, I just want to add that I think the member is aware of this, that there's also a long history in and around the Shellmouth area and the SAVED but also, with others of, should I say, competing varying views of what should happen.

And we have, over the last number of years, moved to statutory compensation as a recognition of some of the impacts in the area. So we also have to take very seriously not only environmental issues but also the various issues in and around the immediate area of the member's constituents, and in terms of the environmental process, we—I mean, I'm assuming we would be subject to the current federal requirements as well as, you know, provincial. Of course, federal requirements are now in flux.

There is new legislation that we're obviously looking at in terms of its impact on our projects, including the Shellmouth. The—I know the federal process *[inaudible]* streamlining it. I'm not getting into that debate, whether it's good, bad or indifferent, but that is what's happening. But we would have to go through, you know, the normal environmental processes and that includes certainly—probably the main thing we're dealing with these kind of projects, which is DFO.

* (15:20)

Mrs. Rowat: And I've been following fairly closely what the federal government is saying with regard to environmental processes, and the concern from SAVED and from many of the landowners in that area is they really want to see an environmental process take place. So they've been asking me if I could ask you, specifically, if you can indicate a start or a start date that this may be something to be considered.

Mr. Ashton: I just got the process confirmed that we would be—our intent is to file for an environmental licence this fall. It does require an environmental licence, any project of this nature does, and we would of have filed that with the appropriate federal body this fall.

Mrs. Rowat: So when you're asking for an environmental process, there'll be a process to that? There will be consultation with the community? They will be aware, given a heads-up and they will be able to, you know, be, I guess, aware and in-tune with this process?

Mr. Ashton: Was—yes, and there's a whole series of layers to this. There's the consultations, both of the

broader community and the constitutionally required First Nations consultations. So, quite apart from the licencing process, I want to stress that there, you know, that's a key element.

The specific process, again, because, again, there's both federal and provincial elements, remains to be seen. There is possibility of a joint process or, you know, you could have separate processes, but we will be filing, as I said, this fall and there will be opportunities for—whatever the process is—for public involvement. Not consultation in the general sense, but actually on the environmental issues that will be clearly identified in our licence application.

Mrs. Rowat: The prior minister indicated there would be consultations with the community at the local level to address some of the stakeholders' concerns with regard to the proposed project of the leaf gates. My understanding is those meetings have never taken place.

As the current minister, or new minister, to this project, can you indicate to me why those meetings didn't take place and would he commit it to a consultation process with the—at the local level?

Mr. Ashton: There have been some public meetings. There is a website, as well, which keeps people updated on terms of current developments and, certainly, there'll be various opportunities coming up in the future.

And I do want to stress, too, that one of the key areas that we've been impacted on, in terms of the department and, of course, we now have subsumed some of the water stewardship functions as well as, actually, most of the focus this past year has, quite understandably, been on the flood itself, so, you know, we've had to put a significant amount of attention on that.

But there will be every opportunity, both for indirect, when I say indirect, non-environmental based consultation as we proceed, and the key thing will be this fall when we do file for the environmental licence.

Mrs. Rowat: I'm sorry, I didn't hear you. You said prior to the environmental licence there'll be consultation discussions?

Mr. Ashton: Well, we're going to continue to have ongoing consultations, but there—I just want to separate out, us meeting, having a consultative track with First Nations or any of the stakeholders, that's one end of it.

The other end is, as soon as we got—the licencing process then, there—depending on the process itself, because it's federal provincial; it might be joint, it might be separate, and the member commented, you know, I commented there are some changes happening at the federal level.

Then there's, you know, more formal processes that take place in terms of that, whether it's under, you know, if it goes to Clean Environment Commission or a federal review or a combined review. So in addition to any and all of the kind of consultations that we do have on an ongoing basis, there will be that opportunity as well.

I can assure the member—and she knows this area really well. She knows a lot of the key players. I have no doubt there'll be very active participation and a lot of feedback. There always is when it comes to Shellmouth Dam, and that's a positive thing.

Mrs. Rowat: And there have—was a lot of damage, you know, in the Lake of the Prairies area this spring too, as in other areas. So, you know, there's some concern and people want to be involved in that process, and SAVED is an organization, I think, that has some good points and needs to be respected in that area.

I know that they've been working with a gentleman that has been seconded from the federal government. Could you—do you know this individual and what his role would be with the project?

Mr. Ashton: I'm advised the name of the individual is Tony Kettler—has been seconded from the federal government.

Mrs. Rowat: Can you indicate to me what the provincial government's financial commitment is to this project? Has that been determined?

Mr. Ashton: Yes, the—I'm advised the original commitment was for \$8 million and that was revised to 10 and, of course, as is the case with projects of this nature, costs can and do evolve, so we'll certainly be following that. And, of course, if there's any revisions related to our general consultations or the environmental licensing requirements, that can have financial impacts, as well. But that's our current financial commitment.

Mrs. Rowat: On July 8th, when we were doing one of our ministerial flood briefings, there was a staff person with MIT that said that the gate project at Shellmouth is still an approved capital project, and I appreciate the numbers that the minister has shared.

He also indicated that it's a very complicated project requiring full environmental licensing. So based on the conversation today, I'm assuming that that process will take place. If not—if the minister can correct me if I'm wrong with regard to that.

And I guess timelines—how long do you think it will take to get the environmental requirements met?

Mr. Ashton: Well, I was going to say I'll give two generational answers here. That's either the \$64 question or the million-dollar question here; just take your pick.

When it comes to environmental licensing, that is a question I certainly couldn't answer. We're the proponent through MIT. A lot of it will depend on what the environmental licensing process is, and then it's up to the agencies responsible for that environmental process—agency or agencies—as to how long it would take and what the requirements are. It's no different than any other project, and certainly, our hope would be that it would be thorough, but, you know, not overly lengthy, because we would like to complete the project. But having said that, we're like a lot of other proponents. When you're dealing with agencies that are—either directly license or have regulatory abilities, and we deal with many—well, this is provincial, but there's also federal agencies.

Again, that is the—can I say, that's a good question, and leave it at that. I wish I could tell the member, but, the—you know, we don't control—that's the one element we don't control.

Mrs. Rowat: I have another short set of questions on the Shellmouth Dam and other control works management and compensation act. I don't want these gentlemen to leave the table if it's—it would be these gentlemen that would still be part of that process with regard to the act.

Mr. Ashton: Yes.

Mrs. Rowat: The upper valley—or upper Assiniboine Valley producers have been trying to get a meeting to determine, you know, what types of programs and compensation packages are available to them. This is an area that covers—and I'm sure the minister's aware—operations that are located from Shellmouth all the way to—up to St-Lazare in my constituency, and I know there's others along the Assiniboine. But they're wanting to know—just sort of to get a better or clearer explanation of the programs, how they work and how these certain programs will be applied to the act, and these are producers who I think have been

working very hard at trying to get past the confusion and concern and trying to get some answers.

* (15:30)

So I'm just wanting to know if the minister could share with me what his thoughts are and how he feels he can help address these concerns for the upper Assiniboine Valley producers.

Mr. Ashton: Well, the key here, of course, is the separation out of impacts of artificial flooding, which is the basic parameter for the legislation that the member has referred to, and other types of damage. You know, we did get a significant amount of rainfall last year, for example, and there are other impacts that may result from other environmental factors. We did pay out compensation advised in 2009 and 2010 under the act, and if there's any confusion over the act or its interpretation of program under the act, I'd be more pleased to set up a meeting with the technical staff that know the act and know the kind of expenses that have been covered in the past. So if the member wants to perhaps arrange that through my office, we'll co-ordinate that.

Mrs. Rowat: And I know that there's a lot of concern up in that area with regard to the act and the process that is attached to that.

To my knowledge, this report hasn't been released yet; the report that the minister is supposed to provide with regard to damages occurred in 2011. They were led to believe that this would be issued late February or early in March, so it's—it makes a little bit complicated for the individuals to apply under this act when the report is not available.

Mr. Ashton: We're waiting for the consultants to complete the report. I certainly acknowledge that, you know, we are into May now, but, again, it was a historic year last year, both in terms of the impacts of the flood—that did put a lot of resources into the actual flood fighting itself, but even on the modeling from the consultants, to be fair, again, it's—we're doing some unprecedented scenarios. And the key issue here is the determination of what is artificial flooding. So we, you know, we know there was flooding. When it comes to the act, this is about artificial flooding, and they're currently working on it, and as soon as we're in receipt of that report, we're then in a position to determine what, if anything, is actually eligible under the act. I want to stress again, '09-2010, we did have coverage under the act. So the act does provide real coverage, and something that really reflects the similar experience in the Red River

Valley, the floodway legislation we, you know, we adopted quite some time ago. So, as soon as we get the report, we'll be able to determine what the damage is, and I'm hoping soon. Yes. We're all hoping soon.

Mrs. Rowat: Could the minister provide sort of a timeline for me so that I can go—then go back to the producers and give them at least some good news with regard to when this report will be available?

Mr. Ashton: I wish I could, but, again, we're still dealing with the flood. We're dealing with all the aspects of the flood. The same consultants that we're dealing with here have been involved with the flood since last year. So when I say soon, I could say sooner rather than later. I mean, it's not our choice here. It really is just a question of the resources from a consultant and being able to do it, and, also, the complexity, by the way. I would not underestimate the complexity of trying to determine what's artificial in a year that was not normal. Period. When we broke all the historic records on the Assiniboine everywhere in the watershed, you know, the Souris River, I mean, you name it. Throughout the flood affected areas we have new benchmarks and that does create challenges, as well, because they also have to—they have to model sort of what would have happened without the Shellmouth, without, you know, other elements of the flood-control system.

So we're hoping to get it soon as possible, and I can—but I will assure the member, as soon as we get the report, we'll then, you know, if there's any costs that people have incurred or any damage that's happened that is eligible, we'll move as soon as possible to move that out. The only thing really holding it up is [*inaudible*] the consultant's report.

Mrs. Rowat: I guess I just want to, again, stress that claims under Bill 27, without knowledge of accounting under the disaster financial assistance program, is—it makes it complicated and very difficult for individuals to, you know, move forward. Emergency situations have been declared, but there's been really no information on the amounts to be paid under this program. So I just, you know, want to, again, indicate that this is something that people are waiting for, and the sooner the better.

Were there any deadlines under the act to present this report?

Mr. Ashton: Not as far as I know. And I do want to stress, you know, in previous years, I mean, we've received the reports in '09-010. [*interjection*] Yes, so

we—they—you know, we have been able to—I mean, the system does work. It's a exceptional year; that's the reality. And I certainly appreciate—the member's quite correct. There are other costs that are DFA eligible, but, you know, those, again, are more easily identified. This, though, goes above and beyond DFA, and reflects the unique nature of the flooding—where it is eligible. So we've had eligible flooding in '09; we've had it in 2010. And if there's any flooding coming out 2011 that is eligible under the impacts—soon as we get that report we'll be able to process.

I wish I could provide [*inaudible*] determination, but this is not unlike what we've dealt with across the board. I mean, we've got everything from highways projects through to this determination that have been impacted by the fact that we had to throw every last resource into fighting the flood. And now we're into recovery—some flooding still. You know, as we get back into a more normal situation, these are the kind of things that will be done. So I'm hoping it will be done sooner rather than later. It's certainly later than we'd have had in normal years, but as soon as we get it we'll make sure that we get the coverage to people that they're entitled to.

Mr. Stuart Briese (Agassiz): I've got a couple of more questions for the DFA—EMO people.

I'd, firstly, like an update on, I think it's from 2009, the homes that were being bought out in the Breezy Point area, and I think it—that—the area where they decided they were going to purchase the homes on—north of Winnipeg on the Red River. Has that process been completed? How many have been bought out and removed? How many are still in the area?

Mr. Ashton: It's 13 on St Peters Road, and the Breezy Point Crown land was bought out. And I do have some of the answers to questions, and I—what I was going to suggest is, because some of this may lead to follow-up questions—I know we were talking about tabling them, but it's actually fairly short—so with the indulgence of the committee, I'll run through some—I'll start with some of the housekeeping questions—names of deputy minister's staff.

* (15:40)

I think we did put on the record the name of minister's staffs. Deputy minister's staff: Teresa Hooper, Debbie Draward, Anne Lenius. Number of staff currently employed in MIT, 3,072. Names, new hires and whether or not they were hired through competition—it is a very big department, so I'll give

you—I can give you numbers: it's 107 regular full-time, 101 term, 104 casual, 301 departmental.

And what positions reclassified: 232 positions were reclassified in 2011-12. Current vacancy rate, total vacancies in BA15—there's different sections here. As of the 20th of April, 187.35. The total vacancies in VEMA, 30.5; MDA—these are, you know, special operating issues of course, four; CLPA, 6; and I have the percentages as well. It's 13.98, 15.02, 4.73 per cent, 10.62.

We do have travel paid for by MIT. It's available on the website. I have the link.

List of staff retired. Total number of staff that retired from MIT last year was 100. List of contract positions, we have one contract position. The department's usual practice to rehire retirees either on term or casual and we did, as I indicated, rely on their expertise.

In fact, speaking of which, the next question was a list of retirees brought back for the flood and other reasons, 26 retired employees. List positions that moved from rural and northern Manitoba—Winnipeg and vice versa, a result of amalgamations, organizations. None. How many contracts have been let by MIT for \$25,000 or more and what were those contracts awarded to? MIT has 1,039 contracts for a total of \$506,093,496 and I'm wondering if the critic wants a list of all 1,039. That can be arranged. And we do have itemized contracts available.

Again, I'm not sure that's something can really be printed in *Hansard*, but it's more than available.

Moving ahead to the questions raised on Monday, May 14th, on EMO Estimates. What was the \$160,000 expenditure for what was announced related for that—was announced related to flood forecasting. Majority of the funding is for 22 new hydrometric stations be operated by Environment Canada. Funding is also for a new Aquarius hydrometric software program, community collaborative rain, hail, and snow network. It's a volunteer network that inputs rainfall and snow data into a web-based database. To date, 50 volunteers have signed up, so, very encouraging.

Second question: What are the MIT staff overtime hours and costs during the flood? Mr. Chairperson, 129,330 hours, a total of \$4.15 million. So a very major effort by our staff. I'm advised a thousand staff. That involved a thousand staff at peak.

And what is the current flow through of the Lake St. Martin emergency channel? It's 4,000 cfs. What was the design flow of the Lake St. Martin emergency channel? Five thousand cfs at lake elevation of 802 feet, ASL. When the channel went into operation, Lake St. Martin was at elevation 804.5 and, therefore, the flow in the channel was approximately 7,500. So, again, the higher the level, the more the push in the—both through the Fairford and Lake St. Martin.

Why is Lake St. Martin not falling faster when it is so much smaller than Lake Manitoba? Generally, flow into Lake St. Martin is equalling flow out. Approximately 11,000 cfs is flowing through the Fairford River control structure and 7,000 is flowing out through the Dauphin River and 4,000 is flowing out through the emergency channel. So you got the Dauphin River and the channel which are equivalent to the inflow.

What is the breakdown of the \$100-million estimate for the Lake St. Martin emergency channel and has this all been spelt? Total budget, we put a general parameter on it, about \$100 million; current expenditure is about \$63.2 million; channel construction, \$50-million budget, the actual \$40 million—or the actual's around \$40 million, which includes Reach 1 and Reach 3; Dauphin River emergency dikes, \$8 million—again, that was part of the associated work. That actually cost us \$10 million; PR 513 and the winter road access restoration, \$5-million budget, actual \$4 million; engineering budget, originally 10, actual 8; environmental monitoring including an engineering—we've got environmental mitigation, a \$10-million budget; there's been no expenditures as of yet; miscellaneous flood mitigation, budget \$1 million, we've had \$1 million spent on additional diking; Aboriginal consultation and community benefits agreements, \$60-million budget—and the Aboriginal consultations, .2 million, and that—this—those—the figure of these expenditures doesn't include that; an additional \$10-million forecast to widen and raise PR 50 unrelated to the emergency channel. So that's sort of a current breakdown.

What is the status of Reach 3? Was it complete and why wasn't it used? Reach 3 is substantially complete, but to—not put in operation because of mild weather. It resulted in lower Dauphin River ice levels that—than expected based on local experience and a sophisticated computer. And, also, is there a plan to block off for each one? Yes, once, Lake St. Martin, Lake Manitoba reached the top end of their regulated

levels, which is expected by November of this year. And again, that's reflected—it's a—it was there for emergency purposes, and once we're back to regulatory levels it will be closed off.

The engineering report recommended, at Fairford bypass, what is going to be built? I answered: It's still on the table. And, again, I refer what my comments on Monday.

Have the rules of the operation of the Portage Diversion been changed since it was originally built? No, but due to record Assiniboine flows the Portage Diversion was the only logical route and there was a very significant ridge of—risk of uncontrolled breaches in the—over Assiniboine River.

And, of course, as I've indicated, with significant flooding, even without the Portage Diversion, historical evidence that was, you know, flows into Lake Manitoba.

So I appreciate the indulgence of the committee, but I thought the member might want to hear the answers to those questions, and I'm sure there may be some follow up based on that. And I will provide this to *Hansard* afterwards, but I'll keep this here for note purposes.

Mr. Briese: Just back to the Breezy Point one that I started with here. Are there still some more homes there that are in jeopardy that you had an intent to buy out or move out?

Mr. Ashton: No. The buyouts are complete.

Mr. Briese: Is there any—there was another area there, and I can't think of the name of it, another area where there was some homes or cottages removed too?

Mr. Ashton: St. Peter's our only work with the municipality. We worked the municipality there, you know, the municipal area, to buy out those homes, as well, which were flood, you know, flood risk.

Mr. Briese: Was there a federal component to those buyouts?

Mr. Ashton: I wish there was. There isn't—it's one of the weaknesses of our national approach on mitigation. Unless we have a specific program that covers this there—you know, there isn't, you know, particularly in the Crown lands—we do have some ability through DFA, where you have homes that are destroyed, you know, to have essentially a buyout. So that's about the only component that is covered, you know, either through DFA, if it's eligible, or

through federal, you know, a dedicated program, but we essentially undertook that as a provincial initiative.

Mr. Briese: I'm just trying to catch up a few tale ends here, but—and some of them are a little bit specific. There's an area up toward Kinosota, it's called Margaret Bruce Beach, it belongs to the Province. Jim Bruce, who is the grandson of the Margaret Bruce that it's named for, essentially leases it from the Province and he looks after trailers being parked there. And it's a beach; it's the only beach in that area that's really good enough for people to use. And with the flood last year, that's where a lot of that shoreline that went missing got deposited. He's got 15-foot sand dunes there now and he's bought a pay loader and started trying to move it, and he's having quite a go at it and he's not getting it moved very quickly. It's—there's a pile of it. He is keeping track of his hours. Will that constitute disaster financial assistances?

Mr. Ashton: Well, again, I—I'm always hesitant to get into a specific cases or costs that are eligible under that, including some of the restoration costs.

* (15:50)

So my advice on that is that he should make sure he's in contact with the appropriate officials to—you know, to ensure that he's following through in terms of proper procedures. So, yes, I don't know the specifics. Even if I did, I wouldn't answer, because, you know, ministers that get into specific cases really—it really is a slippery slope. You know, and to be fair to the claimants themselves, you know, I—what I always advise is to contact my office and we'll, you know, if there's been some difficulty in getting any information, we'll make sure they get the information.

Mr. Briese: I'll ask you one or two more on the new—the Lake St. Martin diversion. The figures you just read out there a moment ago indicated that you got 11,000 cfs coming through Fairford and 11,000 going out in the two outsources, the channel and the Dauphin River.

That would lead me to believe, and you can correct me if I'm wrong, if there had have been any need for the use of the Portage Diversion this year, all we would have been doing would be flooding again, because you're only keeping up to what the—we've had a—an exceptionally good year since about July of last year, all the way through, precipitation rise, and so the diversion didn't have to be used this

year, but it's been used more years than it hasn't been used in the last decade.

And so, if we had had anything normal here—what have we accomplished with this channel? We took some off of Lake Manitoba. Evaporation took a heck of a lot more of it off last summer than the—what's been going out through Fairford, I would suggest. And I'm just wondering if it's really accomplished everything it was meant to accomplish.

Mr. Ashton: Well, you know, the one thing I stressed last year during the flood situation is you wouldn't see any mission accomplished banners from this minister or this department. But if we had anything that came close to a mission accomplished, it was the outlet. It's important to recognize what the building of the outlet from Lake St. Martin did. And, by the way, you know, I always go through the recognition that the Portage Diversion—while the Fairford, we built in the early '60s, Portage Diversion, a number of years later in the '70s, early '70s, and there was consideration of an outlet. The Manitoba Water Commission looked at that in 1978, rejected it at the time.

You know, I suspect at the time development patterns around the lake—there wasn't, you know, the cost benefit. Obviously, things have changed, and what we undertook last year in July and in August, was—no, a November 1st target date—I already outlined some of the costs, the budget we put in place, and we completed it.

What it has done is allowed us to operate the Fairford structure during the winter at the maximum physical capacity, and we are significantly lower because of the *[inaudible]* both on Lake St. Martin and on Lake Manitoba.

And the member is quite correct, there was a significant assistance from the weather. You know, you can't control the good, the bad, and last year we got a lot of the ugly as well. So I got to tell you, the one thing we can control—we did control, was the outlet.

Now, if we hadn't had the weather that we did last year, it would have been a more difficult situation, both on Lake Manitoba and Lake St. Martin, absolutely. But, if we had not built the outlet, it would be even worse. So the outlet, which was the recommendation of our team of engineers, both our MIT and—of course, we now include Water Stewardship, but our—you know, if you look at our engineers and the recommendation of the consulting

engineers, the two firms that we brought in, which have pretty significant expertise in this matter, was to proceed with the outlet.

So the outlet made a huge difference, and we, in the space of months, got something done that might have taken four or five, six, seven, eight years in the normal environment. So I think that's really important, and if you look at the exist—the current situation, we, and I mentioned this on the record on Monday, we do have a—some—it's spring runoff. This is the time when you do get flows in, but we still do have rivers like, what?

The Waterhen, for example, which is abnormally high. It was abnormally high last year. There was a lot of focus on the Assiniboine, the Souris, but, yes, a lot of the tributary rivers in Lake Manitoba were a significant contribution to the flooding that we saw, well above normal levels. And I'm not sure what our—just asking for advice what our flood level would've been last year on the Waterhen in terms of—*[interjection]* Well, just to put it in perspective, the flow through the Waterhen peak was three times the normal, 14,000 cfs, and if you look at what that means on the lake, if you consider that right now we got, you know, essentially, 11 flowing out and 11 flowing through the, you know, Lake St. Martin system, you see the levels, And people know the Waterhen in that area—and I'm sure the member knows it better than I do—will know that's, you know, what was kind of a slow-flowing river became a raging torrent, and it continued throughout much of the year, and I want to stress, yes, there's been some assistance from the weather, the dry weather and evaporation, which is not unusual on Lake Manitoba. If I recall, I think you often lose as much as two feet from evaporation in a normal year.

Yes, that did assist, but what we really were dealing with was a massive inflow from every source, not just the Portage Diversion, you know, from the Assiniboine but from all of the tributaries. So, absolutely, it was the right thing to do, and I want to stress, even as we no longer require it as emergency outlet, one of the issues we will be looking at—the task force we appointed will be looking at is potential for long-term operation, and, essentially, by the way, when we close off the outlet or any of the aspects what we built on a temporary basis, when they're not needed we don't—we're not bulldozing it over. So there's every prospect of being able to use that down the line either on an emergency basis or on a permanent basis. So that is a permanent

addition to our potential flood controls, even though it was built for emergency purpose.

Mr. Briese: Just a comment, Minister. The Waterhen, I agree, was high. The—I live beside the Whitemud and it is pretty much under control and has been all spring, but the fact remains that the major determining factor on what happened on Lake Manitoba last year was the extra flows through the diversion. The Waterhen's been high other years and the Whitemud's been high; it's the diversion that is the determining factor.

But, with that, I'd like to thank the minister and the staff from EMO. I know there's a lot more staff over there, and I think they're all out working very diligently some place, and I do want to give the staff at that department credit. It was daunting task that they went through in the last year, and you yourself, Mr. Minister, I don't expect had a lot of sleep through the summer and spring last year. And so I do appreciate all the work that that department does. I know when you talk about those huge numbers, overtime hours, most of these aren't getting paid overtime. They're just doing it in the regular salary.

So once again, thank you, and I—there may be a couple more EMO questions here, but I'm going elsewhere right now. Thank you.

Mr. Ashton: Thank you, and I certainly will pass on your comments to the staff. Thank you, thank you very much.

Mr. Ian Wishart (Portage la Prairie): I guess I'd like to start a few comments, too, by thanking the staff. I know that it was a very challenging year the last year, and living where I do, a few miles from the diversion and a few miles from the Assiniboine River and a few miles from Lake Manitoba, I saw them all go through their various phases, and I don't think Manitobans have it—appreciate how close a call we had this last year. And so I would like to thank the staff for their very hard work. And I would agree with the minister in his statement that had we not done the emergency channel, we'd still be looking at a far greater problem. Basic analysis of the numbers at Fairford and coming out of the Waterhen actually suggest, without the additional flows that we ran this winter, that Lake Manitoba probably would've ridden—risen about a foot and a half over the course of the winter, which would not have been a very acceptable alternative.

* (16:00)

But I would like to ask a few questions in another area, if I could. I have number of constituents that live along the Assiniboine River and farm Assiniboine River flats, as they're known. The area's right down in the valley along the river, very valuable productive land, a lot of it irrigated. And a lot of it was damaged by the river flooding. And because the river, once it dropped, actually these areas dried out very quickly, they were able to make claims through disaster financial assistance through the RM of Portage and other RMs upstream and do the repair work that was necessary, because this kind of land, you want to get back into production as quickly as possible. It's very high-value land and often grows vegetable crops that the city of Winnipeg actually depends on.

However, even though many of them have submitted their paperwork in a timely manner, some of them have been waiting eight months for any payment, and no payment has been received. And many of them have been quibbled over as to the nature of the payments.

Down in the valley, land does not follow quarter section lines. It's frequent to have a parcel of land that's 400 acres, but it's on seven quarters. And the paperwork has been very restrictive with damages maximum per quarter—not maximum per site.

How do these people get—first off, get paid, and secondly, if they do not agree with the decisions that are coming out of DFA, is there an appeal process to deal with these?

Mr. Ashton: Yes, not knowing the specifics of circumstance, under DFA there is an appeal process. The member knows there's also a separate appeal with the MASC programming that was put in place.

An Honourable Member: The same appeal as MASC?

Mr. Ashton: No, separate. There's a separate process. We have a standing committee—you know, a board that does look at that. And I don't know the specific circumstances if this is related strictly to DFA or if there's, you know, other elements related to MASC.

But certainly if the member wants to follow up with my office, we'll undertake to get a direct response to the specific concerns.

Mr. Wishart: Thank you, Mr. Minister, for the answer.

If you could supply me with the contact information on the appeals process, and do you want to hear the specific claimants or do we want to deal with them as a general problem—because of the seven, I believe, I've been talking to, nobody's got any money.

Mr. Ashton: Yes, I appreciate the member raising it, and my suggestion is if he can directly contact my office, we sort of co-ordinate—it's just that I don't usually comment specifically on individual cases, but we certainly try and follow up if there are any concerns from MLAs in terms of constituents.

So we will do that with the specific seven cases and try and get some determination what the situation is.

Mr. Chairperson: Member for Portage la Prairie, any question? Member for Lac du Bonnet.

Mr. Wayne Ewasko (Lac du Bonnet): Mr. Minister, just a quick question about—or a couple of questions about emergency co-ordinators.

Out in my neck of the woods there, we've got—I took a look at the map and we're divided up into Winnipeg East and Interlake. Can you tell me if the Beausejour region falls under the Interlake or under Winnipeg East?

Mr. Ashton: I'm advised Beausejour is not the Interlake. It's the other region.

Mr. Ewasko: Okay. I'm just going by this map. It's quite the detailed map. So that being said—so for our way, how many different emergency co-ordinators do we have and is each town or municipality well represented?

Mr. Ashton: Each municipality has their own co-ordinators—197 municipalities so, obviously, we have a significant—yes, and some do share. But there's five across the province on the provincial side. And, again, we basically co-ordinate the municipal response, and it's important to note that the municipalities are the—on the front lines of response to any emergency situation and with a very developed system that works on that basis. So there's five across the province with provincial and—but each municipality either has a co-ordinator or will share with other municipalities.

Mr. Ewasko: So there's five across the province, and I do see that. I mean, they're listed per region. But, is it not something that the provincial department was looking at, in getting specific co-ordinators for each region or, sorry, section of the region, I guess, in

regards to—like Beausejour a separate one, Lac du Bonnet a separate one, Alexander? No?

Mr. Ashton: Yes, the—well the key thing is, there's a municipal emergency plan and there are emergency co-ordinators at the municipal level. As I said, there may be some municipalities that share that function, but that is the—essentially the local, and if you like, regional element.

You know, ours is a co-ordinating role at that level, and we do these—this is required under the act, actually. This was brought in, I believe, 2001, 2002, in that time period. Every municipality has to have an emergency plan and one of those elements is having an emergency co-ordinator so that we know who we're dealing with. They know who we're—you know, they're dealing with on the provincial side. So, the key element here is the real co-ordination. You know, we're essentially co-ordinating the co-ordinators, if you like. It is—it's at the municipal level.

Mr. Ewasko: So, then, for those sub-co-ordinators, are—is there, then, funds directed from the Province to pay for those co-ordinators?

Mr. Ashton: That's part of the municipal government's direct responsibilities.

Now, having said that, when you're into a flood situation, you know, there's a significant cost recovery to flood fighting and, you know, returning municipalities back, you know, to normal. And we do cover a lot of elements: municipal expenditures, including, you know, for example, equipment costs. We actually moved to a—from 16 per cent to 65 per cent of the heavy equipment rental rate for municipal equipment just a number of years ago. We're leaders across the country in that.

But, what I want to stress is, this is a municipal function. This is a key part of our system and I do want to credit our municipalities, by the way, whether it's the floods last year and this year, or the municipalities now dealing with the fires. One of the reasons our system does work is because we have a clear delineation, who's responsible for what.

I had the opportunity to talk to the mayor from New Orleans, former mayor, and he compared some of the issues they had with competing jurisdictions to ours. Ours is very clear. We have a municipal response, with the Province, is heavily involved; federal government is involved really on the cost-sharing side; military, if necessary. And so those co-ordinators, they're key players.

We do have a role. We do work with them in terms of briefing them on circumstance, you know. There's various conferences, et cetera. They're well attended, so they play a key role in the system.

Mr. Ewasko: So the emergency co-ordinators, the sub-co-ordinators—I don't have a better word for them besides that—they're trained by the Province? They go within the province getting trained and they also—there's training outside the province, as well, for that?

Mr. Ashton: Well, just to mention—the member mentioned that because we do train, it's our cost. There has—there is a college at the national level that is, unfortunately, going to have to close its doors due to some federal budget restraints and so, the training, there isn't that option outside of the province.

But, having said that, we have some pretty significant training that is available to the staff, the emergency co-ordinators, and other staff that dealing with.

And, dare I say, a lot of the emergency—the best element of it is, it's not just the training, but it's also the experience. We have a lot of municipal employees and, you know, mayors and reeves and councillors. I hate to say it, but they've had a lot of experience in various parts of the province the last number of years, so they have a—they bring a whole other perspective. So we—yes, we're heavily involved in providing the expertise that they do need.

I do want to stress again, that when it comes to municipal costs, any incremental costs in a flood are eligible—there's a whole series of things that can be recovered through DFA. And the significant part of the payout this year will be to governments, either at both provincial and municipal, for both damage to property, but also the significant flood-fighting costs that were incurred last year and are continuing this year.

* (16:10)

Mr. Ewasko: Okay, so just so I'm clear, there is funds that go from the provincial government down into the municipal governments. And, are there lines within their budgets that are specifically allocated towards emergency co-ordinators within the municipalities, or the shared municipalities?

Mr. Ashton: It's part of the municipal budget; it's not paid for directly. Some may identify it as a specific item on their budget; some don't.

But the key thing here is we do, through DFA, which is federal-provincial, cover incremental costs, but each municipality is required to have a co-ordinator. As—some are shared, but that, again, is part of their responsibility as municipalities. Many of them have other roles as well. I mean, virtually all of them would, in the municipality and, I'm sure you'll find different municipalities, different people in different roles, but it's up to each individual municipality.

So it's part of their budget. They determine who is their—our key role is training and co-ordination, and where we end—we're into a flood covering—you know, the significant incremental costs that they may face.

Mr. Ewasko: Thank you, Minister, for those questions on EMO services.

I'd like to ask a question in regards to the status of Park Avenue in Beausejour.

Mr. Ashton: Yes, I know we're continuing to work on design issues. I know the project well. I've been out in Beausejour a number of times. I know the importance to Beausejour.

We have, of course, over the last year, been significantly involved with flood issues. We're now into a stage where those are increasingly, you know, part of our focus this year and next year, both in design side and also the costs. We're looking at least \$50 million this year and \$50 million next year on roads, bridges—primarily bridges across the province that are directly flood related.

So, yes, we're continuing to work on the design details. It's certainly a project that we are continuing to work on. So, again, you know, there are some design details, as the member knows, that have been back and forth with the council and the community that we're continuing to work on.

Mr. Ewasko: So, then, you're seeing that the design details should be completed within the next year, year and a half type of thing, or—it just seems to be dragging on for a while.

Mr. Ashton: I'll be up front. We're, you know, we've had to shift a lot of resources into the flooding side and not just the consulting engineers. Obviously, they're putting a lot of their time on flood issues, but also a lot of our engineers. So it's hard to give an exact answer.

Again, you know, it's similar to some of the questions I've dealt with before. We've had to put a

significant amount of focus—and it's important to recognize, by the way, that the \$50-million figure this year and next year probably understates the amount of engineering time that has to be put towards these projects. Because, you know, a lot of the projects we're dealing with now were designed last year, year before, year before that. We're now in a situation where we are—we're—even though the \$50 million is a pretty significant expenditure, there's a lot of design work that has to go into it. So it is leaning to less resource available for things like Park Avenue. And it's not that it's not an issue that the department is dealing with, we will continue to deal with it, but, well, you know, have there been some delays in deal with it? I'll be up front, there have been because of the flood, and that may impact in the next period of time as well.

Mr. Ewasko: Okay, the next couple questions are basically just all around highways in my constituency. So I just, sort of, bear with me.

Number—Highway No. 302, from 44 south, which is just east of Beausejour, for about four or five miles there's a certain grade of highway, I guess, that the road restrictions have to go up. The trucks are not allowed down those roads. So what the semis and gravel trucks and that, what they're doing is they're going down municipal roads. So at quite the cost of repairing and maintaining those municipal roads, I'm sure that there could be some sort of agreement where those four miles would get done to standards so that we could connect 44 Highway all the way down to No. 15. We're talking four or five miles.

Mr. Ashton: This is a challenge that's very similar to the kind of challenge we face throughout the province. I sort of appreciate the impact at times, the state of roads and the—and any restrictions are on our roads can also have impacts on municipal roads, as well, so I sort of appreciate the member raising that.

Again, one of the things we happened to do over the last number of years with our increased capital program, which is running around quadruple what it was when I was minister of Highways and we came in office in '99, is we are actually able—we're turning around a lot of areas where we're getting instead of increasing restrictions, being able to get roads back to, you know, full RTAC and reduce restrictions.

I do want to add this year, by the ways, was—last year and this year was a bad year not just for flooding, but the moisture itself created a lot of difficulties, and I do want to acknowledge that.

We've got areas of the province where roads that even, you know, might traditionally not have been in all that bad a shape are in—have been in difficult shape, so I appreciate the member raising this specific—particular section.

Mr. Ewasko: I just want to state a couple of highways so that we can sort of see where they possibly fit in future timelines in regards to the capital budgets or plans for the Province.

Just in a news release—I think it was back in February or March—they stated a couple highways out by Portage that were sort of in the eastern side of the province, and I'm not sure if that was a typo, but I'm pretty sure that Portage is not on the eastern side of the province.

But, that being said, No. 520, which is an old—which is called the Old Pinawa Road—basically it's a short route from cottage country to the Pinawa Hospital, and this is quite a concern from residents that are there year-round, but also the amount of population that increases in cottage country over the summer multiplies 10-fold easily. And the state that the road is in basically forces the ambulance, at times, to go around Lac du Bonnet, an additional, you know, possibly 12 miles or so, as opposed to taking the short cut which is the No. 520, the Old Pinawa Road to the hospital.

And so I'm just sort of trying to get it on record that it is a safety concern, and the population definitely increases over the summer so for that plain fact I'd like to get it out there, so that it does get in on the radar for the next—within the next couple of years.

Mr. Ashton: Yes, I thank the member for raising the issue. I can say that as a MLA represents a constituency with eight communities, I have [*inaudible*] highways in my area, so I, having been in opposition, I advocate; being in government, I advocate. But I appreciate the concerns.

I also want to say that one of our challenges around the province is often in areas where there's significant seasonal traffic, and, of course, we have to balance that versus other areas where there's, you know, year-round traffic, so I'll certainly—I certainly appreciate that.

One thing I do try and do as minister is—I don't know if could call myself the chief highway inspector, but for some reason I do get a lot of invitations to travel to various parts of the province, usually in spring, actually, and usually in a—like if

people want to take me around in a pickup truck or something of that nature. So I will make a point—actually I was out in Pinawa, I think, last year. I had a series of meetings out there in that area, so I did—I do know the roads in that area.

So I'll make a point of checking out that particular highway and some of the others, and if the member's got any more he'd like to suggest I visit, I'll—I may regret saying this, but I'd be more interested to look at it because I do think it's important to get a sense first-hand and, you know, get some sense of what is going on.

And I should mention on spring restrictions just very briefly, by the way, I remember when we had 10 weeks planned—on eight—this year was actually seven. So, you know, one thing that we have found with this year, the drier weather—depending on the ground saturation—has actually helped somewhat.

* (16:20)

But in some areas, we've got significant ground saturation of water, so they—I do acknowledge there's a lot of concerns. Actually, in our office—and I certainly want to thank our staff; I don't mean just the minister office, but generally—but we do get a lot of calls in the spring. You know, it is a challenging time for us.

Mr. Ewasko: So with that, Minister, I will extend the invitation to take you for a ride around the constituency, possibly in the fall or the winter.

One last thing is number—Highway 304 which is south of basically—runs from south of Powerview all the way up to Bissett. I've brought it up in the House but—quite the safety concerns. We are going to be having increased traffic due to a tourist stop just east of Manigotagan and south of Hollow Water. And so, that being said, when we're going to be having increased traffic, is the road capable or built to those standards to handle that increased traffic?

Mr. Ashton: Yes, we are doing it. There's some work, I'm advised, Black River to Sandy River, seal coat this year. By the way, this one you don't have to take me on a tour of; I've been on it. But I can always go back.

Mr. Cliff Graydon (Emerson): Mr. Speaker—Mr. Chair, will you excuse me. My question to the minister is that I just want to reiterate that there was a flood in southern Manitoba as well as there was in northern Manitoba and in the Interlake. And that would be the Roseau River, and the channel in—on

the Roseau River diversion was deemed that it would—they wouldn't guarantee that it would hold during the flood, so they built a dike outside of that to protect, in case it did burst, to protect Vita.

Can you tell me now if that channel is going to be rebuilt this year?

Mr. Ashton: There are some geotechnical issues so that decision hasn't been made yet. I do want to thank the member because I have pointed out wherever I've gone that, you know, the ironic part with 2011 was there was a significant flood in the Red River and Roseau River. I mean, it's less significant in terms of impacts now because of the flood mitigation that's in place in many areas.

I'm advised it's actually sixth largest flood on the Red. So it was a significant flood, and again, there are some geotechnical issues with this that we're examining right now, and that decision has not been made.

Mr. Graydon: So is the minister aware that there is some more drainage going on in Minnesota?

Mr. Ashton: Yes. I'm advised, you know, it's an ongoing issue. They—Minnesota has helped in terms of retention where they're able to do it as well. But it is something we always look at in and around the border areas. I mean there's this particular case, but there are other areas as well where we have some ongoing issues related to the US. I think the member's aware of a number of them.

Mr. Graydon: I think the minister's also aware that there was an agreement with the International Joint Commission after they did a study in 1975, from 1972 to '75. It was published in '75, and there was some major draining work that was to be done in Minnesota, but there was to be mitigation work done in Manitoba at or before the work done in Minnesota.

Can the minister tell me why that work was never done?

Mr. Ashton: Yes, I mean, with the evolving circumstances of 2011, that did have an impact, but as we get back to normal, if there is such a thing as normal, again we're looking at various different projects, the type the member's talking about as well. Our focus will continue, obviously, to be on the immediate flood relation—you know, flood-related issues in the 2011-2012 flood. But I'm advised that, again, some of the kind of projects that we're talking

about are on the books and will certainly be considered in the future.

Mr. Graydon: I'm having a little bit of difficulty hearing the minister, but if I—

Mr. Chairperson: Honourable Minister.

An Honourable Member: It's not my problem in the House, I know.

Mr. Ashton: My response is—I'm just saying, I'm just balancing out the decibel level of my responses in the House, so my apologies to the member and to Hansard.

Mr. Graydon: —moved the microphone closer to me.

But, regardless, if I understood him right, that this mitigation work is supposed to have been done in Manitoba, is still on the books, and is going to be done?

Mr. Ashton: It's still under consideration. Again, we've had various other priorities we've had to deal with, but it's still under consideration.

Mr. Graydon: I just want to follow up on that. Under consideration—since 1976 it's been under consideration. That's 1976, not '86, '96, 2006. We're almost at twenty—or 2016, but the work for the—was done in 1976-1977 in the United States that's also lent itself to flooding in Manitoba.

But the mitigation work wasn't done, and it wasn't just a channel, in Manitoba; there was other proposals done at the same time. There was a significant amount of money to be spent in Manitoba, and it hasn't been spent. So you're telling me today that it's still a consideration after 30-some, 40-some years?

Mr. Ashton: Well, there has been some work, you know, done on culverts, but when you're looking at, you know, work in the range, you know, of millions of dollars, it's no different than what's running through the Lyon government, the Pawley government, the Filmon government—well, Schreyer government, yes, if it was—well, depending which part of—well, if it was '76.

So I'm assuming all those governments, right through to Doer government and the current government, have all looked at all of the demands on the system, and all the projects that are required, and some significant challenges that have happened since. And the member's aware of many of them, including the very significant flooding. And I could run through the flooding—and the member knows

flooding in his area, but flooding elsewhere in the province.

So, you know, they are still under consideration. And, again, you make the decisions in terms of your overall priorities, your overall funding that's available, and I appreciate member for raising it. I—you know, I do have some familiarity, and know I—he's probably the expert on this; I notice he's got a report, and it looks like it's from 1976 by the vintage of it as well. So, yes, I appreciate the member raising the issue, but, again, when we're looking at potential expenditures in the millions we do have to balance that against the other needs in the system.

Mr. Graydon: The—I'm just going to read a passage out of that '76 report for the minister's benefit. And it says: The commission recommends that the channel modification proposed be allowed to go ahead concurrently with the mitigating work in Canada, United States. United States should pay for the mitigation work.

The government should ensure that unforeseen damages or foreseen damages not of effects not mitigated, which unexpectedly cause damage, can be handled under article 2 of the Boundary Waters Treaty by special agreement.

It was to be done concurrent in 1976. The work did go ahead in the United States. No work was done in Manitoba, and today there's a lot of silver pipe laying in Minnesota. And the reason that the project didn't go last year, Mr. Minister, is because of—the EPA stopped it, because it was going to drain more than 30 acres of water; and I'm sure that your department has to be aware of that.

So we're going to have more water come down the Roseau River. We already know that the Gardenton Floodway, which was constructed in 1928-1929, is not—the engineers were unable to guarantee that it would hold in the last flood, and we're going to have more water come through there.

* (16:30)

So, Mr. Minister, something needs to be done with the Gardenton Floodway. But this mitigating work, I want to know if money flowed to the Province of Manitoba and was not expended to do that work.

Mr. Ashton: Yes, I can't talk for what happened in 1976 or any one of the years subsequent to that. I can—with the Gardenton Floodway, I can indicate the member's aware he's asked question on this, quite

rightly, in terms that I can get into, you know, the current status there and certainly he's aware of what we did last year. And I know he raises both directly and also publicly as well. I appreciate that.

So I'm not sure of the background and, you know, I look at it, 1976, I don't know if we—do we have anybody in the system still left from 1776? I was going to say—*[interjection]* Well, I don't know about—I'm talking about MIT. I can think a few staff that have retired recently that might have been that—there's a few around.

But—the—and there is the, you know, Minnesota is doing a lot of retention work as well. I'm advised as well. So we certainly do keep in constant contact. But I certainly appreciate the member for, you know, for raising this. And I appreciate obviously when we're dealing with—and I hope he appreciates, too, that when we're dealing with the—a cross-border situation, you know, whether it's quantity issues or quality issues, and I was involved with the Devils Lake file, you know, for a number of years when I was Water Stewardship Minister, there are ongoing issues that we deal with, ongoing challenges. You know, this is an area where obviously IGC had a role. Unfortunately, you know, as the member knows with Devils Lake, that has not happened, you know, because of decisions in the US. But I appreciate the member raising this again.

I can't talk for the '70s; I can only talk for—and I've been, you know, an MLA for a few years—I can talk for some decades, but not the '70s.

Mr. Graydon: I have to agree; the minister can talk. There's no question in my mind. But at the same time, we do understand that the Gardenton diversion is in bad shape. Is there engineering work being done on that as we speak, or has it been done since the flood of 2011?

Mr. Ashton: We have done damage assessment. We are looking at what needs to be done, you know, based on what happened last year.

Mr. Graydon: Well, I would encourage the minister to follow up on this report, and if he wants a briefing I can do that. I did make a presentation at that particular hearing in 1976 so I—and I have the complete appendices for it as well, if you're really interested. But there's—there is American money that was supposed to be spent in Canada, and I think that—I think that's an obligation that should be followed up on.

On a different subject, and I think you probably heard me talk about it earlier today, on the Letellier Bridge and the expropriation of the property that hasn't been paid for, how long does it generally take for expropriation situations to be settled?

Mr. Ashton: You know, it depends on the circumstance. It depends if there's—whether there's a dispute, and I don't want to get into too much of the details here, obviously because, you know, I respect the individual's, you know, right to dispute with MIT, in terms of what that individual feels should be the coverage. But it really depends on that. And where there is not a dispute, it is a very straightforward process. Where there is a dispute it does—it depends on the back and forth; it does take some time.

Mr. Graydon: Are there any other outstanding claims on that bridge from any contractors? Have they all been paid in full?

Mr. Ashton: I'm advised that they've all been paid in full.

Mr. Graydon: Well, I find it offensive that someone involved in agriculture that has a fifth year—or a fifth-generation operation, two years or three years later down the road, has had no satisfaction whatsoever. I'm sure that there is—that the government has a responsibility to deal with this in a very timely fashion, especially when the federal government is paying half of the bill.

Mr. Ashton: Well, first of all, the federal government doesn't cost share our land acquisition. That's strictly the responsibility of the province. Second of all, it's not unusual to have disputes related to the value of land. That's, again, where you have the Land Value Appraisal Commission. We do have processes. There are various legal aspects that are built in, and, you know, again, I'm not going to get into specifics other than to say that it, you know, it's—our staff follow the normally accepted guidelines. There are accepted appraisal practices for land values, and that is part of the process that's put in place. I could tell you we prefer not to go through the expropriation process if we can have voluntary sales, but it—you know, for the public purpose, the public good, at times, we do have to proceed that at that level.

So I, you know, I can't, and I—I'm not questioning at all the individual's right to disagree, and that is often, you know, just talking in a general sense, is often what is behind it, is a disagreement

over land value. I could certainly tell you of numerous cases that I'm aware of where that's, you know, the essential dispute and that's why we do have processes and, again, we have to be obviously fair to the individuals involved, the landowners, and there are all sorts of elements of what we do that are, you know, built in to determine that fairness.

But, on the other hand, we also may have to be cognizant when we're acting, this particular case, of the interests of the taxpayers. And, you know, so we do follow that, and they—the Land Value Appraisal Commission makes the final binding decision on compensation. You know, they—they're independent. They use all the standards that are out there, and that's really the bottom line.

Mr. Graydon: The—12 or 13 years ago, the highway was restricted from Dominion City to 75 down to—it—when the restrictions were on, down to 65 per cent because of the condition of the bridge. The bridge was the restriction; it had a tonnage restriction on it. So now what we have is from Highway 59 to 200 is 90 per cent; from 200 to 75 is still 65 per cent with a new bridge.

Can the minister explain why that—why that's happening?

Mr. Ashton: Just east of the area, I'm advised there is a bridge that is restricted—has a—it's a small bridge; it does have restricted loads.

Mr. Graydon: I would challenge the minister that it was only a couple of years ago that they cut holes in the top of that bridge, put piling in there, and you brought some huge loads over that bridge to build a new bridge. They came from both sides, not just one side. And that small bridge shows no sign of deterioration whatsoever.

Mr. Ashton: I don't make these decisions; our engineers do. And I trust in their judgment, and believe you me, when you look at as many bridges as we have right now, that, even without flood damage, that we're rehabilitating and the significant age of a lot of bridges in the system, I defer to their good judgment, and that's the advice I have from the very capable engineers who are here today, that that bridge is—that particular bridge we're talking about is still restricted.

Mr. Graydon: As I hear the minister now, this is a new excuse on that particular piece of highway. The one that I got first was that it was built to a class B, not a class A highway, and when I disputed that and

actually got the engineers that built it, now it's changed to a bridge. My goodness, what's next?

* (16:40)

Mr. Ashton: Well, it would have been a class B bridge when it was built, and believe you me, you know, when we're going through the assessment of what's done or what's not done, the—we have various guidelines, various requirements in terms of the way we structure it, so that's—what I'm giving the member is the straight-up answer that is based on the classification in that area, the restrictions in that area and, you know, I appreciate that the member knows his area as MLA, but I—you know what? I hate to tell him this, but I think I'll rely on the judgment of our engineers rather than his assessment. I don't think he'd want me to assess it either, so we—I think we're going to have to agree to disagree here. He has his own assessment. I support our engineers' assessment, and my suggestion is that's probably as far as it's going to go.

Mr. Ralph Eichler (Lakeside): Thank you, I do want to move on now. A number of my colleagues has had the floor, so I have some more questions. I want to go back to the flooding. In regards to the Fairford control structure, what is the current outflow at Fairford and what was the maximum outflow achieved during the winter?

Mr. Ashton: The maximum was 22,000, and currently it's about 11,000. And again, the key element with the Fairford structure, as the member is aware, is there's higher flows from the significant push that occurs when you get high water levels.

Mr. Eichler: Is there any dredging that's going to be required to improve those flows?

Mr. Ashton: When, believe it or not, a few years ago, we had low water levels on Lake Manitoba, and the member will recall, I think, 2006, there was some discussion at the time—didn't last very long. Any issue related to dredging would have to look at a couple of elements. One would obviously be the cost, but there's also the environmental issues. I know, at the time, in 2006, I'm advised that there were concerns in terms of whether this would be approved by DFO, so this is not something that's been ruled out. And, again, we do have the two reviews: one is looking at the regulatory level, one is looking at the flood protection, and this may be something that will come out of that as well. So it's—we haven't ruled it out but it's something that does have some complexity.

Mr. Eichler: Again, because of the changes, I'm not sure if this falls under this department or not, but the current outflow at Jenpeg; what is that currently, and what was the maximum outflow achieved over the winter?

Mr. Ashton: I can get those numbers. Again, you know, the key issue with Jenpeg—I know it quite well; I travelled across it; I know a lot of the background. The key issue in Jenpeg, and the MLA for the area is here as well, is actually the—again, the capacity of the channel and certainly that was an issue, you know, last year, and so—but I can get the—I'm advised here—it's funny how, actually, our staff has seared in their memories the maximum flow levels and lake levels last year, about 256,000 cfs.

And, by the way, just as a bit of a footnote on that, it does balance out. I know there was some concern about the impact of an enhanced flow, which its water would end up in Lake Winnipeg anyway, but I think if you look at the—you know, the flows coming out of Lake Manitoba last year, even at peak levels, it pales by comparison to the actual flows out of Lake Winnipeg and the—you know, sort of the whole impact of, you know, the Jenpegs at 256,000 cfs, which, I believe, is—I'm not sure what Niagara Falls is, but it's—I'm trying to recall, I think it's—this is greater than Niagara Falls.

Mr. Eichler: I'm just wondering if we could put on the record the—a foot of water on Lake Manitoba as opposed to that water being moved into Lake Winnipeg. What is the direct relation in measurements from foot to inches from Lake Manitoba to Lake Winnipeg?

Mr. Ashton: Well, again, recognizing that apart from evaporation, any water that goes through Lake Manitoba and Lake St. Martin does end up in—into the Lake Winnipeg system. I think we're talking about an inch—I was out by four—less than a quarter of an inch. So the reality is that, you know, an imperceptible difference on the levels on the lake. And that should be—that's quite logical, because if you look at Lake Manitoba, which is a shallow lake—Lake Winnipeg is, you know, by world standards, is not a deep lake, but by Lake Manitoba standards, is a much deeper lake. There's a huge volume capacity and, again, it came at a time where even that quarter of an inch really didn't have any perceptible difference at all. I know there were some people concerned initially, but it's actually turned out to be less than a quarter of an inch. And don't ask me in centimetres.

Mr. Eichler: I wouldn't understand the centimetres anyway, so I'm in the same school.

So, just for the record, and we're clear then, a foot of water on Lake Manitoba is a quarter inch on Lake Winnipeg. Is that correct?

Mr. Ashton: What I was looking at is that that was the maximum impact of last year on Lake Winnipeg through the operation of the enhanced, you know, structure. So without what we did, there would have been a quarter inch difference. It's hard to translate the one foot. You know, it's probably even less than—well, it is less than—significantly less than that. It's like imperceptible. But everything we did was less than a quarter of an inch impact on Lake Winnipeg. And that, again, that water would have ended up in Lake Winnipeg anyway at some point. I mean, it's just the timing. Maximum difference—I'm trying to describe it for *Hansard*—that much.

Mr. Eichler: Still staying in regards to Jenpeg then, my understanding, last year, out of the five generators, there was only four of them that were operating. One was needing a repair. Has that been upgraded now? Is it running at full capacity?

Mr. Ashton: You know, the—that's probably an issue more for the Hydro Minister, but it ran open from full operation, again, subject to capacity issues, you know, which—August 2010 to September 2011, for more than a year it ran at full bore. And I really ought to stress that, because I think there's been a misperception out there that somehow this was a further bottleneck. It was operating at full capacity throughout the entire period.

In fact, what was interesting, I know Hydro did have the opportunity to take a number of municipal leaders up, and I did talk to a number of them after we went on the site tour, and I talked to one individual who said to me, he said he was of a very different view before he went, and after he saw it and had an explanation of the Jenpeg, he certainly is of the view that it does not impact on the lake levels and that they were operating appropriately.

And when you look at the date, by the way, I mean, August 2010—this is well in advance of the flooding, almost eight, nine months ahead of the flooding that actually did occur. And the spillway was operating, because that's the other thing. It's not just what's run through the generators. It's also the spillway. So they were able to get the 256,000 cfs at maximum level using the spillway as well.

Mr. Eichler: I'm glad the minister clarified that because I have had a number of calls in regards to the outflows not being at the level that's been put on the record, because I think that's really important with respect to the lake level on Lake Winnipeg.

A number of those individuals including the municipalities that the minister talked about was under the impression that it wasn't run at full bore, so I'm glad that we have, in fact, got that straight.

The other thing is in regards to that, is there any indication on the lake level that currently is at on Lake Winnipeg to be lowered over the upcoming months, or is it going to be at the level of 256 cfs running out in the coming months?

* (16:50)

Mr. Ashton: Current level, I'll just let the member know, is 716.9 feet—sorry—peak current is 713.7. It's about half a foot above normal. Despite all of the inflows, we're about half a foot over where we would normally be.

Mr. Eichler: How much was the payouts last year in regards on Lake Winnipeg for the windstorms that came in? Is there a dollar amount available for that?

Mr. Ashton: In the interest of time, I'll get the detailed answer next time we sit.

Mr. Eichler: Okay. Back to the cottages and homeowners—in particular, on Lake Manitoba, the inspections. Do we have any idea how many have been done and offered packages or compensation, and how many is there to go? Do we have any idea on those two particular ones?

Mr. Ashton: This is actually the MASC programming, and I can certainly work with the minister responsible for MASC to get the member an update.

One thing I was going to suggest as well, by the way, is during the flood we did have regular updates for MLAs on the flood fighting, and it might be useful, as well, to arrange a similar briefing. I'd get, you know, the staff that are dealing with this there, as well, because, again, I know there's some questions about programming eligibility and some of the crossover DFA. So rather than just kind of take the approach that that's Ag, which, I believe, the member probably had asked—maybe asked the same question. But I would suggest we follow up in terms of that. Like, again, we—the DFA side doesn't deal with the cottage programming or any of the related

Lake Manitoba MASC programming; we're strictly the DFA side.

Mr. Eichler: On the DFA side, what checks and balances do we have in place to protect homeowners and those from fraudulent claims by individuals that are putting in those compensation claims, for companies that are actually not bona fide to do that work?

Mr. Ashton: Before getting into that, I just to say, I have been able to track down the information on the severe wind and rain event, October 26th, 2010. And to date, \$4,785,000 has been paid out—827 claims, includes First Nations. Fully, 795 have been paid and closed. Twenty-five public claims including First Nations were received, and 18 have been paid and closed. The remaining claims that are open, some are in the appeal process or are still being processed and have not received final payment due to a variety of factors. So those are the summary numbers.

And I just want to get some clarification on the question the member was asking. This is liability of firms that had done work. What specific kind of work?

Mr. Eichler: In particular, for those homeowners that—where their properties, their homes are being raised to meet the new lake level demands that's been set out by the guidelines. What do we have in place for those to make sure that, in fact, those are bona fide movers?

Mr. Ashton: Well, the key thing is we—you know, we don't contract directly. That is something that is done by the individual homeowner. And, presumably, they would go through, you know, getting people who have the expertise to do that. We do—you know, we do have a process in terms of cost side, but, again, the prime contractor here, you know, is the homeowner or business owner or cottage owner, or any of the claimants as well.

Mr. Eichler: In regards to the numbers that was just released in regards to the number of claims and payouts—and I know that we've been using the number around a billion dollars is what the total flood cost is going to be. Is there any indication about when, or will there be a cut-off, far as claim dates for amount of monies. Is it going to be eligible for payment, or do we have a timeline on that?

Mr. Ashton: Yes, the normal process is that some point in time there's a, you know, a deadline set. There has been no deadline set here. The reason is very obvious. We still have people, only just now,

getting back in, able to assess the flood situation in—whether it's Lake Manitoba or Lake St. Martin, you saw 'vacuees' that aren't able to get back in. So we're not going to set any artificial deadline. And, in fact, not only do we not set an artificial deadline, we also don't set a budget limit. As the member knows, we're—we've been running—you know, every few weeks we get an updated number. It's certainly running in excess of 850 now, \$850 million.

When we're talking about the billion-dollar figure, though, it really recognizes that there's significant costs that are still being assessed, and that number may rise. I would be very surprised if it wasn't a billion-dollar flood in the end. And it really puts it into scale. You know, in 1997, the Flood of the Century—well, Red River—the total payout by government in that flood, in terms of assistance compensation, was \$280 million. Thirty thousand claims now, 10,000 then, so it's—it really puts it in comparison.

Mr. Eichler: What is the current number of individuals out of their homes?

Mr. Ashton: Approximately 2,400, vast majority of whom are First Nations.

Mr. Eichler: What's the cost per month for compensation for housing and other costs that are incurred for them being outside their homes, per month, for those individuals? Do we have that?

Mr. Ashton: Yes, in terms of actually the specific budgeting side, most of First Nations [*inaudible*] went through the federal system, and I have, I think, read on the record some of the per diems and other costs. I can make sure a member gets a copy of that. I did read that, I think, when the critic was—the EMO critic was asking it, but there's a—you know, it varies. Depends on what stage of the, you know, the flood, and whether people are in hotels or temporary accommodation or, obviously, you know, eventually back at home.

Mr. Eichler: In regards to the housing for those individuals, what is the current plan for housing to get those individuals back into their homes or into a new home? I know they're used in Gypsumville, at the current time, for temporary housing for those individuals. Is there a move to try and get those 2,400 into a home sooner than later, and what that timeline might be?

Mr. Ashton: Again, the prime jurisdiction here is federal. You know, the First Nations who are under federal jurisdiction and we have been a key player.

You know, we have worked with—worked on the development of the temporary village near Gypsumville, and the decision on when or where people move back in again is, when it comes to First Nations, it's primarily First Nations themselves. AANDC, you know. A-A-N-D-C, as it's now called—you know, former INAC—and the evacuation, of course, is done by MANFF, you know, the Manitoba Association of Native FireFighters.

So it's—and in terms of the specifics, it really, it's so different than the non-Aboriginal side; it varies. It varies on the individual circumstances, but the fact we still have 2,400 evacuees does point to the degree to which there is a very significant recovery effort ahead with First Nations, and it'll be quite some time before we get back to normal.

Mr. Eichler: In respect to the land that's been purchased, and the homes weren't put on it—they were put in Gypsumville instead, but my understanding there is parcels of land that's been purchased for the start-up of a new housing development for some of those individuals. Do we have a cost figure on those, and what the timeline might be to development?

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

AGRICULTURE, FOOD AND RURAL INITIATIVES

* (14:40)

Mr. Chairperson (Rob Altemeyer): Will the Committee of Supply please come to order. This section of the Committee of Supply will now resume consideration of the Estimates for the Department of Agriculture, Food and Rural Initiatives.

As had been previously agreed, questioning for this department will proceed in a global manner, and the floor is now wide open for questions.

Mr. Blaine Pedersen (Midland): And certainly welcome the MASC staff in here today. I'm expecting many questions for them.

One quick question before we start: Third day running, what is Lonnie Patterson's official title, and who is being paid for her?

Hon. Ron Kostyshyn (Minister of Agriculture, Food and Rural Initiatives): Yes. Just to answer the question, Mr. Chair, it is—she is paid by Education Department and her title is in policy.

Mr. Pedersen: Well, then, Mr. Chairman, obviously I would like to know what her salary is.

Mr. Kostyshyn: I will not have that information.

Mr. Pedersen: So it can be provided tomorrow?

Mr. Kostyshyn: I'll make the necessary contacts and provide that for you.

Mr. Ralph Eichler (Lakeside): I have some questions in regards to flooding, of course. A large portion of my former riding was in St. Laurent and Coldwell and, of course, my role in rural Manitoba in caucus chair. We have a lot of information that's came forward, so we'll start off with the Shoal lakes, Mr. Chair, and my understanding is there's 72 individual families that have been impacted as a result of the Shoal Lake buyout, and I would like an update on the number of packages that have been made to those 71 individuals.

Mr. Kostyshyn: And just to answer the question—the 72-family buyout question that was brought forward: it's really not a MASC issue, it's a MAFRI 'ishcue'—a MAFRI question. So can we deal with that question a little later on, if that's all right, or rephrase that question? Is that okay with you?

Mr. Eichler: No, it's not. I'd rather deal with it now if—because [*inaudible*] Estimates in MIT, so if you don't mind, Mr. Chair, through you to the minister.

Mr. Kostyshyn: Yes, no problem. We just have to change some staff members around as we felt we were dealing with the MASC individuals, not the MAFRI, but—so with that being brought forward, can I just bring back a couple of comments here.

There was—yesterday during Estimates, there was a request for some information and we had indicated that we were going to bring it forward. So I do have some documentation here, and the documentation is the retirement listing of individuals. So I do have it here for you.

And also the—the request also from Manitoba Agriculture, Food and Rural Initiative vacancy report: I have that paper documentation for—as well. So hopefully we have provided the information as so requested from yesterday.

Mr. Chairperson: The Chair accepts these documents as being tabled and copies will be produced and distributed according to normal practice.

Mr. Kostyshyn: Presently, there is 27 clients that have been offered a buyout value; 'sevent' are

presently having a land value assessment. I forget the last—[*interjection*] Land Value Appraisal Commission and the balance are in the process of appraisal values.

Mr. Eichler: So that leaves 25–35 individual buyouts that have to be presented to those people in a very short time. I believe the deadline is July the 1st, is—just if we could have that clarified, for the record.

Mr. Kostyshyn: As, Mr. Chair, I'm sure you can appreciate the work that has gone into this and I can—I'm sure the member opposite would agree with us, that it's been quite a difficult task dealing with this issue.

But I think the other thing that needs to be recognized today is that the assessment, the proposed buyout, you know, has been a lengthy process, but we also have to be somewhat respectable of Mother Nature, not knowing what the winter was going to bring to us, what additional hardships that may have caused on us. So maybe the fast tracking wasn't there, but now that we've gone through the actual fact of what the water table is at and no additional damage has been done, we are going to be moving forward.

As has been brought forward by the member opposite, July 1st was the tentative date. What staff have now informed me is that the flexibility will be 60 days from the proposed offer of the buyout value. The clientele will have 60 days to reply back to the department of acceptance or rejection.

* (14:50)

Mr. Eichler: So the 35 applications that are still yet to be handed off to those individual farms that have been impacted, some of those may not be made available to them based on only—and I do appreciate the fact that the staff has done an outstanding job on this, by the way, I want to put that on the record. But we still have more than double what we had left. We got 27, and we got 35 to go; that's taken us almost a year.

So do we have a timeline for those 35 individual buyouts of when they may be offered those packages?

Mr. Kostyshyn: Yes, I just want to, for the record, reassure that, as we indicated earlier, depending upon when the clients or the individuals affected have 60 days, we're anticipating within three to four weeks all people affected will have an offer in front of them.

So whether it be middle of June, if I may use that for an example, they would have 60 days since the middle of June if we live in a perfect world, but as you can anticipate Mother Nature makes it sometime challenging for us as well.

Mr. Eichler: In regards to the example that the minister used, the middle of June, for those applications to all be at least have the offer made, what is the anticipated turnaround time for those that receive it, say, on the 15th of June? The 60 days that's been mentioned, is there any way of fast-tracking that in order to move them forward any quicker than that?

Because I know there's been a number of people that's been calling my office, you know, wanting to make sure that, in fact, they do have that buyout in time to make those important decisions. As we all know, most of that land is cattle land, pasture land, so we need to make sure that they can make their necessary arrangements to move on. So that 60-day timeline is very important.

Mr. Kostyshyn: I think, for the record, when we brought forward the suggestion, 60 days from when the paper document is delivered with the offer of the buyout, it's their discretion. They accept it a day later, then the transaction begins, offer to purchase begins.

So it's, for the record—clarification, they have up to 60 days to make a decision of acceptance or rejections. It does not—it means that if they decide to do it two days after the fact of—then the start of the—closure of the process claim will begin.

Mr. Eichler: Is there interest paid on the buyout from the time that the offer's made?

Mr. Kostyshyn: I guess I'd like to put this in perspective is that, I guess, no different in a normal transaction of land sales or farm sales; there is the legal period of time that we need to address it. So I think the question is: Once the offers' acceptance from the offer, is there going to be interest paid of acceptance? No. It'd be no different than, traditionally, as we have land sales or house sales. I think it would only be fair to assume that nothing's really changed in that perspective.

Mr. Eichler: Again, because I have not been privy, and nor do I expect to be privy, of the buyout agreements, but information that's been shared with me in respect to those farming operations—is there any conditions that those operators will not be

allowed to enter back into the farming business if they take a buyout package?

Mr. Kostyshyn: First of all, you know, it's an unfortunate circumstances that developed on this, and I think we all have to agree that Mother Nature is one of the beasts that we contend with when it comes to—choosing the occupation, whether it's ranching or grain farming, whatever else. The Shoal Lake incident, it's no different.

I think what the question that was—been brought is that the producers that have been affected, we, as the government, are the last ones to discourage them to continue that as a career or an option. So with me saying that, we would somewhat encourage them to possibly consider staying in the business, probably repositioning their choices of property and use it to continue their choice in life as an occupation, ranching or farming.

Mr. Eichler: In—going back to the 35 that's still outstanding, what form of communication is the department going to use to notify those individuals of the buyout and the extension of the 60-day deadline?

Mr. Kostyshyn: The process will be such as when the assessment value has been placed, the offer of the buyout, the staff will meet with the landowners affected, deliver the offer in person and assure them that from the day of the delivery in hand, they have 60 days to reply back to the offer of the purchase.

Mr. Eichler: You know, as I might be so bold to suggest that some type of a commitment get out to them sooner than later. As we can all appreciate, we get our cheques every two weeks; they have no idea when this is coming. They have to make the necessary arrangements to move forward in their life and what they're going to be doing and make land arrangements to store those cattle or move on with their life. I would strongly suggest to—through you, Mr. Chair, that the department look at some way of notifying them people, sooner than later.

*(15:00)

Mr. Kostyshyn: Thank you for the question, Mr. Chair. The staff has informed me that they just recently met last week, I believe, with the majority of the associated individuals, a Shoal Lake chairperson, the co-ordinator, and we will definitely follow up the following week here.

You know, as we pride ourselves in clear lines of communication and 'transparency,' I can assure the

member that our staff is working very 'diginty' and moving forward on the proposal as I can appreciate the comments made earlier.

Mr. Eichler: Just couple more before we leave the Shoal lakes, and I want to get into the Lake Manitoba, to the MASC program. But out of the 27, how many individuals have taken the buyout?

Mr. Kostyshyn: The latest tally is such: We've got 12 who have accepted, zero that have rejected—it almost rhymes—and two have completed their request.

Mr. Eichler: Total dollar amount paid out to date?

Mr. Kostyshyn: As indicated earlier—thanks, Mr. Chair—as the two that were accepted the offer or completed, I should say, pardon me, the dollar amount—and this is for land purchase only—is \$615,250.

Mr. Eichler: And out of the balance, what's the anticipated dollar amount that's been budgeted for those buyouts?

Mr. Kostyshyn: I appreciate the patientness of the MLA opposite as we try and tabulate a lot of these figures together, but the estimated effect to clients and based assessment value, or estimated budgetary values, will probably be in the range of around the \$22 million.

Mr. Eichler: Just about done in regards to the Shoal lakes. The land that's been purchased through the buyout program, that land, does that go into a pool of Crown land, or how will that be dealt and will there be a first right of refusal for the people that sold it, if it ever gets back to where it's again usable for pasture land?

Mr. Kostyshyn: Just with some discussion here, regarding the proposal, once the land's been bought out naturally would remain in the authority of Ag Crown lands and, you know, I guess it's kind of a scenario where we have to seriously look at surface water management.

And I think we often hear members opposite, the federal government, talk about retention areas and flood areas and, you know, it's not going say that this is a regular occurrence. Once in 300 is—I think all of us have to agree, is not a regular occurrence, but I think moving down into the future, I think, in due diligence, the surface water management would be somewhat of a consideration. But down the road, I think, as an Ag Minister, you know, we move forward on improving the livestock industry or any

other industry that's Ag related and Ag lands is a very key component of that moving forward. So I think we would like to think there would be an appetite to maybe review this as we move forward down the road to assist in making the economy of the province move forward in the real estate aspect.

Mr. Eichler: That concludes mine on the Shoal lakes. I do want to move over to the Twin Beaches, Sugar Point and, of course, those individuals along Lake Manitoba that was flooded in 2011. Could the minister tell us the number of claims that's currently been processed for payment?

Mr. Kostyshyn: Just a point of clarification, where you're referring to cottages, can you kind of define your question exactly which you refer to?

Mr. Eichler: The total number of claims that's been processed around Lake Manitoba for cottages, landowners and homeowners through the MASC department.

* (15:10)

Mr. Kostyshyn: As of April the 27th, we've had 3,583 claims, the dollar value of forty-six million, nine hundred and forty-four dollars and six hundred and thirty.

Mr. Pedersen: Mr. Chairman, through you to the minister. I did provide a list of written questions to MASC, and rather than have everybody ask individual questions, I want to find out first: Have you provided answers to any of these lists, or what—what's the status right now of this list that I provided through you to MASC?

Mr. Kostyshyn: And the members opposite can—I think, can really appreciate, and I guess I've had a chance to review some of those questions, but it's quite of intensive dissecting of some of those questions and then break it down too, to answer some of those questions to the member opposite. But I want to assure the member that we are—the staff is working very diligent. We will definitely provide a copy for you in the very near future related to the questions that were presented to me and my staff just a little while ago.

Mr. Eichler: Before I go back to my MIT Estimates, I want to thank the minister and, of course, the staff for the dedication and the time on the Shoal lakes project, and I can certainly well imagine how much time and effort has, in fact, been put into it. And I know that, you know, the minister's fairly new in this position, but, you know, you kind of got thrown into

the flood—or the fire, so to speak—trial by fire, and I can tell you that I can certainly appreciate what he's gone through and, of course, my appreciation to the staff and, of course, I know last year about this time is when it all started, when we started moving forward, and I can tell you that the communities out there certainly appreciate all the hard work that the staff and your office has done. So please pass that on, Mr. Chair.

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

Mr. Kostyshyn: I thank the member opposite as well for that. You know, we all may have our certain beliefs, but I have to agree with the member opposite. You know, the staff have gone through a lot, and so obviously the people affected by it—by the flood, and I think we have to be very honest to one another that nobody anticipated the wishes of this to happen. And if I can make this comment, is that I think we all know through engineering designs or MIT standards, when we talk about drains being designed or some surface water designs being made, they're made for floods that occur once in a hundred years. Without a doubt, we were dealing with something that—one-in-300-year type of a flood. But also with the missing component in this is that when we start playing around with Mother Nature, how she designed the landscape—and we've had to deal with surface water. As I've said before, not only do we have to deal with water within our own province, but based on a—on the bathtub watershed, we got Alberta, Saskatchewan; we've got the Dakota waters coming in. Lake Manitoba, Lake Winnipeg is the bathtub of a large watershed. We may have added more taps to the bathtub, but, unfortunately, the outlet can only handle so much at one time, and we can never be the plumber that could foresee that the problems we're going to be facing.

So I thank you for that, and I'll relay that message on to the staff. Thank you so much.

Mr. Ian Wishart (Portage la Prairie): And, through the minister, first off, pass along a compliment. I'd like to compliment the minister and his staff and the MASC boards for including market gardens, greenhouses and nurseries in their lending program. I think it's a move that was well overdue and I do appreciate it. I know it did help out a constituent of mine, and interesting to note that it was actually his father that had been rejected 30 years ago that—taken us that long to get where we need to go. But at least it was done.

But I do have a question about BSE loans and the hog transition loans. What are the status? And I do hear from a few constituents regarding the hog transition loans not really having met the needs yet, they're still financially constrained. Is there anything further happening in that area?

Mr. Kostyshyn: On my naiveness that I forgot to introduce some of my fellow staff members here, I apologize to my staff—senior staff members here, but also to the members opposite.

I'll start with introducing Mr. Neil Hamilton, he's the president and CEO of MASC; Craig Thomson, who is the vice-president of Insurance Operations; and Jim Lewis, who is vice-president of Finance and Administration as well. And we'll have to just patiently await the staff, just looking up the requests there.

As of December 31st, 2011, the BSE loans total—there's 618 loans at a dollar value of sixteen million, two hundred and fifteen, and the Manitoba hog assistance approximately—or 100 loans at \$30,712,000.

Mr. Wishart: Thank you for the information, Mr. Minister. Are they all current then? Everything is in good order?

Mr. Kostyshyn: We'll probably have a percentage of, I guess, delinquent loans I would have to refer to in that context, but at this point in time I think it—I don't have that information in front of me.

Mr. Wishart: Well, I would appreciate, if these are unusual in terms of number or frequencies, though I recognize it's normal to have a small number at any given time. It's hard to tell from the amount loaned whether they're current and whether financial arrangements are actually operating in an effective manner. And particularly with hog prices dropping recently we are somewhat worried that in that sector in particular they have never had the recovery period that they needed, at least not of long enough duration. So, if you could give me an update on that in the future, it'd be appreciated.

I had a second question related to financing. I've been hearing frequently from financial institutions about the private charter banks and the credit unions that MASC is sending customers to them—and they're certainly not upset to have that happen. However, the situation is that all they're—all MASC is sending them to them for is 30 days bridge funding.

* (15:20)

So they're writing up very large loans for a very short period of time, and then MASC is taking them back and refinancing, probably at more attractive rates because rates have gone down. However, this isn't something that the financial institutions find very attractive, and most of them are now refusing to go to a lot of time and effort for basically very little return. It's tough on the customer because the bank that they have the best relationship with is saying, no, we're not going to do it because it's more trouble than it's worth, and yet, MASC continues to send them there.

What is the cause of this arising? Why can't you just internally refinance? And if you're going to have to go outside the traditional sources that are available to MASC, what kind of return or what type of interim relationship do you need to develop, particularly with the credit unions because they do carry about 60 per cent of the farm debt in the province anyway—what kind of relationship can be developed there that doesn't leave everybody with a bad taste in their mouth?

Mr. Kostyshyn: And I'll have—revert back to your previous question. I have some updated information regarding the—I think you referred to possibly the problem loans or anticipated clientele on loans. So I think it's safe to say that the BSE in—is about 210 that are in arrears for a value of about \$3.7 million. And so that—I guess, for point of clarification to the member opposite, we talked about BSE loans for a total of 618, so 210 are somewhat questionable. The value of the 618 was \$16 million-plus, so when we take the 210 that are in arrears, it's about a \$3.7 million, okay.

From the Manitoba Hog Assistance, there was approximately 100 loans with a value of \$30 million approximately. As it sits right now, for potential loan losses, there's 15 that are somewhat in review. And the dollar arrear amount was \$400,000 out of \$30 million, so not bad.

And I'll get to your earlier—I'll get to your question shortly here. Okay?

I guess I'm maybe somewhat confused by the question regarding the credit union and the MASC loans. I think it's safe to say is that it may be the wishes of the producer or the farmer that might be entertaining visiting various financial institutes to solicit the better—and I apologize if I misinterpret the question, but I think it's safe to say that we in MASC are not encouraging that type of activity.

Mr. Wishart: Well, I guess my response would be, there must be some policy or some function in your policy positions that are generating this because I can tell you that the credit unions aren't chasing to make this happen. These people are turning up at their doorstep saying we need to do this for 30 days. There's nothing in it for the credit unions. They are not particularly happy about it, other than their customer—trying to keep good customer relations is what they're attempting to do.

What policy or what requirement is generating this, is what we're trying to clear up here.

Mr. Kostyshyn: Thank you for the question. I think we need to discuss this, because I—I'm kind of sensing there's a little bit more in the question that's been brought forward that I think needs to—it might be more of a business 'ishent', of somewhat exercising. I think MASC has the flexibility—or MASC does have the flexibility to pay out their loans in 30 days, if they so choose to, right. But there might be some other circumstances that follow with that. And I'll gladly discuss this in—with staff, and the member opposite, if we want to get a more clear definition.

We want to revert to some examples if that may set a clearer picture of what the question's being asked is, okay?

Mr. Cliff Graydon (Emerson): I have a question. The—in 2011, the—there was a Feed Freight Assistance Program. Is—has that program been paid out?

*(15:30)

Mr. Kostyshyn: Referring to the feed question that was—what we did have in place—the program was until March the 31st, 2012, but also the hay transportation component of that was until the middle of May. Okay?

Just on some other point of information, the transportation program had 230 claims—our clients that use the transportation program—at a dollar value of \$649,000 to date, and more claims yet to come, because that is not up-to-date so to speak. It may be a month behind, so we still have the middle-of-May type of claims to be completed.

Mr. Graydon: So the minister's saying that there's 230 claims that have been paid up-to-date. How many claims are left?

Mr. Kostyshyn: Thank you for the question. To sum it up for the MLA from Emerson, there was a total of

409 in total; 230 have been paid, so there's approximately 179 to be paid regarding that program.

Mr. Graydon: The feedlot program that the provincial government announced after the unprecedented rainfall and the flooding, can the minister update us on that program and whether the feedlots have all got their money and are back in shape? Or whether some of them have done part of the work, and have been paid in full for part of the work? Or perhaps you can just give me an update on that.

Mr. Kostyshyn: If I may reassure the member opposite that the feedlots—as Ag Minister, definitely foresee them as a key component as we move forward the wishes of processing in the province of Manitoba. We see the feedlots being the start of the cull calf operations, the feedlot operations, and the benefits for the Manitoba's economy. So we can assure that the feedlots need to be revived as we know what—traditionally, what's happened to a lot of our feedlot—previous feedlot operations seem to have disappeared to other locations.

So, with that being said, 11 applications in the feedlot tallies; four have been completed, two are presently need to be reviewed simply because of additional invoices were requested, three are under review, and two have to submit the necessary documentation to proceed such as invoices and a number of other things. So I think, if my calculation is right, that is the 11—if the breakdown is adequate.

Mr. Graydon: So, when the feedlots were doing their reconstruction and they weren't able to do it all, but they were approved, they were approved to do a certain portion, and knowing that they would do the other portion this year, the first portion is done and they haven't received all their money. How long do they have to wait for that?

Mr. Kostyshyn: To somewhat break it down for the member from Emerson, the original requested claim was approximately \$1.1 million. As the member is probably quite familiar, there has been advance payments made to the feedlot operations in approximated about \$230,000.

But I think there has to be clear understanding is that, as I indicated previous, there was a breakdown—and then sometimes circumstances, such as a lack of an invoice being provided, somewhat does not balance out the criteria as your earlier question referred to; someone has received some money and

they're still waiting the second payment. Well, sometimes that may be late, and I suppose until we do it by case-case scenario, it's pretty hard to get specific. But I want to ensure the member that the money will—is advanced on a—on a need-to-need basis providing the work is done, all the paperwork has been processed to the staff as we need to.

Hon. Jon Gerrard (River Heights): Yes, on the—for—MASC is dealing with a major component of the Lake Manitoba situation where people were affected by the flood.

One of the questions that I'm being asked relates to a part of the program which, I believe, may have been transferred or in partnership with Water Stewardship, and I presume now in partnership or transferred from MIT, whatever is happening. It deals with the funding that would include provision of rocks or gabions as flood protection for people around Lake Manitoba, and that program apparently has a deadline of October of this year. And what I'm hearing is concerns about that particular deadline, and perhaps you could—the minister could explain, you know, a little bit about how this transfer has worked and how the program works and, you know, whether there is—he's willing to relook at this deadline and perhaps have it extended.

*(15:40)

Mr. Kostyshyn: Yes, it—yes, the department has maybe created some, you know, clearer picture how we understand it. But the flood proofing, if I can simplify it to the member opposite—the flood proofing falls under MIT, okay. The number of components in the MASC department, part (d), refers to such as the question brought forward regarding the stone, and that is—that program will terminate as of October 31st, 2012. And I think the question is very valid.

I think at that point in time, the affected or potential—or the people affected by this, may want to revisit that type of an alternative as far as—of stone or rip-rap, sometimes referred to—as far as minimizing the intentions of it.

I just want to reaffirm the thought as, you know, how many years that the beaches be where they are and stuff. And it's a one-in-300-year flood. Is the wishes of the people—want to look at the stone face for the number of years? I think those are the questions that, maybe as this season progresses, that some of the cottage owners may want to reconsider. But I'm not one to put suggestions in their minds, but

I think that's something that may have to be considered.

Mr. Gerrard: Yes, I think people are concerned that with the slow pace in which things are progressing; with the fact that there's, you know, various other, you know, activities which have to come first before the stone abutments; that there's, you know, many homes which, for instance, in St. Laurent, where they're likely to be demolished, but there's not been any demolition; where, you know, things in terms of the overall planning, is going very, very slowly, compared to what people had expected a year ago; that—I think, that people may want to rethink this. But I think that to foreclose it in October, when things have been going so slow, is potentially a problem.

I would also ask whether the minister has provided for people information on best practices in terms of these sort of rock or stone abutments?

Mr. Kostyshyn: Thank you for the question, member of—I think, maybe referring to the cottage owners up in the St. Laurent area—and I hope the member opposite will agree with me, I think there was an understanding that nobody could anticipate what snow loads we were going to have this year and the amount of rainfall, what was the anticipated ice movement going to be. So, in defence of some of the decisions, or rational decisions being made, I think we have to accept the fact that some of the cottage owners, you know, really basically had to come out and said, maybe, what's the sense of us doing an assessment and then consider doing some repairs to some of the cottages until we get through the spring of 2012 because nobody could anticipate what kind of damage is—additional damage could be done towards this.

As far as the rock scenario goes, MASC does not provide that kind of information. There's engineering firms also, possibly MIT, Water Stewardship, may be able to assist of some suggestions how that could be applicable. But I think if the lake level starts to recede at the rate it's going right now, I think the, as I said earlier, I think some of the property owners may want to reconsider the rock's area. I'm not going to tell them what to do, but I think sometimes that there might be alternative suggestions or ideas to such a proposal.

Mr. Gerrard: A couple of points. The minister refers to cottage owners. There are many, many

permanent homes there, and, I mean, they are all homes whether they're—and so I think that there's often been attempt to kind of diminish the importance of these by, you know, talking about cottage properties when a lot of this is— we're talking about is permanent residence, and, you know, even the cottages, people have put 30, 40, 50 years in, and these are, you know, important investments to people.

The—let me give you, sort of an example. I think that many, you know, who have waited for months and months for decisions from MASC on items that are moving forward, and as an example right now, there are many properties and decisions around demolition at St. Laurent, but my understanding is that the—I mean, that before a property is demolished, rightfully, MASC has to be in contact with the proper own—or property owner and, you know, get some sign-off and make sure that that's been agreed to, and there seems to be quite a delay in that process, which has to occur before the demolition occurs.

So maybe the minister could actually look at this and find out what the holdup is or maybe he can tell me what the holdup is and things could be moving faster.

Mr. Kostyshyn: As somewhat of a repetitious comment to the member opposite, I—some of the homeowners, cottage owners, at lake St. Laurent have indicated maybe we're just as well to wait till the spring of 2012—some—before we do a complete assessment.

So it was kind of a wait-and-see-game. But the other thing that I want to ensure the member that we've hired additional staff as of a week or two ago, that we've upped our numbers, I believe, to five, six, seven additional assessors have come in to help out—speed up the process of the assessed values. They determine a potential settlement, if I could use that terminology, as we move forward too.

And I want to inform the member, as well, that somehow, when you get into circumstances that we're into right now, it—you can't pick an individual that does the complete assessment value. You have to bring an engineer if there's a foundation to be considered. Then you have to bring in another assessor to do a true value on the piece—so there seems to be about two or three components to settle out of the decision making that the entire residence will be demolished simply because one reason or

another. So I want to assure the member that there is—it seems to be somewhat a convoluted type of process when you got to have more than one person assess and get a sound assessed value of the property.

* (15:50)

Mr. Gerrard: The—you know, there's some instances, very clearly, and they seem to be more frequent than one perhaps would like, where, you know, for instance, you know, one person whose property or home was demolished, right in October, but they never heard from MASC until quite recently. And when was contacted by MASC—apparently, the assessment that was done before the house was demolished—the information was lost so they've got to do it all over again.

You know, it is causing, you know, obviously, disruptions. I'm not sure why these problems are happening or arising, but they clearly, you know, are an issue, right, in orderly processing and quickly processing this sort of information.

Now, perhaps, the minister can tell me, for Lake Manitoba—you know, I think that the number of claims for all of Manitoba is about 30,000, but how many claims are there for Lake Manitoba, and how many of those claims have been fully processed?

Mr. Kostyshyn: As of April the 27, 2012, basically, 142 principal residence have been looked at, and some of them have not been totally been completed, right? You know, there might be minor adjustments or minor issues to be dealt with. But also, to add to that list is 235 non-principal residence, so will give you a total of 377. *[interjection]* And they have been paid as well.

Mr. Gerrard: And what would be the total number on Lake Manitoba of expected claims or of—

Mr. Chairperson: Honourable Minister.

Mr. Kostyshyn: We're in the process of contacting all the people via phone-arounds and contact. It definitely has been a challenge for staff to move forward with that. I think the due diligent has been done by the communication, I think, of people affected by the flood would be contacting the appropriate department. But then there's some that our department is doing due diligence by, I think, trying to locate or contact the appropriate people. So I guess we can't give you a rock-solid number at this point in time to the member opposite, but that will come shortly.

Mr. Chairperson: Honourable member for River Heights—sorry, your mike wasn't on. Just repeat your question.

Mr. Gerrard: Oh, okay.

Is there an estimate?

Mr. Kostyshyn: I think, in retrospect, to the member 'lostimate' question is that we are out there investigating the numbers. We anticipate it's going to be under 2,000, but at this point in time, we're—I think—I don't want to mislead, you know, our communication. Obviously, the people that are—well, will be coming forward and make the necessary application of claim. So thank you.

Mr. Pedersen: I would like to turn a little bit to the finances in terms of the flood efforts. MASC was in charge of the flood recovery program. There—was there overtime? There was a lot of employees within MAFRI that were seconded or pitched in with the flood efforts, a lot of overtime, travel, possibly some accommodations, and was this kept track of by MASC?

* (16:00)

Mr. Kostyshyn: I think the question that was been brought forward by the MLA for Midlands, is the MASC paid overtime or the MAFRI people paid overtime? Was that the question that was brought forward?

Mr. Pedersen: Well, there was overtime by MAFRI staff. There was travel related to flood, there was accommodations probably related to flood. Did MASC account for—do the accounting on this? Did they keep track? Who kept track of the overtime and other costs related to flood recovery?

Mr. Kostyshyn: The question brought forward, the overtime would be basically in the Finance Department, that if you wanted—if we needed to investigate, through MAFRI's department. It would be part of the financing diligence.

Mr. Pedersen: So you're telling me that they're—I'm having great deal of difficulty with this, because somewhere within MAFRI staff that was putting in overtime, are you telling me now that they put their overtime hours in to Finance?

Mr. Kostyshyn: Okay, thank you for the question.

All operating expenses for the 2011 flood are incurred by the emergency expenditure account as we talked about yesterday.

I also want to inform the member opposite as well: accountability—all expenses, including overtime recovered from the federal government are subject to audit by the federal government. Manitoba's accounts are subject to internal controls, legislation, accounting rules, and public sector rules, and Manitoba can be subject of an audit by an office of the Auditor General at any time.

Just to kind of give you additional information, to the member from Midland, this helps to ensure 'transparency' in flood cost and it's a long-standing practice since the 1997 flood. And just in my earlier comment to the earlier question: all records are all kept and every entry is held in Finance. So that's why, to my earlier question, that's why when you talk about the overtime, that's where the information would be provided as the minister—or the MLA had asked the earlier question.

Mr. Pedersen: Just as a matter of information, then, my colleague from Agassiz just asked the—exactly the same question in MIT committee in the last 10 minutes, and was promptly told the number of hours of overtime in MIT and the dollar figure paid out for the overtime in MIT Department. So I am finding it difficult that the—either MAFRI or MASC cannot provide me with the number of hours of overtime provided by the employees within MAFRI.

So I'll leave it. I'm obviously not going to get anywhere on this. So I'll just—I'll leave this as a written—as a request for a written answer back, because somewhere—somewhere—you know, within MAFRI you have a record of how many overtime hours. I understand this, that it's paid out of appropriations 27, Finance. I understand that part, but you had to put a bill in. You had to have accounting within your department. So I'm going to leave that as a written request for you to get back to me how many hours of overtime, and the dollar figure on the overtime that was performed by MAFRI and MASC staff.

So, leaving that, I want to know now, Mr. Chair, how many people there are involved in processing the claims—to the flood claims.

*(16:10)

Mr. Kostyshyn: We have a number of staff that are involved in the flood situation. We have presently 48 flood recovery persons working in the MASC staff office in Portage la Prairie right now and processing the claims. That's not including the

assessors or the—assessors, I guess, you would call them? Yes. Or appraisers?

Mr. Pedersen: So I take it there's 48 people within MASC office, processing claims. That was my question.

And does that in—no, that does not include the people from Québec that were just brought in. They're doing assessments, as I understand it, and you will correct me if I'm wrong, so let's just leave it at that. Okay, they're out there doing assessments.

So what has been the staff turnover within the claims processing—if I can call it a division. There's 48 people there now; how many staff turnovers have you had in the past year?

Mr. Kostyshyn: And if I could just—point of clarification to the earlier question: We had indicated there was 48 that were working in the MASC office, and the additional appraisers that had been brought in was not part of the 48, so we've got now seven additional individuals from Québec and also six additional appraisers as well, locally, that we've been able to bring forward—five or six, I believe.

To answer the question—the secondary question: We've had a turnover of approximately five or six people in our start of the flood scenario.

Mr. Pedersen: There are a great deal of outstanding claims and they're in various states of flux in terms of where they're ready to be paid out, still being looked at, or what not. Is there a benchmark or time frame in which you would like to get these paid out? And obviously every circumstance is different, but you've got a large number you're dealing with right now. Is there a benchmark timeframe in there to get these claims paid out or settled in when it's—when there is not going to be a payout?

Mr. Kostyshyn: Mr. Chair, and I think the members opposite can really appreciate the complex situation that's facing us here. And without a doubt, I guess, the staff, the government of the day, is well appreciative of the circumstances. And I think I would not be the first one to indicate that if we could snap our fingers and say that it could be done in a day, that would be our wishes.

But, also, we have to be somewhat realistic that we are accountable of the settlement, and that's why we need to have our necessary staff to go out there. And it's not a one-day event. I—the wishes would be that we could proceed with the settlement of the

claims hopefully by summer, end of summer, if we live in a perfect world.

But I think the member opposite can truly appreciate that we're dealing with a number of claims and not only—when we talk about building structures, we're talking agriculture structures, we're talking fence lands, we're talking a whole ratification of stuff and, you know, some of the stuff that Mother Nature will probably give us some additional challenges as we move forward.

So the wishes would be to have everything kind of completed, but I think if we could rub the crystal ball, we could come with more accurate figures. But, no, we're—definitely, our staff is working very hard towards trying to settle this out as quick as we can for all citizens affected.

Mr. Pedersen: Is—are there—is MASC still accepting applications for flood claims or are all the claims in now? Obviously, again, it varies depending on their rate of settlement. But are you still accepting more applications of flood claims to date? And if you are, then how long will you continue to do that?

Mr. Kostyshyn: I think the question is: Can you be a little bit specific at what claims you're referring to?

Mr. Pedersen: Mr. Chairperson, 2011 flood claims. There's many programs under the flood claims. It's the long list that you've given to me and I appreciate that. But is there a deadline for the applications for 2011 flood claims?

* (16:20)

Mr. Kostyshyn: The question brought forward is that the department was using March 16th as the—kind of the introduction of basely opening up a claim number, I guess, lack of a better word.

And, I guess, we would definitely entertain March 16th—March 31st, but if there's any lingering claims, I think we may—yes, point of clarification, March 31st is the forage program. The—but I think there's—we feel fairly comfortable majority of the claims have been brought forward and assume that that's a hundred per cent.

Mr. Pedersen: Now, just swinging back to this lengthy list of written questions that I gave to the minister and—to pass on to MASC, and when we first started today I was told that they're still working on answers on that.

And I just would like to have some commitment from the minister as to when this will—I will get the—

get this sheet returned with the answers from MASC in regards to 2011 flood.

Mr. Kostyshyn: I want to assure the member from Midland that we are working towards it, and we're not delaying it for any particular reason. We will—we are providing the necessary information as our staff is working, not only for processing the present claims right now, no. We don't want to take our staff off to totally focus to the questions brought forward by the MLA from Midland. We will—we're working on it on an ongoing basis. There's no intentions of not providing the information, but we definitely want to move forward, also processing claims, to the member opposite. So I think we want to be somewhat flexible, but I can assure you that we will have it as a priority to get the information to the member from Midland as soon as possible.

Mr. Stuart Briese (Agassiz): Just wondering, and I did get a chance to ask some questions over in the other—in the EMO, and what I was told was that literally all the claims come through MASC, and then they're taken and a lot of the DFA, the disaster financial assistance, is split out. After the fact, they figure out which goes where.

Are there any First Nations claims that come through MASC?

Mr. Kostyshyn: Definition being: structures fall under a different jurisdiction. The contents or personal property falls under the flood claims.

Mr. Briese: I have three First Nations up my side of the lake, too, that used to be in my constituency and aren't all anymore, but one that still is. They all had evacuations in the flood this past year. So you're saying that some personal properties could trigger claims that come through MASC.

Mr. Kostyshyn: I think the point I indicated was personal contents, personal. I don't—I refer to as real estate, I refer to as the furniture of the worlds and the contents not real estate.

Mr. Briese: How many of those claims would there be?

Mr. Kostyshyn: As of April 27th, 2012, we've received 565 claims. Three of them are—395 are eligible for payment. Out of the 393, 85—185 have been paid on the contents to a total of \$803,000.

Mr. Briese: Is there a photo record obtained? How do you verify those claims? If it's on personal property, I think, in my—in most cases you require

some verification of the property. Is it by photos or how do you do it?

* (16:30)

Mr. Kostyshyn: What we had was a—photos and lists were provided to MASC on behalf of the Manitoba Association of Native FireFighters. They were basically, somewhat, subcontracted to assist us on the delivery of the program, in assist of the claims.

Mr. Briese: So you had a photo record that you did obtain on those—all those claims.

Mr. Kostyshyn: As—I [*inaudible*], but I have been told that there's requests for photos and lists were provided to MASC.

Mr. Briese: Could you give me the total—the overall total of claims and how many of the—all the MASC claims, and that may have been asked before, but how many of them have been dealt with and that are considered closed files?

Mr. Kostyshyn: Yes, it was—thank you, Mr. Chair. Yes, that was brought up previously. We referred to the total amount of claims, as of April the 27th, was 3,583 claims. The dollar value of approximately \$46,900,000. And those are still claims—there'll be additional claims and additional payouts as of yet.

Mr. Briese: Yes, sorry, about that. I was in another set of Estimates, so I didn't realize that had been asked.

Did I not just hear you say, though, that the cut-off date was March the 15th? There won't be any additional claims. Have—are there any claims that are filed since March the 15th?

Mr. Kostyshyn: Yes, April the 27th, just to be repetitious; 3,583 claims—that was the amount of claims we've handled at that point in time.

As I referred to earlier, March 15th was a deadline. So there's a number of claims that haven't been—there's a registered number to them, okay? All right, so, those haven't put a dollar value to them but application numbers by March the 16th was 6,237. So, as a previous number I indicated, approximately 50 or 40 some-odd per cent have been processed.

Mr. Briese: So March 15 was the cut-off. Have there been any claims made since then? And, if so, what are you doing with those claims?

Mr. Kostyshyn: A point of clarification—are you talking claims or applications?

Mr. Briese: I kind of thought claims and applications were the same thing. But application for—under any of the programs, have there been any claims under the programs that were made since March the 15th, and, if there have, what are you doing with them? Is that the dead cut-off? There's nothing going to be done with those claims or is there a refusal then to even look at them?

Mr. Kostyshyn: I think, just for point of clarification: We talk about applications, those are new applications. But when we talk about Estimates, we're talking additional dollars to a file already in place, I think is, was my point as far as application versus—

Mr. Chairperson: Honourable member for Agassiz.

Mr. Briese: Well, then, I'm talking about applications.

Mr. Kostyshyn: I think the point of clarification, the reason for application, is very valid. I think we would like to entertain some flexibility on the application deadline. But I think the other thing is that, depending upon what the circumstances are, you know, I think staff is prepared to look at it. But I also want to ensure that a good friend of yours and a good friend of mine, the appeal process, I think, is also a secondary component, if the client feels that they're not being dealt with fairly in the timeline restrictions.

Mr. Briese: So when does this flexibility start and end? You have a deadline of March the 15th. Is March the 20th the flexible end or 25th or the 31st?

A year ago—two years ago, maybe—I had a constituent that had a claim under the wet acres. He was two days late getting it in and he was turned down flat. He didn't get a percentage. He was turned down on the whole thing.

Now, where's your flexibility end on this? Like, we're talking March the 15th—what are you doing with claims—applications that come in after March the 15th?

* (16:40)

Mr. Kostyshyn: And, I suppose, if we're going to compare some fruits here, if it's an apple, an orange; if you want to compare situations when it comes to claims, I think that's exactly what we're doing. We're doing bananas and oranges.

If we have an agreement, let the federal government, as you referred to as far as crop insurance, what acres, I think the member opposite is well aware of—the federal government also has

deadlines and commitments that we have to abide by, that we need to stay focused on.

I think what we're saying today is that because of the unusual circumstances of the flood, and certain things that, you know, humanly that we don't have control of—and then I think, at one time, we tend to be critical of not being respectful, the next time there's other circumstances been thrown at us, but I think, that given that one-in-300-year flood, I would suspect that there's—there was a little bit of respect from the opposition, that we need to respect that one-in-300-year flood.

And we're not going to close the door, but I think member opposite would somewhat appreciate a certain amount of sympathy in that perspective.

Mr. Briese: So, the minister is saying to me, then, there is really no claim deadline. He can't seem to put a date on it. So, what—I'm just asking, when's the claim deadline? When's the application deadline? And what happens to applications that come after that deadline?

Mr. Kostyshyn: Yes, I suppose if the member opposite chooses to want us to provide a deadline of March the 16, I think that is our deadline, March the 16th.

But I kind of sense that, you know, Mr.—the appeal process is there and the member opposite is—chooses to be somewhat committed in that perspective, but I really hope that there's a little bit of understanding, given the unusual circumstances. But I sense the member opposite wants our government to be fairly rigid on March the 16 being the final date.

Mr. Briese: I'm sorry, Mr. Minister, that was not what I was getting at. I was asking simply: What do you do with applications that come after the deadline date that you've got on the application form?

Mr. Kostyshyn: I think I've stated my opinion. Thank you.

Mr. Pedersen: If I can just turn a little bit away from the flood, I would like to get caught up on a few things with MASC because they're—they have another 15 minutes here.

Stocker Loan program update.

Mr. Kostyshyn: Your 2011-2012 number of loans approved are 143, for a total of fourteen million, seven hundred and sixty-one.

Mr. Pedersen: Does that 143 include overdue loans, or are they separate, or can you give me a breakout of the overdue loans and the dollar figure on the overdue loans?

Mr. Kostyshyn: Sorry, Mr. Chair, I kind of gave the wrong—it was December 31st, 2011, not 2012. Okay. And I'll get to your question shortly.

To move forward on the arrear amounts, I believe—and I think, as the minister opposite would appreciate, you know, timing on flexibility with producers, that if they're within a month of marking some of their animals, we provide some flexibility. So when we look at calendar dates on here it's somewhat deceiving. So I just want that to be clarified that the dollar amount does not truly reflect the honest picture of what we're at.

So in the—as of December 31st, 2011, the arrear amounts were \$2 million—\$2.1 million. But I think the more important comment that you might be looking at is, how many writeoffs? There were zero.

Mr. Pedersen: But how many loans on that \$2.1 million? How many individual loans are in arrears?

*(16:50)

Mr. Kostyshyn: There was 32.

Mr. Pedersen: On page 71 of the Estimates book, there is a reduction in administration and lending costs, and the note 1 under that is reduction in loan provisions, increased in net interest, and a number of administrative efficiencies.

Could you break that down into how this has been determined and an explanation of those? Because you're looking at about a \$2.5-million reduction in that line item.

Mr. Kostyshyn: Just to kind of break it down in four components, towards the question brought earlier by the MLA for Midland.

Net interest earned was approximately \$700,000, basically, on the program. The—increase, I should say, increase in net income of interest charged. The loan program, basically, the portfolios, you tend to set aside dollars for potential writeoffs, you know, X amount of dollars. So we had a few—fewer amount, dollar amounts. Well, that added to a \$1.4-million reductions of expenditure.

And, basely, the young farm rebate, there's always X amount of dollars set aside to accommodate the proposed young farm rebate. As

the young farmers are increasing in age, the program's not being used to the utmost.

And then the last one being administration—I'm sorry, 150,000. Okay. And the last one being just efficiency in the administration staff which rounds out to approximately 350,000.

Mr. Pedersen: There are currently caps on MASC loans, any intention to increase them? And I ask that because of the increase in land values, machinery values. Obviously, you have to keep track—keep up-to-date with what's out there.

Mr. Kostyshyn: Thank you for the question. Yes, there's been probably a key—three key components regarding that type of question. The first one, I think, being the direct question asked by the member for Midland, the maximum loan limit has been raised from 900,000 per individual, right, and for corporations and partnerships to \$2 million. Okay?

But also, which is something that's relatively new to a point, equipment purchases are also approved for loans purchases, which, you know, sometimes had some issues. And the other thing is the flexibility, as far as farm equipment—is that what you were referring to, Blaine? Yes, at one time, I think MSAC was somewhat hesitant to take farm machinery as collateral. So now we've provided some flexibility. *[interjection]* Yes. Okay. So this is just a point of clarification: we will provide loans on new and used equipment—farm equipment loans that traditionally was not considered.

The other thing is the net worth or farm income limits on new applicants have been eliminated. So, you know, we—there was some restrictions at one time, so the word flexibility has come into play.

Mr. Pedersen: The wildlife damage claims, predator claims, they are at 90 per cent. They were to go to 100 per cent, which was an announcement, but it hasn't happened to date. Am I correct? Has not happened.

Mr. Kostyshyn: Yes, that's correct.

Mr. Pedersen: I can probably squeeze at least one more question in.

The over-winter bee mortality insurance program, it was identified in a March 7, 2011, news released. Has it been initiated yet?

Mr. Kostyshyn: Quick answer: yes, it was in the winter of 2011.

Mr. Pedersen: And what has the uptake been approximately as a percentage of the beekeepers that are out there?

Mr. Kostyshyn: The numbers are approximately 44 producers and 66 per cent of eligible producers.

Mr. Chairperson: What timing.

The hour being 5 o'clock, maybe plus a couple, committee rise.

FAMILY SERVICES AND LABOUR

* (14:40)

Mr. Chairperson (Tom Nevakshonoff): Good afternoon. Will the Committee of Supply please come to order. This section of the Committee of Supply will resume consideration of the Department of Family Services and Labour.

Yesterday, we heard an opening statement from the minister.

Does the official opposition critic, the honourable member for River East, have any opening comments?

Mrs. Bonnie Mitchelson (River East): And, yes, I'll have some—a short opening statement, and just welcome the minister to her new responsibilities in Family Services, and I know that the issues in Family Services are not easy ones to deal with. We're dealing with very vulnerable people, vulnerable children who very often don't have a voice of their own and don't have the ability to tell others some of the suffering and the pain that they're going through. And I know at the outset I want to congratulate the minister for recently becoming a parent and say to her, I wish her well as she moves through the delightful stage of parenthood and will probably be a significant amount of time before she gets to be a grandparent like I am. And becoming a parent is a pretty awesome experience, and becoming a grandparent, for those that haven't been there yet, is just something that you can't really explain to anyone until they've experienced it. It's something that I treasure on a daily basis.

So I wish her well with those new responsibilities and know that it's a very life-changing, life-altering experience to have a child and to take responsibility for that child, and we would hope that every Manitoba family does take those responsibilities seriously. And we know that there is family breakdown in many instances, and we see the results of that as we deal in the Department of

Family Services with some of the issues and some of the horrendous issues that face Manitoba families and children.

And so I look forward to seeing her look very seriously at some of the issues that we've raised and take some constructive suggestions and ideas that might be put forward, not only by members of the opposition, but those out there in the community that really have the best interests of children at heart.

I find it a little puzzling to see the changes in the Department of Family Services and the moving of Employment and Income Assistance out of the Department of Family Services because it is sometimes in—very often is a program that does support, again, some of the most vulnerable citizens in our society, so I find it a little strange that that piece of the department would be moved.

I know the minister will have a chance to try to explain to me the rationale. I know it has been explained very briefly in a letter that she sent back to me when I inquired about that, but I think I'd like a little more detail and we'll get into some of that as we move through the Estimates process. And maybe she can help me understand why the Department of Labour and the functions of the Department of Labour fit better with Family Services than the Employment and Income Assistance program fits. So I'm hopeful that we will have a chance to explore that in more detail.

With those few comments, Mr. Chair, I think that I'm prepared to have staff come in. And I guess we'll talk about the process of how we go through the departmental Estimates, and I may ask the minister for some clarification as we get started because I know there's a limited amount of staff that can come into the Chamber, and I'm not sure I want staff all having to wait, but I'm going to need to ask for some clarification of where I might ask certain questions so she can have the appropriate staff here.

Mr. Chairperson: I thank the honourable member. Under Manitoba practice, debate of the Minister's Salary is traditionally the last item considered for a department in the Committee of Supply. Accordingly, we shall defer consideration of line item 1.(a) and proceed with consideration of the remaining items referenced in resolution 1.

At this time, we invite the minister's staff and staff from the official opposition to join us in the Chamber, and, once they are seated, we will ask for staff to be introduced.

Honourable Minister of Family Services and Labour, to introduce her staff, please.

Hon. Jennifer Howard (Minister of Family Services and Labour): So with me today I have Aurel Tess, who's the ADM for Administration and Finance; I have Charlene Paquin, who's the ADM for Disability Programs and Early Learning and Child Care; and I have Carolyn Loeppky, who's the ADM for Child and Family Services; as well as Jeff Parr, who's the deputy minister.

And I think in respect to the member for River East's questions about how to proceed, I think it would be good representation here at the table of the department if she can try—and I know it's not always easy to try to ask questions kind of by division as much as possible that will simplify things, but we also have other staff nearby. So we'll—if we need to we'll be able to bring other people in and we'll just kind of proceed in that way and see how we go.

Mr. Chairperson: Does the committee wish to proceed with these Estimates in a chronological manner or have a global discussion?

Mrs. Mitchelson: I think in the past we've gone globally. I think the minister just indicated that, you know, there is the ability to have a lot of questions answered at the table right now and there are other staff available. So if that's acceptable, I will try to keep my questions focused on different divisions so that—but I guess at the outset I'd like to talk about the organizational chart. And there are if—as long as there are people at the table that can answer those questions right now I'm hopeful that we can proceed in a global fashion.

Mr. Chairperson: Okay, it is agreed we'll proceed in a global manner. The floor is now open for questions.

Mrs. Mitchelson: I notice in the organizational chart for the new department, under Policy and Planning we have an acting executive director, and that's Lissa Donner. Can I ask the minister how long she's been acting in that position?

Ms. Howard: I'm informed that Lissa Donner has been acting for approximately two years now. The previous person in that position was seconded to Consumer and Corporate Affairs. So I think sort of pending the outcome of that secondment, if it's to be made permanent then we would be looking to permanently fill the director of Policy and Planning.

Mrs. Mitchelson: It appears to me that that's an awfully long time to have someone in an acting position, and if someone was seconded over to Consumer Affairs—and I know that was not part of this minister's responsibility, but it was part of the department previously. Why would it be taking so long to have that person confirmed as permanent in Consumer Affairs so that this position could be filled on a permanent basis?

*(14:50)

Ms. Howard: I think, as the member for River East may know, in the last Cabinet shuffle, responsibility for Consumer and Corporate Affairs was moved to the Minister of Healthy Living. Previously, that division had been with Family Services. So I'm informed that now that that reorganization has happened, that the deputy ministers of both departments are discussing how to deal with the secondment of the previous incumbent in the Policy and Planning position, who's now in a whole other department, and how that will be, kind of, resolved, and then we'll be able to move with making the director of Policy and Planning a permanent position.

Mrs. Mitchelson: And was there a competitive process involved in appointing the acting executive director to Policy and Planning in Family Services?

Ms. Howard: Yes, I'm informed there was a competition to fill that acting position of director of Policy and Planning.

Mrs. Mitchelson: And, I asked the same questions last year, and I got an answer from the minister that this person was acting last year and I, you know, in the interests of moving forward, I think for the sake of the person that's in the position, and the department, I'm hopeful that I won't be asking next year whether she's still in acting status. The government might be able to get their act together and determine what is happening.

I notice also under the Disabilities Issues Office that there's an acting executive director, and I might ask the minister how long this person has been acting in that position?

Ms. Howard: That position has been acting for about three years. The way that that came to be, the previous incumbent went on a leave. It was not well-known, at the time, when and how he might return to that job. And so, you know, there wasn't the capacity to fill it permanently until that was resolved. I think that has been resolved now, and so we will be shortly moving to make that position permanent as well.

Mrs. Mitchelson: So is the minister indicating, then, that the person that went on leave will probably not be coming back to fill that position?

Ms. Howard: That's correct. He won't be filling that position; he will be filling another position.

Mrs. Mitchelson: And I'm just looking under Disability Programs and Early Learning and Child Care, and I see under strategic initiatives and program support we have an acting director, Ralf Margraf. How long has that person been acting in that position?

Ms. Howard: I'm told that person's been acting for about five months.

Mrs. Mitchelson: And under disability programs, we have an acting executive director, a Cathy Johnson. How long—or it's Carly, I think—Johnston. How long has that person been acting in that? And I'll leave it at that.

Ms. Howard: Yes, I believe that person's also been acting for about five months.

Mrs. Mitchelson: And in—at the last two positions that we just described, is the minister—can she give any indication of how long these acting statuses will continue, or are there plans to make some permanent decisions?

Ms. Howard: I think we'll be looking to make those positions permanent within the year. I think there's a bit of a domino situation happening where one person had left and the other person became acting, which required someone else to become acting. So, as that gets kind of sorted out, there'll be a domino going the other way, and we would expect those to be permanent in about a year.

Mrs. Mitchelson: And I'm encouraged to hear that, because it looks to me—when I look at all of the positions in the organizational chart that are in acting status, there's one, two, three on the disability side of the department, and I would like to—I find that a little troublesome, and I would like to see some permanency in those positions because I think it says something about, you know, the importance of ensuring that there's consistency and stability within the programming that's available for persons with disabilities. So look forward to seeing those positions filled on a permanent basis.

If we go back to the top of the organizational chart and the boards and councils and commissions that report directly to the minister, we have the Accessibility Advisory Council.

Could the minister indicate to me who's on that council?

* (15:00)

Ms. Howard: I don't have the entire list. I can give you some names from memory, and we can provide the entire list to you. It's co-chaired by Jim Doerksen and Yvonne Peters, both well-known advocates in the disability community. We also have on there representatives from the AMM; from the City of Winnipeg; from some of the employer organizations; the Retail Council, I believe, is on there; the hotel association; the restaurant and food services.

We've got representatives from various parts of the disability community. There's someone there representing the deaf community. There's someone there representing mental health, consumers. And really we put together that council to help guide the process that will result in accessibility legislation. So a lot of the work that they have been doing is working on what that kind of legislation will look at. They have been doing community consultations, and it is sort of a unique advisory council, in the sense that it doesn't only involve people with disabilities. There—people with disabilities are at the table, but also the folks who are going to be responsible for and affected by any legislation and the desire to remove barriers.

So I've met with the co-chairs, I think, at least twice, and I am told that work is moving along very well, and that the experience of having kind of everyone at the table has been very constructive at making we sure we get a good product. But we will bring the full list and share that with you.

Mrs. Mitchelson: Mr. Chair, and I certainly support the makeup of the council and important when legislation comes in, not only to support and serve members of our community, but if it impacts certain sectors within the community, it's important that they have input, too. We want something that makes common sense and that does have some balance. So I do support that. I wonder if the minister could indicate how often they meet as a council.

Ms. Howard: They're meeting quite often at the moment because they are very engaged in the work of preparing for legislation. And they also have a legislative requirement to report to me, I think, in the middle of June sometime. So they're very anxious to meet that requirement.

So I think right now they're meeting on average twice a month, and I do believe that they post online

kind of a summary of what they do in their meetings. I think it's probably available through the Disabilities Issues Office website.

Mrs. Mitchelson: Mr. Chair, and I know that the time frame for—there was some disappointment in the disability community there wasn't legislation last year. And the advisory council was struck in order to move forward towards legislation.

Does the minister have any indication of—I know the report is due in June. What is—what are the timelines or what's the plan after June, you know, when the report is submitted?

Ms. Howard: Well, as I recall, the legislation we passed in the last session, there's fairly prescriptive timelines in there. The council has to report to the minister, and then there's a period, I think, of 45 days where there has to be a chance for the public to comment on that report, to give feedback on that report. So I don't want to prejudge what we're going to hear in that report.

I know that just recently the council had a public—held a public consultation and I was, actually, just this morning reading in the Manitoba league for people with disabilities in their newsletter, a report on that consultation and how, you know, they found it a new thing to have, at a consultation on accessibility, not just people with disabilities. But I know the mayor for Steinbach was there and business people were there and employers were there.

So I think that's going to be very constructive in the eventual legislation. But I think, you know, in fairness to the council, until we see the report and their recommendations, I'm not sure I could commit to a timeline on the legislation. It's something I dearly want to do and want to do it soon. But I also want to make sure we do it in the right way, and—because what it will be, I think, is legislation that will really talk about the next 20 or 50 years in the province, and how we remove barriers. So I want to make sure we get it right and I want to make sure we have, you know, as many of the people who are going to be affected by that understanding it and supporting it. But I would certainly expect us to bring forward legislation before the next election.

Mrs. Mitchelson: And I thank the minister for that answer.

If I could, then, just move to—I don't think there are any more questions at this point on the organizational chart—to the reorganization in the

department and the move of Employment and Income Assistance from the department to—is it E, T and T—and I—departments have changed so much and the names have changed, that I'm not that familiar with them and what they do.

But could the minister indicate whether she was part of any discussions—I know that she wasn't the Minister of Family Services that included Employment and Income Assistance, but whether there were any discussions and she was involved in any discussions around the rationale for moving this function out of the department?

Ms. Howard: Well, certainly, I'm not going to break any Cabinet or caucus confidentiality. But I will say, my understanding of the rationale for the move was a desire to bring people who are on income and employment assistance into closer contact with training opportunities that are provided through the Department of Entrepreneurship, Training and Trade.

I think, as the member is aware, there is a shortage of skilled labour in Manitoba. And it's our belief that there are folks on Employment and Income Assistance who would like to have the opportunity to get training, who would like the opportunity to engage in employment. And, I think, you know, there have been many good programs and good strategies to match people up with those training and employment opportunities. But it also seemed to make some sense to try to put the administration of that program closer to where the training programs are in the hopes that we could do an even better job of helping EIA clients get access to training and, hopefully, get access to employment.

Mrs. Mitchelson: So, then, how many staff were moved out of the department and where are they now located?

Ms. Howard: I'm told the transfer of positions to Entrepreneurship, Training and Trade, there were 41 FTEs transferred, for a total dollar value of four hundred and—just out—about \$433,000—million. Oh, I always forget the three zeros at the end of these things. I'm sure that \$400 million isn't all in those 40 positions, or I need to get a different job. Because that's—there was a huge—of course, the budget for the benefits through EIA was transferred to ETT and then some of the positions were also transferred.

* (15:10)

I will say one of the things we're very clear about in this move is that we want clients of the EIA program to continue to be well served by the staff.

And we know that there's been a lot of work been done, I think, certainly, when the member opposite was the minister and continued under our government to make sure that we have an integrated service delivery model for those clients. She will know that many of the people who are in receipt of EIA benefits may also have involvement in the family services system, may also be in receipt of disability supports, may also be using the child-care system, and we want to make sure that those folks get an integrated service. And we know for a lot of those people, that the front-line staff that they meet within EIA, not only help them with their income support, but help them gain access to all kinds of government programs and we don't want to compromise that service.

So that means that in the—for now, the community service delivery side of the equation is going to remain with Family Services and Labour, and we'll assess as we go forward how that works. The deputies and the officials of both my department and the Entrepreneurship, Training and Trade Department are working closely on this transition, guided by the principle that what we're aiming for here is better outcomes for the folks who are in receipt of EIA in terms of getting access to training and employment, but we also want to make sure that front-line service delivery continues seamlessly during the transition.

And so the Department of Family Services and Labour delivers the EIA Program on behalf of ETT, and as we go forward, we will assess how that's working.

Mrs. Mitchelson: So, if I'm understanding correctly, the only function that has moved to E, T and T is the payment of Employment and Income Assistance—the cheques that are delivered, and the rest of the EIA Program stays with Family Services?

Ms. Howard: Okay. So the way that the transition is currently working, is that the staff who are responsible for policy and program planning for EIA, the staff that are responsible for financial and administrative services and information technology—those are all in the Department of Entrepreneurship, Training and Trade.

The staff that are responsible for the front-line service delivery, and I should say that the community service delivery staff not only also work very closely with regional health authorities and with Manitoba Health to ensure that we're delivering integrated services to clients—so those staff remain with Family

Services and Labour—the goal being to bring those clients closer to the employment programs, the training programs, like Employment Manitoba, offices that are delivered through Entrepreneurship, Training and Trade while continuing to provide a seamless, front-line service to them that is integrated with Family Services and Health and many of the other programs that touch on the lives of people.

This is very much a work-in-progress and we'll, you know, continue to assess how it's going as we go forward. What's been very clear from the beginning is that our end goal is to provide better service to the clients on EIA and better outcomes in terms of employment and training. And, as we move forward, we'll make sure that we're able to do that, and we will make adjustments to where the staff years are located based on achieving those goals.

Mrs. Mitchelson: Okay, I just want to get this clear. The people that are responsible—and the minister indicated there were 41 staff. Maybe we'll start simply. There were 41 staff that were moved to Entrepreneurship, Training and Trade from the Department of Family Services.

Can the minister indicate where those 41 people are located physically now?

Ms. Howard: I'm informed that those people haven't physically moved location. They're in the same locations that they were previously. What's changed for them is the reporting structure in that they now report to the Department of Entrepreneurship, Training and Trade.

Mrs. Mitchelson: Where are they presently located, then?

Ms. Howard: So the three addresses: 114 Garry Street, 326 Broadway, and 280 Broadway.

Mrs. Mitchelson: Are all three of those offices Family Services offices?

Ms. Howard: Yes, all these—none of these people have moved, so they would all be located in Family Services offices.

Mrs. Mitchelson: Can the minister tell me how many staff are at 114 Garry and what their job descriptions are?

* (15:20)

Ms. Howard: So, at 114 Garry Street, there are 31 staff and they would have the following functions: policy analysts, directors, an executive

director, admin support, IT support, and financial staff.

Mrs. Mitchelson: And how—I can't remember the other two addresses on Broadway, but if the minister could indicate what the addresses were again, and how many staff are in each of those offices and what their job descriptions are.

Ms. Howard: Yes, I'm going to put some stuff on the record, but we're going to absolutely confirm it. So there's nine folks at 326 Broadway and one person at 280 Broadway.

Mrs. Mitchelson: And could I—I think I asked for what the job descriptions were of those individuals.

Ms. Howard: Right. The positions at 326 Broadway are accounting positions, and the position at 280 Broadway is an IT position.

Mrs. Mitchelson: Yes, can the minister indicate to me what else is at 280 Broadway that's part of the Department of Family Services?

Ms. Howard: Yes, that would be the folks that are working in the innovation, information and technology area.

Mrs. Mitchelson: Could the minister indicate to me who that person is that is—still remains in the Department of Family Services and explain the rationale for why?

I'm sure that E, T and T has an IT function, and why we would isolate one IT person that's now a department of E, T and T employee in a Family Services office.

Ms. Howard: Yes, I'm informed that the IT position is a person who is responsible for providing support to the Social Allowances Management Information Network, which is a specialized IT application for EIA.

That was a person who had been doing that work previous to the transition of EIA to ETT, and so I think it made—makes sense for that person to continue to perform that function.

Mrs. Mitchelson: But, if that function is now being performed out of E, T and T, why is the staff person still Family Services?

Ms. Howard: That position is now within Entrepreneurship, Training and Trade. That position reports to ETT.

The person in that position was previously performing that function in Family Services, but the

function hasn't changed; the computer system hasn't changed. It's a specialized—my understanding is it's a specialized IT application for Family Services, and so what has changed for that person is their reporting structure, but the function of what they do is much the same as it was when they were part of the Family Services Department.

Mrs. Mitchelson: And who is the person in that position?

Ms. Howard: We'll have to provide that, but I do think we do now have the members of the Accessibility Advisory Council, so I could put that on the record.

I think, as I had said previously, we have Jim Derksen, who's the chair, and Yvonne Peters, who's the vice-chair.

We have Diane Driedger, who is there from the Manitoba league of people with disabilities. We have Karen Pirnie, who, I think, is there in relation to her work with the—I'm going to get the name wrong now—but the agings in place program.

We have Jim Baker, who's there with the Manitoba Hotel Association; Lanny McInnes, who's with the Retail Council; Chris Summerville, who is representing mental health consumers. Of course, he's got a long history working with the schizophrenia association.

* (15:30)

Eileen Clarke, who, I think, is the AMM representative out of Gladstone. Scott Jocelyn, who's there representing the Restaurant and Foodservices Association. Judy Redmond, who is the co-ordinator for Accessibility with the City of Winnipeg. We have Diane Scribe Niiganii, who is there representing Aboriginal people. We have Doug Momotiuk, who is there representing the deaf community.

Mrs. Mitchelson: And, I guess—has the minister had the opportunity to get the name of the person that is in the IT function in E, T and T now?

Ms. Howard: Not yet, but there's a lot of IT on this table that is trying to get that answer, so soon as it comes in we'll provide it.

Mrs. Mitchelson: And I guess I'm still extremely concerned that, you know, the function has been transferred, but the people are still physically housed in the Department of Family Services office space. And why—I guess my question would be, why the IT function of the whole EIA program is still housed in

a Family Services office, when the whole function has been transferred to E, T and T. And maybe the minister could explain to me the rationale for that?

Ms. Howard: Well, I think, as I was saying, the—this individual, whose name is Mike Denton—Mike Denton, D-e-n-t-o-n. So he is the one familiar with the Social Allowances Management Information system, which is the IT application. I don't think it would have made sense to hire a whole new person and get them trained and be familiar with that system when there was already that capacity in-house.

I'm not sure that it matters to the way he performs his duties where he's physically located. And I think, you know, as we were moving forward in this transition, really, the goal is to get people who are on EIA more closely in touch with training opportunities and employment opportunities. The goal was not to unnecessarily disrupt the services that we were providing to people, and so, I think, you know, where it has made sense to move people we will do that, but where people can continue to do their job, and we can avoid the expense of looking for additional office space and retrofitting offices and moving people around, I think that's probably the responsible thing to do.

Mrs. Mitchelson: But some of us are shaking our heads a little bit, sort of wondering why this was done in the first place. And if it makes sense to leave the function in Family Services office, I'm not sure why it makes sense to move it to a different department.

But, anyway, I'll move on to the nine accounting positions that are at 326 Broadway. And when we talk about accounting, it's obviously for the EIA program. Can the minister explain, exactly, because there's accounting positions at 326 Broadway, but there are also finance positions at 114 Garry, so what's the difference in the function of the different financial—well, I guess, the different financial—there's two different financial functions, I guess, one is accounting and the other is financial, but if she could just explain that to me.

Ms. Howard: Okay, so the nine folks at 326 Broadway are primarily doing data entry into the IT system, the SAMIN system and into SAP, I guess, tracking benefits and payments that have been made, and the financial folks that are over at 114 Garry have more of a function of doing some planning and analysis, things like preparing Estimates and looking at caseload statistics. That's—so that's more their function. So one function would be more data entry

in nature, and the other function would be more sort of financial planning and analysis.

Mrs. Mitchelson: If I look, then, at the summary of positions in the Department of Family Services and Labour, compared to last year's when it was at—when I, well, employment and income supports are no longer in the Department of Family Services, but it says there were 31 positions, I guess, that were eliminated or moved. That would probably then be the 31 positions that the minister talked about at 114 Garry, and so there are another nine, 10 positions.

If there were 41 positions that were relocated, where are the other 10 positions? It would appear to me that it—well, first of all, can the minister confirm that 31 positions that were part of the employment and income supports were the ones that were moved, and then where do the additional 10 EFTs come from, and where do we see the corresponding reduction in the department's Estimates this year?

*(15:40)

Ms. Howard: So the member's correct that there's 31 positions that have been moved, and those were the ones that we discussed that were moved directly from the department. And then there's 10 positions that were in Admin and Finance that were also moved—for a total of 41 positions, and I'm told that those positions are in the Adjusted Vote, which is where they will show up in the Estimates process.

Mrs. Mitchelson: Okay, thanks. And I did identify the 31, but I'll have to go back to Admin Finance. I think there was a reduction there that I saw too, so that would explain, then, those positions. Thank you.

Probably not finished with this line of questioning, but I guess I just—so the functions of information technology and the management of the SAMIN program is a function that's been moved. We have policy direction being—has been moved from Family Services, so I guess it's IT and policy and, you know, sort of planning and gathering of statistics. But the basic service delivery still remains in Family Services. So all of the offices then—well, let's just take Winnipeg, for example—all of the offices that deliver employment and income assistance in the community are still part of Family Services.

Ms. Howard: That would be my understanding. The front-line service delivery for EIA remains, as does staff remain, in the Family Services and Labour department.

Mrs. Mitchelson: As a result of the administrative function moving to E, T and T but the front-line service delivery still remaining in Family Services, what support, training, understanding do front-line services now have about what might be available in E, T and T for clients or recipients of social assistance to move them off of—move them off and into the workforce?

Ms. Howard: I think the staff—the front-line staff are always building their awareness of all the programs that are available to the clients that they serve, and, certainly, I think the emphasis on trying to make sure the clients of EIA have good information about training opportunities, have good information about employment, have the support that they need to pursue training and employment—I don't think that's a new part of this program. It's something that has been ongoing, and I think, certainly, we'll see that through some of the work that's gone on in EIA with programs like Rewarding Work and other benefits that have been made available to people

I think what is happening now is that there is a stronger relationship with the training programs and the employment options that are offered through ETT, and there's a team of people both in ETT and folks that have been with Family Services working on making that even stronger. So we will watch that very carefully as we continue on to make sure that we're achieving that goal of helping people on EIA move to training and employment.

I think front-line staff have always been aware of those programs, will become more aware of those programs, but I also think the ability to do referrals, the ability to orient the training programs under ETT towards the needs of people on EIA, I think that will be strengthened as well.

Mrs. Mitchelson: And I guess I'm looking, then, just at the transfer and the message that government has sent out was that they were moving EIA to the department of E, T and T to make a closer link or connection to trying to move people, I suppose, off of welfare and into the workforce and provide the supports for them.

But what we're really seeing is the administrative functions being moved but the front-line services still staying in the Department of Family Services, which—I guess, maybe, the minister could try to explain to me—so they come to an EIA office as an unemployed individual seeking to get some support on a temporary basis to live, hopefully, get some

support to educate themselves or some support or some help to move into the workforce in some way.

Now, the folks on the front line are still able to provide the intake function, give them some emergency support if they require that without any—I'm just kind of struggling because the—their cheque is paid from the Department of E, T and T, but the assessment is done in the Department of Family Services, and I'm just wondering if there's another step or another layer of bureaucracy in between a person trying to access the services and supports of government and actually receiving them.

Ms. Howard: I don't think there is another layer of bureaucracy at all. I think what this is designed to do is to make it easier for clients to get those services, to get those employment and training services.

I think the other thing that we have been very conscious of is that we want—we don't want clients to see an interruption in service. We don't want to take apart what is working well which is the integrated service delivery model. You know, where the folks who are working, delivering EIA services or working closely with Health or working closely with Family Services, we know that that's important. So we don't want to take apart what is working well.

But I think there's also another element to training and employment, and that is—rests with the Department of Employment, Training and Trade, where not only do they have the functions to be able to provide training programs and programs through the Employment Manitoba office but they also work closely with industry groups and with employers who consistently—certainly when I've met with them as the Minister of Labour, are consistently looking for skilled labour. That's a consistent issue that we hear from employers and from business industry is that when you're looking to expand, often one of the barriers is having access to skilled labour, and we know that training is a big part of that.

But we also know that in this province there are people who are underemployed or unemployed who would like very much the opportunity to get the kind of training and employment that employers are also looking to offer. So I think what the hope is that, in this transition, we will see a closer alignment between the needs of employers for skilled labour, and we'll be able to make sure that the training opportunities to the people who are really an untapped potential in Manitoba, that they have access to those training opportunities, so we'll be able to match those things up.

* (15:50)

I think also there are programs within ETT, like the apprenticeship program, and we have expanded apprenticeships opportunities dramatically and continue to move in that way. And I know for many people who have already been through some forms of education, may have graduated high school, maybe, you know, attempted college or university, and are looking for a new kind of career, and maybe people who have found themselves on EIA that apprenticeship and working in the trades is a real possibility, because one of the things about that work is that you begin earning money while you're training.

And we know anybody in this province who's ever tried to get anything fixed in their home knows how much we need more skilled tradespeople.

So I think this alignment of people who need work and the industries that need workers, I think that has real possibilities to better serve the clients of Employment and Income Assistance.

Mrs. Mitchelson: And I'm just going to ask exactly what was moved over besides the 41 staff positions. Is it just the basic Employment and Income Assistance that was moved or were health services, Income Assistance for Persons with Disabilities, marketAbilities, 55 Plus, Building Independence, the Manitoba Child Benefit, the RentAid, were all of those lines moved over to E, T and T?

Ms. Howard: Yes, I believe that's the case.

Mrs. Mitchelson: So the additional supports that would be provided, then, to persons with disabilities, for instance, and the programming is now a function of E, T and T rather than Family Services.

Ms. Howard: Well, those support services that are related to EIA, so—and employment—so I think things like marketAbilities, for example, are moved to ETT. But support services like community living and disability services and services for children with disabilities, those remain within Family Services.

Mrs. Mitchelson: Okay. So, then, the minister is saying that some of those that I mentioned have moved and others have stayed, because marketAbilities would have moved over to ETT.

What about 55 Plus? Was that moved?

Ms. Howard: Yes, 55 Plus was also moved.

Mrs. Mitchelson: And the Manitoba Child Benefit also was moved.

Ms. Howard: Yes, the Manitoba Child Benefit was moved.

Mrs. Mitchelson: So, then, all of then the programs that were developed in the Department of Family Services that were to help people move into the workforce, do they remain in the Department of Family Services or are—have they been moved to E, T and T?

Ms. Howard: So all of the programs related to employment and income support have been moved to ETT. I think, as we were talking about earlier, the community service delivery, the front-line staff delivering those benefits and programs remain with Family Services. But I also think, you know, there are other programs within Family Services that support people with disabilities that are also very important to those people being able to access employment and training. As well, there are programs within the health system that are important to people being able to access employment and training.

So, you know, it's not—I don't think it's the job of any one department to do that work. We all have a role to play, but I do think that being able to align the need of employers and industry for people who have skills and can meet their needs with the people who are looking for work is a better alignment, and I do think that that will have positive results.

Mrs. Mitchelson: So, if I can try to understand what is exactly happening here. In the city of Winnipeg the community delivery function of Family Services remains. So you walk into an office and you apply for some sort of welfare or support. You might be a single parent who is needing support. Now, is it the front-line staff that determine what you're going to receive and then submit that to the Department of E, T and T for payment? How is that all going to work?

Ms. Howard: Yes, so the front-line staff will determine the eligibility for benefits based on the criteria, and then if they are eligible for those benefits, then that will be moved to ETT where the payment of those benefits will come from.

Mrs. Mitchelson: So the staff that are on the front lines, then, I guess I would ask how much training or communication—how much they have been supported in understanding—and I know the minister probably can't answer now for what programs are available in E, T and T, because if all the programs like job seekers and get started and the special allowances and the volunteer benefit of \$50 per month and the

extra rent allowances and all of those things—she can't answer for that today because that now is a function of E, T and T and those have all been transferred over there. So we'll have to ask in E, T and T whether these programs are still available.

But, I guess, for the support staff on the front lines in her department, can she indicate to me how much training and support has been provided and made available to the front-line staff so that they have an understanding of exactly what's available in E, T and T?

* (16:00)

Ms. Howard: Well, we'll get some information on ongoing training for the member opposite, but, really, for those people delivering front-line services, they are well trained, they're well informed about the programs that they're offering. There haven't been, as far as I'm—am aware, and she can raise this in ETT Estimates, there haven't been substantial changes to those benefits. I don't believe there's been substantial change to the criteria for those benefits.

So, you know, I don't think there was been additional training because, really, they're delivering the same benefits and services that they have in the past. Now, as we go forward, and we try to bring more of a focus for people on EIA into the training and employment opportunities that are open to them, I expect that, as training is identified and needed by the front-line staff, that will be made available.

Mrs. Mitchelson: If there's no need to train staff because they already have access to all of the programming, what was the rationale for moving the administrative portion over to E, T and T and leaving the front-line staff in the Department of Family Services? The minister indicates that they have access to all of the programming. If they don't need any additional training to access the programs that are available in E, T and T, why would the function be moved—the administrative function be moved over to E, T and T?

It makes sense to me that if one department of the government is delivering programs and if her staff, front-line staff, had all the training that they needed and have access to all the programs and all the training opportunities in E, T and T, what's the rationale for the move or the change?

Ms. Howard: Well, I think what I said is that training is ongoing, and as things change, there will be training offered. We are at the beginning of this process of transferring the department of EIA—or the

functions of EIA to ETT. I think the rationale is twofold. One of the rationales is certainly, as I've said, to take a look at what the labour market needs are, and we have heard, I have heard, in my functions as Minister of Labour, and I'm sure the Minister of ETT will also say, that one of the things we have heard repeatedly from employers is that they need access to skilled people to come and work in their businesses so that they can expand. And we've looked at many different ways to meet that need.

One of them has certainly been through growing our population through immigration. We've also done a great deal of things in making sure that education is more accessible to people so that they can receive that training. But we also know that in Manitoba there are people who would like to be employed, would like access to training. We know there are people who could fill some of those gaps in terms of employers who are looking for workers, and they may need some additional support to do that.

So the rationale is trying to move the people who are looking for training and education opportunities, who are on EIA, closer to the opportunities that exist from employers in industry who are looking for people to come and work. That's one part of the rationale. In doing that, the other criteria, the other principle, that we are trying to maintain, is that we don't want to take apart the integrated service delivery model that we worked to put together. So we know that many of the people who are on employment and income assistance also are making use of the family services system, also may be making use of the health-care system in various ways.

And we know, and I know, from working with people in my past life who were on income and employment assistance that often folks have myriads of challenges and barriers to employment. They may be dealing with domestic violence issues, for example. They may be searching out child care. They may be dealing with mental health concerns. And so it—I think it—what we've strived to do in community service delivery is to help get as many of those needs met by the people that are working most directly with those clients. And I do think if you can do that, then you can help support people to become available for training and employment.

So those are the two principles that were—that are guiding us as we move forward. One, a closer alignment of where the jobs are, with where the job seekers are, and two, not interrupting the good

service delivery that has been happening and, hopefully, will continue to happen for the people that require the service. And all of that is with a goal of helping people who are on EIA, who are seeking training, who are seeking employment, to be in a position to get that training and get that employment and be supported to do so.

Mrs. Mitchelson: And I don't agree with—disagree with very much that the minister has said, except I just don't see the rationale or the common sense. I understand that there are a lot of very needy people in our social support network that need supports, and many different supports. And not all are ready to enter the workforce. So why would we transfer all of those cases over to a department that is going to have an attachment to the labour force? If they are ready to work, if they are able to work, certainly, the Department of E, T and T could provide the apprenticeship training or the training.

I mean, if individuals are assessed appropriately, and there's the ability for them to upgrade themselves, to access some additional training, to move forward into the workforce, E, T and T should be able to provide those services and those training supports to individuals. But not everyone is there. We have people with, you know, severe disabilities. We do know that there are people in our social safety net that will never be able to enter the workforce for whatever reason.

And, you know, my question would be, why would you, sort of, move the administrative function for their programming over to Entrepreneurship, Training and Trade when we know there will never be an opportunity for anyone to access or make them—make—avail themselves of the programs that are there. It just, to me, doesn't make much sense. I think we both agree that there are significant issues. There are multiple issues that need to be dealt with, in many instances, before there is ever any consideration that anyone might be able to enter the workforce. There are those with, you know, severe mental and physical disabilities that will never be able to enter the workforce.

So I guess I still don't, and we can probably agree to disagree on this, but I still don't understand the rationale. Sometimes, I know, and we've seen an awful lot of change of functions and departments within government, and sometimes, might I dare say, that it's a way for—to confuse those out in the general public and not have that—and members of the opposition, so that we can't follow the money. And

so sometimes, when we see changes to departments, like we've seen significant name changes and functions moved from place to place, we sometimes wonder what the motive is behind it and—so I will put that on the record and I'm not sure the minister will want to respond to that, but I don't see the common sense or the rationale for moving part of the function of Employment and Income Assistance to the Department of E, T and T, and leaving the majority of the service delivery in the Department of Family Services.

* (16:10)

I guess we'll monitor as time goes by, but it appeared when the decision was first made that the government was flying by the seat of its pants and didn't really know what they were doing. There were staff within the department that certainly had no understanding or knowledge of what was going on, and it came as a complete surprise to them and probably those that were working on the front lines in the Employment Income Assistance program, so a lot of questioning going on in the bureaucracy. And, I guess, we'll wait and see what the final end result is and whether people are better served as a result.

I know that former ministers have sort of heralded all of the programming that's been put in place to try to move people off of social assistance and into the workforce. And, I guess, my question would be as all of those functions and programs move into the Department of Entrepreneurship, Training and Trade, are those same supports going to be there for people? Do we—are we still going to have and do we still have a Taking Charge! program that provides support to single parents? I believe it's been a fairly successful program. Is that program still available and still running for single parents? And that would be delivered by the front lines in Family Services. I'm sure that's a question that the minister could answer. Is that program still available to single parents, and what other programs might be available to them to help them make a significant connection to the workforce?

Ms. Howard: I guess, first off, I want to talk a little bit about, you know, the member's comments—that not everybody on EIA can work, and I accept that. There are some people on EIA, certainly, that may have such challenges and such barriers that paid employment is not an option for them.

But I would say—you know, one thing I've come to learn and appreciate, particularly from my work

with a community of people with disabilities, that often people are capable of far much more than we give them credit for. And I have certainly worked very closely with people that, I think, by any measure, one would define as severely disabled and who are working, who are employed, who make tremendous contributions. And some of that is because they had the supports necessary to do that.

And so, you know, I'm not naïve enough to say that everybody who is currently being supported by EIA is going to be able to find employment. But I do think with the right supports—and I think, also, with the involvement of employers that many, many people—many more people than we would probably think can come into the workforce—and their lives are—benefit greatly, improve greatly by participating in the paid labour force, and I think all of us benefit greatly from their involvement in the paid labour force.

So, you know, I just want to put that on the record that people are often capable of much more than we give them credit for with the right kinds of supports, and there are some really interesting examples of employers who take that to heart.

I can't remember the name of the organization—I think it might be Walgreens drugstore in the States—but they brought up—one of the organizations in Manitoba brought somebody up to talk about the warehouse program they had put in place that, I think, exclusively employs people with disabilities. And they had set up their warehouse operation to make sure that those people who were employed there were supported so that they could do their job, and they—and it may have started as something that the employers or the company felt was a good corporate citizen thing to do, but, I think, the results are what they found is that they—by doing this, they were able to increase productivity, and they had a workforce where they had much lower rates of turnover, and that hiring those people with disabilities was really good for their business, not only for the people with disabilities.

With regards to the specific program that she is referencing, Taking Charge!, I believe that that program is still available. I'm not sure that it is within ETT. We'll confirm that for her if that's the right place for her to—it is with ETT so that probably would be the best place to ask specific questions about that program.

Mrs. Mitchelson: Yes, thanks. And I certainly appreciate the minister's comments about Walgreens

or whoever it was in the States, and it—and whoever it was. I mean, I think that that's a great example of what can happen when, you know, the community and business and everyone pull together and look at creative ways of trying to support individuals.

I guess my question would be—it doesn't take a move of the administrative support to a new department to make that happen. Certainly, I believe it could have happened, or it could happen here in Manitoba with the structure that was in place before we, sort of, pulled part of Employment and Income Assistance into E, T and T. So we'll wait and see what the end result is.

I have, you know, some concern that we're not necessarily going to see the kinds of results that the government has indicated. We might see as a result of, you know, what they say is a greater connection to training opportunities, because I believe that those would have been there had departments of government been working together. And, if it takes a move of the administrative staff of the Employment and Income Assistance program to E, T and T to make government departments work together, well, then, I guess that, you know, we may see some different results, but I'm not anticipating that we are going to see a significant change. I'm anticipating a lot of frustration.

I have heard a lot of frustration already from the front lines out there as a result of a not terribly well-thought-through process by this government, and many are questioning, you know, what the rationale was behind the move.

The—I guess the minister indicated earlier on, then, that the additional 10 staff years—the 41 to 31 came from Finance and Administration in the department? Okay, and I, yes, just had that flagged here, so now we've found all of the staff, I guess.

Ms. Melanie Wight, Acting Chairperson, in the Chair

When we look at the Child and Family Services division for staffing, I note that there's an additional 20.5 FTEs established to accommodate the secondment of departmental staff to the Child and Family Services general authority. And it says here, funding is provided by way of a grant.

Can the minister explain exactly what that means? This is a new line in the branch that wasn't there last year. And I'd like—just wondering if the minister can help me understand exactly what's happening here.

* (16:20)

Ms. Howard: Thank you very much. So my understanding is these had been positions that were filled through secondment from the department, and the department then backfilled for those positions.

So this—the positions that the member is talking about—just permanently transfers those positions to the general authority so that we can create that permanency both in the general authority, but also in the department. My understanding is there's no net increase in positions for the general authority through this move.

Mrs. Mitchelson: So I guess I need a little clearer understanding, because the authorities are new. They certainly weren't a part of the Department of Family Services that I knew. And I know that there are four authorities. There's the general authority that deals mostly with Winnipeg cases and, I guess, some outside of the city of Winnipeg. But can—and I don't understand authorities and maintenance of children—these are positions that are not in Winnipeg Child and Family Services, they're in the general authority?

Maybe the minister could just try to explain for me the whole system here and what these positions do, I guess.

Ms. Howard: I'm not sure I can explain the whole system to the member. I'm only three or four months into the job myself, so it may take me a few years to get totally up to speed.

But my understanding of the general authority and my understanding of the way the authorities function, they're not totally geographically based, even though their names are geographic. So the general authority, for example, the agencies that it has within its jurisdiction would be the central CFS, western Manitoba CFS, Winnipeg, rural, Churchill CFS and Jewish Child and Family Services, and these 20.5 positions are mostly in an oversight capacity. Some would be administrative in nature. Some would be providing financial oversight to those agencies. Some would be involved in quality assurance functions. Some would be doing sort of policy and programming. I think there's a position in there that is helping to co-ordinate services for kids with FASD. There's also some position in there that's responsible for helping to develop foster-care placements and specialized services.

So the general authority has, I guess, an oversight role, a policy and program role, financial, accounting, those kinds of roles too—and with—for the

agencies that it's responsible for, and those 20.5 positions are within the general authority, not within the agencies that it's responsible for.

Mrs. Mitchelson: But I guess I'm wondering why—so those 20.5 positions, then, are they individuals that were seconded from the Department of Family Services and are they responsible for the management of the general authority? Is this something new, or has this been ongoing since the beginning with the general authority?

Ms. Howard: So I'm informed that, when the general authority was set up, there were a number of secondments from the department where people were moved into the general authority. Mainly, those secondments would've been done so that those individuals could maintain their benefits like their pension plan. They'd previously been part of the Civil Service Superannuation Fund and wanted to keep those pensions intact, and so now we're at a situation where we can recognize that this is a permanent situation and move those positions over, but the net number of positions isn't going to change, and I don't believe there's any change to the funding either for those positions.

*(16:30)

Mrs. Mitchelson: Okay. So I still need to ask, then, why this is showing up in the Estimates this year?

Ms. Howard: I think what's been happening over the last few years, we've been sort of finalizing the arrangements for these positions and finalizing the transfers and, you know, as the authority has stabilized and become a more mature organization, we're now in a position where we've completed that work and we're able to make those positions permanent. It's just happened this year is the year that that's when we've been able to do that.

Mrs. Mitchelson: Well, where were these positions before? Were—they were funded positions within the Department of Family Services, and where would I find them in last year's Estimates? Because if they're positions that have been performing in an ongoing function, positions seconded to the general authority, where were they or where would I find them?

Ms. Howard: So I'm looking at page 109 of this year's Estimates, and so the funding for these positions would come out of the line Authorities and Maintenance of Children, and if we look at the Estimates of Expenditure for 2011-2012, we'll see there's \$355 million and 20.5 FTEs. And if we look at the Estimates of Expenditure for 2012-13, we'll

see there's \$395 million and 20.5 FTEs. And so that line item would be for agencies, for child maintenance payments, for staffing in those agencies, as well as for the funding for the four authorities.

Mrs. Mitchelson: Okay, so if I'm understanding correctly, the 20.5 FTEs on page 109 is—I'm looking at page 19—this is where I was looking when I found the 20.5 FTEs. That's the 20.5, then, page 19 and page 109 are one and the same as far as the 20.5 FTEs?

Ms. Howard: Yes. I believe that's correct.

Mrs. Mitchelson: Then, given that those positions have been transferred, are we going to see that—those FTEs in the budget on a yearly basis?

Ms. Howard: Well, it's—not only are we looking at last year's Estimates, but this year's Estimates and maybe next year's Estimates, so it will save me a lot of time next year, I suppose. But I believe that we will see those next year as well, that we will see it represented the same way, that it's a transfer of 20.5 FTEs from the department to the general authority. And I believe we'll see that next year and I believe we'll continue to see that in the Estimates, would be my understanding.

Mrs. Mitchelson: We may come back to this after I've had a chance to look at it, but I—because I'm still not understanding why—I mean, if they've become permanent positions of the general authority, we don't have FTEs for every other authority in our budget line in the Department of Family Services, so I don't understand why, if the authority is now going to have permanent staff, why we have to show a line in the minister's budget for FTEs that are now going to be permanently part of the general authority.

*(16:40)

Ms. Howard: So my understanding of how this worked is when the general authority was created, there were a number of people who were working in the department who moved into the general authority. Those people would have had access through the Civil Service Superannuation Fund to pensions. I think very rightfully so, they were interested in maintaining those pensions and, so, in order to do that, this is the system that was created that will show that these 20.5 positions are a transfer of FTEs from the government to the general authority, and that's my understanding of why it is. It's so that those people can continue to participate in

the Civil Service Superannuation Fund and continue to have access to their pensions.

Mrs. Mitchelson: Okay, if I'm understanding it correctly, these are individuals that were seconded to the general authority on—I would imagine, at the time of devolution. When the authorities were created, there were several civil servants that were seconded to the general authority to provide support in the service, and if I'm wrong, maybe the minister can correct me. I'm just trying to really understand this. They were seconded, but because they were civil servants, there were certain benefits and pension benefits as civil servants that they wanted to continue to have, even though they worked for the authority. And there's been an agreement made and that's all been settled, and they will continue to receive the benefits which they rightly deserve. And so, therefore, they are still—I'm just understanding—they are still civil servants under the definition of civil service, but they are not working for the civil service; they're working for the general authority. Am I close to being right on that?

Ms. Howard: Yes, I think that's my understanding. The other authorities have their own pension and benefit plans; the general authority doesn't. Their folks are all covered by the Civil Service Superannuation Fund. So I guess, in that sense, they're civil servants, but they clearly work for the authority and the authority has its own board and its own CEO.

Mrs. Mitchelson: Okay. Now I know this will probably be a difficult question. I know the minister wasn't there at the time, but then, I guess, if there were 20 people seconded and—is that the total employee component of the general authority, or are there other individuals that are employed by the general authority that wouldn't fall under the civil service?

Ms. Howard: Yes, so my understanding is that 20.5 FTEs does represent the complement—the total complement of staff for the general authority. There may be contract staff that wouldn't be covered by pension and benefit plans, but my understanding is in terms of permanent staff eligible for those pensions and benefits, the 20.5 FTEs covers that staff complement.

Mrs. Mitchelson: That leads me, then, to another question. When the authorities were created, and 20 staff were seconded to the general authority, were there people seconded from the department to any of the other authorities?

Ms. Howard: Yes. I can't answer whether they were or weren't at the time of devolution. But if the other authorities had seconded them, but certainly the way the other authorities are structured, my understanding is that that would be an employment relationship that would be outside government.

If they had a secondment agreement, it wouldn't be unlike—from time to time, there'll be provincial government employees who will be seconded by the federal government or will be seconded by outside organizations. The general authority is different in the sense that they didn't set up their own pension and benefit plan. They adopted our pension and benefit plan, and people travelled over there with those plans.

And I don't—it wasn't 20.5 from the beginning. I think they started smaller than that and over time, as the organization developed and matured, they had a need for more FTEs.

Mrs. Mitchelson: And it says here, then, that the funding is provided by way of the grants. Can the minister indicate how much that grant is and where would I find—I guess I'd find that in the grants listing but—which I need to ask for also. But—

The Acting Chairperson (Melanie Wight): Honourable Minister, Family Services and Labour.

Ms. Howard: Yes, we will provide you the list of grants. And the grant to the general Child and Family Services authority, the total grant is 14—just over \$14 million, and that would include all of the operating expenses of that authority. So it would include those positions, but also other operating expenses that they would have.

Mrs. Mitchelson: And is that an increase over last year? Can—that's what, I guess, is estimated or, I mean, is the grant paid up front? And is that an estimate or an actual and how much was the grant last year?

* (16:50)

Ms. Howard: So I'm informed that the grant funding to the general authority is provided quarterly; the \$14 million is an estimate for 2012-2013. Last year \$9.9 million was provided to them.

The change this year is that they've come under the new funding formula, and that new funding formula offers authorities funding, also for their family enhancement initiatives, which, of course, is an attempt to strengthen families; also puts in place, of course, funding for child protection, as well as quality assurance.

Mrs. Mitchelson: And I guess, as we go through, I can ask about the other authorities when we get into Child and Family Services.

Can I ask the minister whether that grants listing might be available for me this week? Have we—is that ready and able to be provided?

Ms. Howard: Yes, I will undertake to get it to you this week.

Mrs. Mitchelson: If I could just go back to the org chart because there was one question that I forgot to ask under Child and Family Services.

We have the assistant deputy minister, Carolyn Loeppky, who is at the table, yes, who I know well, and then we also have, in the same box, an acting assistant deputy minister, John Leggat.

Can the minister explain that to me?

Ms. Howard: Yes, I can try to explain that for the member opposite. So I know the member opposite is familiar with the Phoenix Sinclair Inquiry that is ongoing and, of course, we want to co-operate fully with that inquiry, and we want to make sure that the commissioner and the commission counsel have all the information that they require to do a full job.

I think it became clear to the previous minister that a lot of that work was falling to the ADM for child and family in terms of making sure that that information was provided and, as the member opposite knows well, being the ADM of Child and Family Services is a complete job in and of itself and requires an awful lot of work. So I think in order to make sure that we were supporting the inquiry, and supporting the commissioner and getting them all the information that they needed, as well as attending to the day-to-day concerns within Child and Family Services, we put in place a system where Carolyn will work very closely with the inquiry.

John Leggat has more responsibility for some of the day-to-day management within Child and Family Services. They work very closely together; they're in almost constant communication.

But it was just, I think, the best way to make sure that workload did not become too overwhelming to one person.

Mr. Chairperson in the Chair

Mr. Chairperson: The honourable member for River Heights—no, River East, I'm sorry.

Mrs. Mitchelson: Thank you, Mr. Chair, and I—

An Honourable Member: You thought they had a new leader there for a minute.

Mrs. Mitchelson: I think I'd rather be the member from River East. Thank you.

Anyway, I—thanks for that explanation because I found it a little curious, and I would certainly want the Phoenix Sinclair inquiry to be supported to the best of our ability as the government. And, in that respect, I wonder if the minister could just give me a brief indication of—tell me briefly what's been happening and what kinds of activities have been taking place in the Department of Family Services along with the commissioner in anticipation of that inquiry.

Ms. Howard: So some of the work that's been happening to support the inquiry, there's a great deal of document disclosure that was required, thousands of pages of documents that were required by commission counsel, many requests made by the commission for information. I know the member opposite will understand that the Child and Family Services system is very complex and takes some time to understand, especially if you don't have experience with it. I know one of the things that we were working to help the commission to have a full understanding of was the computer system, the CFSIS system, and how that works. Meetings are called of all the parties that have standing at the commission. So we attend those as well.

Basically, it's just supplying the information that the commissioner wants and participating in the meetings to—with all the other parties that have standing to continue to move the commission along. So, when there are motions by one of the parties, then when we're asked to attend, we'll attend those meetings as well.

Mrs. Mitchelson: How long has this work been going on? Since the commissioner was appointed—or what time did it start?

Mr. Chairperson: Order. 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 1:30 p.m. tomorrow afternoon.

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, May 15, 2012

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