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of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS
(Hansard)**

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

Members, Constituencies and Political Affiliation

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CERILLI, Marianne	Radisson	N.D.P.
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LAMOUREUX, Kevin	Inkster	Lib.
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LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 23, 1996

The House met at 9 a.m.

ORDERS OF THE DAY

(Continued)

COMMITTEE OF SUPPLY

(Concurrent Sections)

HIGHWAYS AND TRANSPORTATION

Mr. Chairperson (Gerry McAlpine): Good morning. The Committee of Supply will please come to order. The committee will be resuming consideration of the Estimates of the Department of Highways and Transportation. When the committee recessed yesterday afternoon it had been considering item 1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$438,900 on page 80.

Mr. Gerard Jennissen (Flin Flon): In keeping with what we said yesterday, I am still hopeful that we can pass this Estimates by noon. However, I have no control over some people around eleven or eleven-thirty who may wish to ask more questions. I hope to wrap it up by that time.

The question I have now on northern road issues, mainly northern road issues, a couple of minor things have cropped up in the last few days I would like to ask about but, mainly, northern road issues and then the fifth is future trends, and that of course could even be put on hold or I could ask the minister to give us written responses. We will see how far we get with it.

Anyway, on the northern road issues, the first question I have is a basic information question relating to what happened last year near Wabowden with the paving project that went wrong. What was the final price tag including the money that must have been paid out by Autopac plus the resurfacing job? Is there a price tag on that? I have heard \$300,000, but I just wanted to check that.

Hon. Glen Findlay (Minister of Highways and Transportation): Mr. Chairman, the member is reasonably accurate in terms of Autopac claims. It is just

a little over \$300,000. Our costs were \$73,000 for the job and then to redo the job in 1996 would be about a \$200,000 cost. Also the member should be aware that the company involved who supplied the oil, discussions have been ongoing about liability and a claim settlement so a significant portion of the dollars I have mentioned are Autopac claims we hope to recover from the supplier because of product failure.

Mr. Jennissen: Some northerners are worried that the money that was spent on that failed project would then come out of the northern road budget. Is that a correct assumption?

Mr. Findlay: Hopefully, in the claim settlement a significant portion of the money that was spent is recovered but, if we go back and do it for \$200,000, as I mentioned, it is coming out of the total budget, and the amount of dollars that have been flowing into northern roads has been increasing. Right now in the program book there is about \$116 million for the projects that have been programmed. Some are tendered. Some will be tendered in due course but, of that, 10.5 percent is allocated to the North, which is higher than the figures that the member and some of his colleagues have been using. So there is a greater recognition of the impact of those roads on people and the work that needs to be done.

I do not think that the member needs to worry that the money is taken out of the North. We are flowing more money in on a continuous basis and it is a recognition of the increased economic activity that is happening up there. I think the member also should know that the actual kilometres driven in the whole province in that region where we are spending 10 or 10.5 percent of the program dollars is 5.2 percent of the kilometres driven. Other people who will find that out will be jealous.

Mr. Jennissen: I would like to switch now to winter roads because, next to used car inspections and so on, that seems to be the area I get the most letters, from people concerned about winter roads or road conditions or plowing roads and so on.

First of all, I would like to start by just checking with the minister then, 15.2(f), the winter road budget for this

year, is down by approximately \$575,000. Is that correct?

Mr. Chairperson: The honourable Minister of Finance—Highways and Transportation.

Mr. Findlay: This is a finance question. Wake up, Sir. Mr. Chairman, we are going to loosen you up yet.

This is an accounting question. Just hope I can get it clear, so if I do not make it clear, the member has to ask some more questions.

I am sure he is looking at '95-96 first; '96-97, you see a change of \$2.575 million to \$2 million. What it mainly reflects is that for SERDAC in the past we used to budget in here 100 percent of the cost and then recover 50 percent from the federal government, or from SERDAC in terms of federal money that flowed there. Now we are only budgeting 50 percent of the cost, and the other 50 percent flowing directly from the federal government to SERDAC. So it is an accounting change.

* (0910)

The kilometres of road that are built and all that stay the same, and there has been a negotiated contract price with SERDAC. But it is mainly an accounting change of how the federal money flows. Instead of coming to us, and we spend it and recover it from them, it flows directly to SERDAC.

Mr. Jennissen: Yes, and that is what I thought I was reading as well. I just wanted to make sure that that was indeed the case.

I would like to ask: What were the reasons, historical or otherwise, that winter roads in the northwest quadrant of this province, specifically, let us say, Brochet, Lac Brochet or Tadoule Lake, were never funded by the province or, as far as I know, the federal government, as some roads appear to be funded, especially in the northeast, but not in that part of the world? I have never been able to understand why that was so inconsistent.

Mr. Findlay: The network that is under the jurisdiction of the department is about 1,600 kilometres, and, in addition to those 1,600 kilometres, which the member is aware of, which they are, there are other privately built

roads, generally by resource-based companies. They have been building them in the past, continue to build them, so that is why there is no provincial money in those roads. I guess at some point in the past they decided it was in their interest to build it, and they were going to pay for building it. That was the way it was set up, and that is the way it remains.

There are the department roads which are 1,600 kilometres, and we do not know quite the kilometrage of these other roads that are built by private interests.

Mr. Jennissen: So what we are saying is that an isolated community in one part of the province that is serviced by a winter road as compared to another isolated community that is serviced by a winter road, community B could be paying far more for grocery use, for gasoline, and so on because of the tolls on the private road. Is that correct?

Mr. Findlay: The status of department versus private has been in place for a fairly long period of time, and there has been no request, certainly no formal request, to change that process. In the communities that the member is thinking of, the private provider puts the road in and, in some fashion, I guess, recovers the costs of his putting this road in. But one must also remember that the original purpose of winter roads was for movement of goods in in the wintertime. Clearly those roads, in terms of their use, have expanded to become a significant artery for citizens to use, so the standard that might have been acceptable 10 years ago, a better standard is desired on our roads at this point in time. But there is no request for changing those two statuses, and, to the best of my knowledge, the two statuses are working.

Mr. Jennissen: I am still concerned over the fact that two similar isolated communities, when compared, prices for commodities in one are significantly higher because tolls are extracted from the citizens living in that community, and I guess I am just wondering out loud. I do not know the historical background of all this.

I am just wondering out loud why we do not have that all under one umbrella. I do know that I have been to communities like Lac Brochet and, if I am not wrong, I believe that a litre of gasoline, the cost of a litre of gasoline is 29 cents higher because of the toll being charged. The toll varies on the large trucks from

somewhere between six and \$9,000. So it is a significant amount of money. That has to be recouped by the people building the road, I admit, but it ultimately means more for the goods that are being bought, or the groceries being bought by fairly poor people, and a lot of them are on social assistance. That concerned me. On the one hand, they are doing that in that community. On the other hand, they do not have to pay that toll because the federal and the provincial government have worked together to provide the winter road. I guess, it seems like there are two classes of citizens, and that is what worries me.

Mr. Findlay: I do not have anything further that I can say to the member that would relieve his concerns. It is just an historical arrangement that has been in place for a long time. There has been no request to consider otherwise, and probably having it under the current process, it is the most cost-efficient in total. Serving those numbers of people, I do not know what numbers there are in the community. I do not know the purpose for which the communities really exist. Is it because of who builds the road? Are the jobs in the community resource-based? There is a lot of criteria that had to be considered before you could determine whether you change the status, but it has been that way for a long time, and you know, there is no precipitous reason in front of us to consider changing it.

Mr. Jennissen: But the minister is saying if there were some requests made by a community or a band or a council, and I am thinking mainly in Brochet, Lac Brochet, Tadoule, possibly South Indian to some degree, or Granville Lake, but basically, I think, Lac Brochet and Tadoule, if people were to get organized and ask, you know, could the toll cost be eliminated entirely by the provincial government or in conjunction possibly with the federal government picking up that tab, would that be a possibility?

Now I am not saying that is better than the other way. I am also very sympathetic to the fact that there are northerners working creating those winter roads, and you know, creating jobs, and we would like to protect that, but it is expensive enough to live up North without that added little burden for paying tolls, and the tolls are expensive. So, I guess, I am just asking the minister if there were those requests, would they be seriously entertained? Could there be a change in policy?

Mr. Findlay: Any request that comes in always has to be considered and it would have to be analyzed. You would have to determine whether you could get some federal support, cost-sharing, because you know the federal government has a lot of responsibility for the North. But to tell you the dollars are scarce and it is not easy to add costs into a system, and it would not be an easy process to come to a conclusion that we would start spending more when there is currently a system to get the roads in place. But any requests that come in would be certainly given significant consideration.

Mr. Jennissen: Yes, I would like to turn now to a winter roads study 1994 prepared by John M. D. MacDonald. I read this with a great degree of interest. I think it is an excellent study. MacDonald recommends, MacDonald Enterprises Limited recommends 13 recommendations on pages 35 and 36, and I am particularly interested in the first three recommendations. I am wondering if the minister could enlighten me as to whether these recommendations are being worked on or taken seriously or will be implemented or whether they have not been looked at at all.

Mr. Findlay: We do not have the report with us at the moment. What are the top three recommendations that he is referring to?

* (0920)

Mr. Jennissen: The first recommendation is that all winter roads in northern Manitoba funded by the Manitoba government should become public roads under the jurisdiction of the Minister of Highways and Transportation and be administered under The Highway Traffic Act and other pertinent acts in regard to transportation. The travelling public should have free access to all public roads in Manitoba. Maybe I should read the other two as well.

The second one is that Crown land use permits should be discontinued for community connector roads in northern Manitoba. Toll roads should not be used or considered for winter road use in Manitoba—and that was the point we were discussing earlier. Thirdly, that there should be an overview committee consisting of the deputy ministers of Highways and Transportation, Natural Resources and Northern and Native Affairs to review all winter road proposals, either public or private.

The No. 4, of course, I do not want to get into that, but it seems they want to go to open public tender system which might bias, again, some First Nation communities, so we have some concerns with that. But anyway, the general question was whether those recommendations are being actively considered.

Mr. Findlay: In the broad sense, the report is there. There are some recommendations. Certainly, consideration continues to be given, but on the very first one there, all roads be deemed public roads, and then the rules of The Highway Traffic Act apply would be the end result. We went through some consideration of that approximately a year and a half, two years ago, and we basically rejected at that point in time and said no to that particular recommendation, because if you did that, you would require all vehicles up there to be licensed. Currently, there are a lot of vehicles that run in those northern communities that are unlicensed. They are not running on our public roads so it saves them that kind of cost.

There was also, as I recall, the requirement that we should have speed limits in place and that we have enforcement of speed limits and so on. In other words, there was a fair bit of comment that would indicate that to bring northern rules into those communities would not necessarily be accepted, and I think those roads crossed nine different reserves, and four or five of those nine said they did not want our rules to apply on the roads to their particular lands.

So I think in balance the decision was that for the time being there was no positive useful purpose to include them all as public roads and then enforce all the rules and regulations of The Highway Traffic Act. It would have more of a negative impact on the community in terms of costs and restrictions as opposed to the current high level of freedom they have in the way they operate. There was no evidence that changing the process of rule enforcement would do much for the communities or the people involved. So that is the reason why that one was not acted on. It might be good in theory, but in practice there was not enough support to warrant our proceeding with it. The rest of them, we will continue to consider the merit of them over the course of time.

I think there is also a recommendation there suggesting the federal government play a more active role, and we would always like that, but their agenda right now is to

back out of a lot of the things they do as opposed to add to what they do. So it would be a difficult discussion to entertain with them.

Mr. Jennissen: Is the province liable if private vehicles have accidents on winter toll roads, and do such roads have speed limits, and do normal regulations and policing apply? I am not sure if all that is under the minister's purview, but I am not clear on just, you know, what is legal and is not legal on those private toll roads.

Mr. Findlay: Effectively, I answered that, Mr. Chairman, in the previous answer, that they are not designated in the public road system. Therefore, the laws of The Highway Traffic Act will not apply, and I think the majority, certainly in our survey of a couple of years ago the majority would say the way it is is quite satisfactory for the time being.

I know full well—I mean, as we went through the discussion that is where I became knowledgeable that the use of those roads had changed from just freight movement to citizen movements, so you say, well, hey, maybe now we should be having speed limits and all those associated Highway Traffic Act regulations in place, but on further analysis, no.

With regard to licensing of vehicles particularly, there was not a lot of positive to be served other than more revenue for the government, and it was not going to serve the communities or the citizens well, and the decision was not to proceed with including them in the public network.

Mr. Jennissen: I guess I am still a bit unclear. If I am travelling a private toll road, let us say I am on my way to Lac Brochet, and I have an accident, am I still covered then?

Mr. Findlay: Mr. Chairman, if you are driving a vehicle and your own vehicle is licensed, and you have Autopac insurance, then Autopac will cover it, as has been the history. If you are driving an unlicensed vehicle, of course, you are not covered.

Mr. Jennissen: Looking at the winter road map, I was not sure whether there was a winter road to Granville Lake or whether there will be a winter road to Granville Lake. Can you clarify that for me?

Mr. Findlay: No, there is no winter road to Granville Lake.

Mr. Jennissen: Was there ever a winter road to Granville Lake? I was under the impression that at one time there had been one from Leaf Rapids, and I could not find out for sure.

Mr. Findlay: We are not aware that there was a designated winter road at all. Past history, we are talking 20, 30 years ago, there were a lot of roads put in by Cats, by people for various reasons, and it might have been one of those kinds of roads that was usable in a certain fashion, but it was not part of the department's winter road activity.

Mr. Jennissen: Okay, I would like to switch a little bit to snowplowing, and I have been getting quite a number of calls and also letters, and I can show the minister some of the letters, with regard to cottagers, usually cottagers around Schist Lake near Flin Flon or South Athapapuskow Lake in Cranberry Portage or the Simonhouse Bible Camp road, places that used to be plowed out by the Department of Highway crews, and these roads are no longer plowed out, and it is creating a lot of hassle and headache.

I am wondering, because historically that system prevailed where Department of Highways plows after, you know, doing the initial main plowing of roads, would do the side plowing, and that seems to have changed, and it is creating quite a bit of confusion and consternation and anger in the North. I wonder if the minister would address that briefly.

* (0930)

Mr. Findlay: Are you referring to people that live in these cottages on a year-round basis versus just a summer cottage?

Mr. Jennissen: Yes, in most cases they live there year-round, especially in the Schist Lake area, but also in the Athapapuskow area. In the case of Simonhouse Bible Camp it is a camp that is used mainly in the early spring, through the whole summer, and sometimes those roads are clogged with snow, and they have historically been plowed out by the Department of Highways people.

Mr. Findlay: Are the developments the member is talking about cottages on Crown land or on private developments?

Mr. Jennissen: I am not sure. I believe they are the Schist Lake, I have the Schist Lake cottage association. That used to be Crown land that was leased out and that may now have been purchased in some cases, not in all cases, I believe.

Mr. Findlay: Most of those development roads are not public roads, are not Department of Highways or government of Manitoba roads. They are roads of the developer, and we will plow, have plowed them and will plow them on an accounts collectable basis. In other words, it is private property essentially, and we will plow them for a fee. That is why I asked if it is Crown or if it is private development. If it is private development then, you know, the taxpayers would be quite unhappy if we went into certain regions and plowed people's private roads and did not plow their lanes, which is their private property. So we have to stick to spending our money on the provincial network and, on private property or private developments, they can either have the private sector do it or, if they can arrive at an accounts collectable arrangement with us, we can do it.

So probably they have been more willing to pay in the past than they are at the current time. I am not exactly positive on the exact detail. Just because there is a road does not mean it is a public road.

Mr. Jennissen: Yes, I am aware of that. I would like to put it in a little bit of context. I have received a number of letters that people in those cottages received from the Department of Highways, I guess some of the regional directors perhaps, saying that they were switching from the Department of Highways plowing out those roads, as they had historically done and being paid fee for service and that these people should now go to private contractors.

The problem is then that they could not find private contractors, either with equipment that was big enough, or were willing to do it, or the place was so isolated that it just was not worth it for a private contractor to spend hours driving down there, whereas the department plows just go right by the place, for example, Simonhouse Lake, which is, I guess, 40 kilometres out of Cranberry.

Mr. Findlay: I think, Mr. Chairman, the broader policy is that the private contractors in particular are never happy, if they are able there to do jobs, that we step in and take the jobs away from them. So we tend not to want to compete with the private sector in those kinds of circumstances but, if there are particular circumstances like the member relayed to us, that a private contractor does not want to do it, cannot afford to do it, is not interested, we are prepared to do it. So there is always that fine line between where we should be doing jobs that the private industry could do versus where the private industry is not interested. There is always a fine line, because the private sector people are paying taxes and they get upset when their tax dollars are competing against them to take away their jobs.

So it is an ongoing issue, but if the member has particular circumstances or individuals or locations that we should be giving consideration to because there is not a private supplier, we would be interested in knowing that. But we have been tending not to want to aggressively be in there doing jobs where there is a private provider of like services.

Mr. Jennissen: If the people that were refused these services by the Department of Highways could find a private contractor, they are quite willing to go that route. However, in the three cases that I mentioned, which is South Athapapuskow Lake and Cranberry, Schist Lake and Simonhouse Bible Camp, they could not find somebody else, and, apparently, the Department of Highways was not willing to accommodate them.

I am wondering if the minister will allow me to read just the one letter from Cyndy Woods from the Schist Lake Cottage Association, which represents quite a number of letters. I am quite willing to give them to the minister, but this is just the tip of the iceberg. It would give him an idea of what they are really trying to say out there but are basically concerned about Schist Lake, South Athapapuskow and Simonhouse Bible Camp.

Mr. Chairperson: Order, please. Does the honourable member wish to table the letter?

Mr. Jennissen: I am wondering if you would allow me to put this one letter on the record as a symbol of a whole bunch of other letters? Would that be acceptable? Then the minister would have a better context.

It is to the honourable minister, and it states: "Dear Sir: As president and on behalf of the Schist Lake Cottage Association, I am writing to bring your attention to a matter of grave concern to the inhabitants of the 200 homes in this area. I am referring to the snowplowing of the 2.5 mile road called 'the Point Road' that connects this subdivision to #10 Highway about six miles outside Flin Flon.

"This road has a high, rocky-sided shoulder that requires a plow with a 'wing' on it to throw the snow up and out of the way. As only the Highways department and one contractor in Cranberry Portage have this plow, we are severely limited in our choices. For many, many years, the Dept. of Highways has plowed this road on a fee for service basis. That is until this year. We were informed in the late summer that Highways would no longer be servicing us as they would not compete with private contractors. The contractor in Cranberry is totally disinterested in us as his plow is in the bush and it is not worth his while to bring it out.

"We have struggled through this winter getting whatever we could muster to plow the road. To compound the problem this year, we have had a school bus added to the daily traffic. The safety of these children and also the inhabitants of this area is our utmost concern. We hope you will be concerned as well.

"I have begged, pleaded and beseeched Mr. Ron Meister, Dept. of Highways in The Pas, but he will not budge. I am hoping that you will realize the seriousness of our situation and help us prevent many serious accidents. We would like to return to our old system of calling the Highways Dept. and paying for services rendered. If you want a new payment method we are open to any suggestions to arrive at a solution.

"Thank you for your time, and we hope we will hear from you. Sincerely, Cyndy Woods."

I would like to give that letter to the minister, along with the letter from Bill Lyle and one from Dale Warkentin for Simonhouse Bible Camp.

Mr. Findlay: I thank the member for a copy of the letter because we will respond. I think the letter summed up really what we had said. It was a fee-for-service basis and indicated the department policy was obviously

discussed and that was not to compete with the private sector where the private sector is capable and prepared to do the work. This letter does not say anything different, but we will look at it in terms of the circumstance of this last year and determine whether the citizens had an adequate level of service or not, based on the circumstances. It would appear from the letter that they could not get the kind of unit that was necessary to do the job, especially he mentioned school bus; that is a significant consideration. It will be acted on.

* (0940)

Mr. Jennissen: Would the minister also then act on the Simonhouse Bible Camp issue because this is a nonprofit camp, and it is quite a ways out of Cranberry Portage? When the plows go by, it is just like 10 minutes in and out. It is a very short distance. These people have a tremendous disadvantage and inconvenience right now, having changed the system. It is nonprofit. It is for young people. It is a wonderful camp, actually. I would recommend it to anybody if they ever want to use it. It has a world-class reputation. I really would like to see that camp serviced. Even the people that I have talked to in the local yard in Cranberry said, look, it would be no problem, but we are prohibited by the department from whipping in and out of there. The camp people are willing to pay a reasonable fee, but right now they are in a dilemma, and I am just wondering if the minister would address that.

Mr. Findlay: Yes, we will look at it in terms of balance, whether we could go back to what we were doing and not cause a reaction from the private sector. We obviously must have been doing it this winter, but we will look at it.

Mr. Jennissen: The final question I have on this type of issue is—and the minister can correct me if I am wrong. The way I understand it is that in the past, if Department of Highways plows went into these cottage roads, they would charge a certain fee, but the amount of money was not necessarily returned to the region or to that area. It would go to the Minister of Finance (Mr. Stefanson) or to general revenue, whatever. Therefore there was really not much incentive to spend your local hard-earned dollars, if I can put it that way, in doing that if you were not going to get the money back directly. So can that be addressed as well?

Mr. Findlay: That is the government policy, that those accounts flow into the general revenue of the province through the Minister of Finance. So that is a question that the member might want to put to the Minister of Finance about a different method of accounting. In our particular case, we do jobs of that nature, but that has been the Minister of Finance's policy. That kind of policy has been in place for a long, long time. There is a certain bit of aggravation with that circumstance, but that is the way it is. You might want to address it at another time.

Mr. Jennissen: I thank the minister for that answer, and it is aggravating because obviously, from the people's point of view that are manning the snowplow, the more you plow, the more money you lose to the region, but that is not much of an incentive.

Mr. Findlay: But do not forget, all our dollars are for maintenance, in this case, from the Minister of Finance, so it is not that we lose it totally, but I can understand at the local level they see it as being lost. You must remember all our dollars for maintenance initially comes from the Minister of Finance, I guess, to have revenue to build a budget component, for us to do our maintenance.

Mr. Jennissen: I would like to switch now briefly to Repap and, you know, we are all very proud of Repap and the fact that it is creating a lot of jobs in the North, and we want to expedite Repap as much as possible, but we have some concerns.

One of the concerns was associated with the original Repap deal, that there was, I believe, \$92 million worth of provincial construction to go with that. That would have been, you know, an awful lot of money in the North and would have created a lot of jobs. Now that is, I believe, not only put on hold, I think that has been totally cancelled.

Could the minister explain? Is there no longer any need for that kind of road system or upgrading roads or building new roads?

Mr. Findlay: Mr. Chairman, the member is referring to the original agreement signed with Repap, and there were certain expenditure guidelines that they had to meet, and then we, you know, the province would be spending in the vicinity of \$90 million on roads.

There is a new agreement in place now, or a rewritten agreement, that does not have that component in it. Certainly, the expenditure guidelines or horizons that Repap have are different, so that highway commitment expenditure is not there. I think the member could also reflect that that would be basically a whole year's capital budget for the department, meaning for a year we would have to stop projects everywhere in the province, and that would be exceedingly unpopular and would put us a year behind in everything we are doing, so it was a very difficult thing to meet in any instance.

At this stage, we are certainly in discussion with Repap about permitting arrangements that can facilitate their ability to move product and not negatively impact our roads, so there is an ongoing discussion in that context, and, you know, they bring forward certain examples out of Saskatchewan, and say, well, you get these kinds of considerations in Saskatchewan, why not in Manitoba.

Sometimes when we investigate those stories, they are not quite as lenient as we are led to believe, but our idea in terms of arriving at different arrangements for weights and haulages is that we have to consider the impact on the roads, and we can only allow it at that time when there are little or no additional impacts. That discussion is an ongoing process, but, clearly, we are not in any kind of commitment position on that volume of roads, and today you just cannot find \$90 million lying around anywhere to build a series of roads that serves one industry.

Mr. Jennissen: I guess for northerners the question became why the promises were made or why the original agreement was made if there was no real serious attempt at keeping it, or maybe at that time it looked like the thing to do, but we are not always sure whether it was an election promise or whether we were serious about the \$90 million.

The question I have right now though is, would the minister release a list of all the road work that was proposed under the 1989 Repap deal so we know what was involved?

Mr. Findlay: We do not have a map that would indicate all the roads that had been indicated. I would have to assume that they were indicated over the course of time. Probably two roads that were involved would be

Highway 10 and Highway 39, but the member must remember that back in those years, pulp prices were pretty good, but all of a sudden they crashed. The world price of pulp crashed, so it changed considerably Repap's financial projections, and I would have to also assume at this point in time that the volumes they are handling and moving are much different than what was initially proposed.

So there was a network that was considered. Certainly, the agreement is changed. That network that they are using today is undoubtedly different than what was initially proposed, and where there are particular roads that are of significant need or whether their use of the roads impacts the roads, we will respond in our annual highway program maintenance and capital commitments.

* (0950)

We will respond as need be, but there is nothing written in any agreement now that says that we will spend X dollars or on any particular road. They are like any other industry that thinks the road that they use needs work. We will respond where and when possible in looking at province-wide priorities.

Mr. Jennissen: So it would be safe to say that no work had actually been done under what was conceived, and there is nothing on the books right now.

Mr. Findlay: The member is right.

Mr. Jennissen: I would like to switch now to some status reports, and they do not have to be very lengthy. I am quite aware of the time constraints, but just a feeling of what is being done on specific roads. Of course, I know that in driving 391 there was some definite improvement. Could the minister update me on 391?

Mr. Findlay: Mr. Chairman, I thank the member for his comment that things have improved, and certainly we have been actively involved with the 391 committee, and with Barbara Bloodworth as chairman. We have had several meetings with department staff talking about priorities, and it has been educational both ways to have an understanding of what the citizens want as a standard road, and the citizens have an understanding of our financial restrictions that we are under. Just so the

member—I do not know if I mentioned yesterday or not—but at this current time there is about a billion dollars of requests in front of us and we have a hundred million each year. So that means we can do 10 percent of the requests.

I think we have responded, as I have given the member earlier, in terms of spending more money in the North as a reflection of the concerns brought to us by the 391 committee, as example, and there is an ongoing committee discussion process on 373.

Just to go back over the activities that were involved on 391 in '95-96, and then I will talk about '96-97 activities, too. Last year, base and AST were completed from Nelson House easterly for 16.8 kilometres at a cost of \$1.3 million. A seal coat was completed from Suwannee River to Turnbull road for 36 kilometres for \$348,000. A seal coat was completed from Mistuska Lake to Hughes Lake for 34 kilometres at a cost of \$248,000. Spot grade improvements from Nelson House to Suwannee River were carried out at a cost of \$57,000, and \$250,000 expended for additional gravel maintenance on the section from Nelson House to Suwannee River. That is '95-96.

Now, proposed for the '96-97, grade and gravel will be carried out this summer on from 21.1 kilometres west of 280 for over a stretch of 14.6 kilometres—estimated cost, \$3.3 million. A second seal is scheduled this summer for the AST section from Nelson House east for 16.8 kilometres at an estimated cost of \$120,000. Spot grade improvements will be carried out from the Nelson House access road to Suwannee River—estimated cost, \$72,000. Additional gravel over and above normal maintenance gravel will be placed on the roadway this summer. Additional brushing will be carried out from Rat River to Suwannee, River as well as completion of the brushing on South Bay road, which was scheduled for '95, at an estimated cost of \$77,000. So one really big project to grade and gravel for 14.6 kilometres is scheduled for this year. It is in the process of being tendered.

Mr. Jennissen: What is the status of the proposed, I guess, way—in the future, proposed road from South Bay around the lake to South Indian Lake? Hopefully, that would include a bridge as part, I believe, of the flood agreement. Is that still in the same status it was last year?

Mr. Findlay: The stretch of road that goes from the South Bay road around the west side of the lake towards South Indian Lake, some work was done this past winter on survey and design, and survey and design continue. The member mentioned, they hoped there would be a bridge. Bridges are always very expensive. So at this point in time a ferry would be the proposed route of crossing the river there to South Indian Lake. So ferry plus road is the proposal. It is a 22-kilometre stretch.

Mr. Jennissen: Regarding the Moose Lake Road, 384, could I have a brief update on that one as well?

Mr. Findlay: What is proposed, Mr. Chairman, on 384 is just spot improvements, but I can also tell the member that a meeting was held involving people from Moose Lake and Repap about a cost-sharing arrangement. They are certainly talking a new stretch of road from The Pas straight east to hook up with 384. They also have aspirations of going east of Moose Lake beyond South Moose Lake and Cedar Lake, go east of there to access cutting area over there. So that discussion is an ongoing process. I do not remember the dollars involved, but there were sizeable dollars involved to build the kind of road that the Moose Lake community would like in order to stay in the timber supply business that they would like to be in, and Repap's ability to pay. So it is in discussion. I would say it would be about two, three, four months ago that we had a meeting with all the parties. So it is still in process as to how it can be cost-shared to be doable.

* (1000)

Mr. Jennissen: The road to Sherridon and Cold Lake still concerns a lot of people, not only because it is a winding road and a narrow road, there are a lot of pulp trucks on this road as well. There have been some very serious accidents on that road in the last few years. We have requests from the people in the area if that road could become a designated road or a higher status road, and they continually ask for more brushing and more upgrading. Could we have a status on that?

Mr. Findlay: Just so the member is aware of the past history, this road was initially built by CFI Manfor, now known as Repap, and it was built to their standard for their type of use. It was really a pioneer standard. It was a trail cut out through the bush and built to a standard to

haul logs and not for public road use. Ultimately we now have it in terms of maintaining it 100 percent, but it was a crude pioneer road and the cost to bring it up to a standard that the public would want is certainly not cheap.

We are in the process of replacing some culverts that are in poor condition, and a bridge survey has been completed and some geotechnical evaluation is ongoing with regard to that bridge, but I just, you know, caution the member, it was built for a log road really, a log haul road, and now that it is ours for maintenance, we clearly realize it is not reaching a public use standard, but the cost to bring it to that—I think it is a 38 kilometre stretch. It is fairly sizeable. It was never intended by the people who originally constructed it to be a public standard road. So it is not in our designated network, and it would be costly to reach the standard the member asks for.

Mr. Jennissen: Is there more brushing planned for this summer? That is one of the concerns about Moose walking out of the bush and onto the road, and people cannot see them coming out because of the brush.

Mr. Findlay: Mr. Chairman, there is some \$250,000 designated for spot improvements on the road, spot grade improvements, and \$20,000 of brush clearing was done last year. So it continues to be done, and I guess those are kind of affordable items at this point in time, but a rebuild to bring it to a public standard, as I said earlier, would be very expensive for us.

Mr. Jennissen: Repap is working in the area between Sherridon and Pukatawagan, Mathias Colomb First Nation. The Repap roads must be very close to Pukatawagan, the settlement of Pukatawagan. Is there any possibility that eventually that community could be linked to the rest of the road network, Sherridon onto Highway No. 10?

Mr. Findlay: You are referring to the road straight north of Highway 10 which is east of Flin Flon running up to Sherridon, and you are talking about going straight north all the way to Pukatawagan; a new road, is that what the request is?

Mr. Jennissen: Basically I am asking if the minister is aware if there are any plans in the works or if it is a possibility even that the people from Pukatawagan could

have access using the Repap roads to get on to the Sherridon road to get onto Highway No. 10. Right now, I do not know what the status of that is.

Mr. Findlay: Mr. Chairman, the department is aware of what the member has requested. We are not exactly sure where the road follows that Repap is using at the moment, but there would have to be some fair discussion with Repap to allow public use of the portion they have done, and, certainly, there would be a cost to go north of the cutting area to Pukatawagan, so it is in a discussion phase, but I would not want to lead the member to believe that that means there is going to be a conclusion to get on with it in the short term.

Again, these are highly expensive things to do, and you have to balance requests all over the province with regard to level of use and so on, but I can clearly appreciate the community of Pukatawagan, if there is any hope of getting a network that gets them to the provincial road system, they would be very, very happy and want to get it, but it is in very preliminary discussion. That is all I can say.

Mr. Jennissen: I raised it because people of the Mathias Colomb First Nation often ask about the possibility of road access, and because the railroad only services the community somewhat irregularly, about twice a week, it is fairly inconvenient to get out from Pukatawagan, which brings me to another point which is a bit off tangent. I was going to ask it later, but I will bring it in here, and I would like the minister to comment on this or respond.

Chief Ralph Caribou of the Mathias Colomb First Nation, Pukatawagan, and Jerry Storie, superintendent of Frontier School Division area 4 in Cranberry Portage, are trying to establish a railvan service between Cranberry Portage and Pukatawagan. This is to improve the biweekly rail service between Cranberry, Sherridon and Pukatawagan.

A number of high school students from Pukatawagan attend school at Cranberry. Would the minister and his department lend their support to this project and ensure that this project succeeds, insofar as is possible? I do not know all the ins and outs about the legalities of running your own van, I guess, not your own van, but a van that would be basically designated for transporting students

back and forth from Cranberry to Pukatawagan but would also stop at Sherridon.

It would involve the federal government, obviously. It seems like a very bold initiative, but it would address the situation of getting people in and out of Pukatawagan.

Mr. Findlay: Mr. Chairman, the rail network that the member is talking about is CN Rail, and they are a federally regulated railroad. If somebody was going to run that sort of unit on there, they would have to negotiate and get clearance from CN to use it. I do not know what role we could play. It is really a relationship between the service provider, CN and the federal government.

In theory, doing it makes some sense. It may be efficient in terms of getting kids to education, and that is very good, but the best we could do would be to facilitate a process in some fashion, but it would require acceptance by CN and the federal government, being the regulator of this national railway network, to concede to allow it to happen. That is all I can say.

Mr. Jennissen: We are trying to make the initiative work, and we just hope that the province will support us and is on board. I am not sure exactly either what direct role the province could play, but if they could facilitate it or help us in some way, we will count on them.

Mr. Findlay: Yes, the best I can say is the initiative makes sense from a practical point of view, and we would do what we could to help it proceed, but, by ourselves, we do not have anything other than a facilitator potential.

* (1010)

Mr. Jennissen: I would like to move on to Highways 373 and 374, and I would like to read into the record a letter, a fairly short letter, from Chief Ron Evans from Norway House First Nation—I am sorry, Chief Sidney Garrioch. A carbon copy went to Chief Ron Evans. It says: Dear Minister Findlay, over the weekend a lot of my people went out for the weekend. I even took a trip myself. Let me tell you, Mr. Minister, that PR No. 373 is at its worst again. In fact, it is a crime to travel on that road—now that is dated May 21, 1996. It is a shame that my people and all the rest of the aboriginal people in our area, including Norway House, have to accept this kind of treatment. It is dangerous. In fact, right now it is

more dangerous than the streets of Bosnia. Our people continue to pay high Autopac premiums. Our driver licences are escalating as a result of accidents on that road. Rocks and stones fly like bullets in Bosnia, breaking our windshields on our vehicles. Our new vehicles get stone chips. I can only hope that some day you and the Premier can come down the road by vehicle and see the picture for yourselves. We need something done immediately. Yours truly, Chief Sidney Garrioch.

And a carbon copy, as I said before, to Chief Ron Evans, Norway House First Nation. Could the minister please comment on that?

Mr. Findlay: Mr. Chairman, we are clearly aware that in certain weather conditions, there are bad conditions on the road. The deputy just reminds me that he drove that road last year and he was driving 100 kilometres and people were passing him. Sometimes the damage to vehicles is not necessarily done by the road. It is done by not necessarily driving at a speed one would consider appropriate for the circumstances. It is a road with very low volume of use. We have an ADT, or average annual daily traffic count, of 100 to 150 vehicles and, again, I say that is very, very low.

We recognize there are people who need it, that use it, and a number of projects have been done in the past. I will give the member those and the projects that are proposed for '96-97. In the past, we have done grade and gravel upgrade and asphalt surface treatment between Rossville junction to the airport, a distance of 8.6 kilometres for \$4 million; relocated and constructed 3.6 kilometres of new grade in the vicinity of Jenpeg, \$1.07 million; clay-capped and regraded 46 kilometres of the cobblestone area north of Minago River bridge to five kilometres south of Sipiwesk Lake, \$1 million. So there is \$4 million, \$5 million, over \$6 million of expenditure that has been done in the past.

At this point we are proposing from Highway 6 going east for the first 12.4 kilometres a project worth \$1.6 million, and the project has been tendered last fall. The contractor has done some crushing in preparation for that project this year. The next section, the next 12.4 kilometres to Sipiwesk Junction, is scheduled to be advertised this year, again, a significant cost of \$1.9 million. So, right there, there is \$3.5-million worth of projects. It is grading plus a calcium-stabilized base.

Calcium-stabilized base—for the member's knowledge—is a new project, a new initiative of the department. The member is aware of dust reduction by spraying calcium on the surface, so it has to be done on a repeated basis. We are proposing in this area and other areas of the province that calcium-stabilized base chlorides be used, wherein calcium is mixed with the entire gravel that is to be placed, and it will reduce the dust by some 80 percent. It gives you a gradable surface. In other words, it will be graded like any gravel surface with significant dust reduction.

I know the member is saying, well, why do we not just put some pavement down? Again, it is cost. A thin layer of pavement which is all that this volume of traffic would justify is always subject to weight restrictions; therefore, you impede the commercial use of a road like this and particularly in the springtime when significant restrictions are in place. In this location and many others in the province, we are trying to find another way to have a surface that is gradable, has a low level of dust but not subject to restrictions for commercial use. It is a significantly new initiative. We certainly hope it works to our level of expectation. It is an affordable way to reduce dust, have a surface that is unrestricted in a commercial sense. There are proposals for the 24-kilometre stretch of \$3.5 million of work on that particular road from Highway 6 going east.

Mr. Jennissen: I had occasion to talk with a person who had worked on that road—and I believe for a number of years in fact—and he felt that some of the construction projects on that road seemed to zero in on parts that did not really need fixing. His constant comment was that it appears that they are fixing more for ease of fixing, that is, easy access. The parts that needed to be fixed were being ignored, like they are redoing things that were already fairly good and ignoring parts that were much more difficult. Now, I have no way of verifying that is exactly true or not, but that was certainly the comment.

Mr. Findlay: I cannot comment either. You know, we have staff, we have engineers that make assessments where the appropriate places are to expend money on the road. But just to get a broader level of understanding, as we have had success with different road committees throughout the south, it usually involves local elected officials on these road committees. The member knows a 391 committee was struck. I had hoped initially for a

committee that would cover all the northern roads, try to rationalize where their most urgent needs were, but there has been, on a road basis, a 391 committee formed. A 373 committee is also functioning involving Cross Lake First Nation, Cross Lake Community Council, Norway First Nation and Norway House Community Council.

They have had two meetings with regional staff to discuss what are the priorities and look at the departments and perceived sequence of events that should happen on the road, try to maybe get around those kind of circumstances where they think that we are doing things that are not the right things to do. It gives a chance for those individuals who attend the meetings to have an understanding of why they were picked and, if there are reasons not to agree with that, to discuss it and rationalize it and come to a conclusion.

I can assure the member, my objective is to be sure we do the right things for the right reasons. It is totally foolish to do something, spend money on a project and then somebody says, well, that was not the one that should have been done. You do not get any credit for that but the money has been spent. That is not a position to be in. So this is an effort to maximize the efficiency of how scarce dollars are allocated to serve all the various users' needs as best we can, and it also helps, I said earlier, to have an understanding that we just cannot do everything that is wanted in the time frame that people want to have it done. We have to rationalize where their highest priorities are, and a committee is functioning on 373 in that context.

* (1020)

Mr. Jennissen: I forgot to ask the minister when we dealt with 391 just a moment ago whether there was anything planned for the Lynn Lake end, because that pavement is quite broken. I know it is on permafrost and subject to frost heave and so on. It is a fairly rough road. Has anything been slated to fix 391 at that end?

Mr. Findlay: A sealcoat project was done in 1995 on 34 kilometres from Weepaskow Lake to Hughes Lake but, in terms of that stretch, at this point in time nothing further is scheduled other than normal maintenance of the road. By rough, you mean that the surface is breaking, it requires patching and then it leads to some of the roughness but, in terms of redoing the surface, no,

nothing is planned at this point, nothing is programmed at this point.

Mr. Jennissen: I would like to switch a little bit to airports, and I have a lot of questions on airports but, because I know the time constraints, we are going to keep it fairly short. Lynn Lake is wrestling with the fact of trying to take over their own airport. It is a huge airport and, because of downloading of the feds, it has become quite a strain for the people involved, the community involved. I know the minister had written a letter once supporting the remote status. Is there anything new on that airport or helping those people cope with running that airport?

Mr. Findlay: Clearly the federal government has made decisions on airports, precipitous decisions which they are just turning them over to the communities over a five-year basis. I think they lose the so-called subsidy, 20 percent per year over five years. We have written at least two letters in support of Lynn Lake to be designated remote status, which would fit a federal government category that would allow some level of continued funding.

We are not aware of any written comment back from the federal government saying yes or no in terms of an ultimate decision. But another way to say it is, we have got nothing positive to report in terms of the federal government responding to our request that it be considered remote or Lynn Lake's request that it be considered remote. We supported the community but have not got anything positive to report in terms of federal government response at this point. Our position with the feds has not changed at all.

Mr. Jennissen: The last time I was in Lac Brochet along with my honourable colleague Mr. Robinson, we talked with Chief Sarah Samuel [phonetic]. One of the concerns of that community was the state of its airport. As you know, airports are vital to the North, not just Lac Brochet, but Tadoule and Brochet and other places as well.

The concern at Lac Brochet was that the airport terminal was much too small and needed to be upgraded. They compared it to Tadoule Lake, which is a smaller community which had a million-dollar upgrade of an airport. They felt also the fact that one person was

working created all kinds of inconveniences because, if that person was filling fuel tanks or removing snow and so on, then the terminal itself would be closed or there would be no service there. They, being the community members, felt they were being somewhat ignored, and they felt strongly that that airport needed to be upgraded, both in terms of the manpower and also the building itself.

Mr. Findlay: Mr. Chairman, there are two employees there, and, yes, the airport was built many, many years ago. Tadoule Lake was built in '89, so it was built to a better standard, no question about that, but to say that we can rebuild Lac Brochet in the near term, it is just not possible; there just are not the resources to do it.

We are involved with a lot of airports in the North and the capital rebuilding upgrade that many of them would like is just not achievable at this point in time. The costs are very high to do it, so we continue on a maintenance schedule and have a two-person staff there for the continued use of the airport. We know full well there is a lot of activity in all these small airports in the North. They are a vital lifeline, but we are just not able to respond to spend the kind of dollars that many people would like.

Could I ask the Chairman, is it possible to have a five-minute break at this point, if you do not mind?

Mr. Chairperson: Is it the will of the committee to take a five-minute recess? [agreed]

The committee recessed at 10:27 a.m.

After Recess

The committee resumed at 10:35 a.m.

Mr. Chairperson: Order, please. The Committee of Supply will please come to order, and we will continue with the Estimates of the Ministry of Highways and Transportation.

Mr. Jennissen: I have two very, very short questions, and then I would like to go on to future trends, which is really an area that I am very interested in. I know the minister is, as well. Unfortunately, we will not have

much time to discuss it, but I will be able to raise some issues, and then, maybe, read the rest into the record and hopefully get some responses in the written form.

The question I have for the minister—and this just came within the last two days, a letter from a gentleman wanting to know about the cost of the new experimental bridge at Headingley. I know nothing about it, but maybe the minister could enlighten me, so I can respond to this gentleman.

Mr. Findlay: There is a Bridge Road, just south of Headingley, going over the Assiniboine River?

Mr. Jennissen: It was not exactly clear, Mr. Minister, on the location. He simply said, this newly designed bridge near Headingley.

Mr. Findlay: We built a new stretch of road from No. 1 south towards the Assiniboine River; it would be a fifth of a mile or less. A new bridge will ultimately be built over the Assiniboine River. The bridge will be about \$3.7 million, and Sammy Rizkalla, Department of Engineering at the University of Manitoba, wants to do a research project on what is called a carbon fibre reinforced plastic, which would replace the steel that would normally be used in that context on the bridge beams. Our understanding is that this fibre-reinforced plastic will be wired for some kind of computer analysis of the stress and strain over the course of time, looking for some more effective, cost-effective, use-effective way of building bridges of that nature. We have no reason to think it is any less capable than the normal steel-reinforced bridge that we would build.

Sammy Rizkalla has a significant national, international reputation as a bridge engineer, and this bridge will be built for him to use it as a research project on an ongoing basis, but we are not aware that we are funding any component of the research. That is privately funded, but we build the bridge and he will do his research as he deems appropriate. The facts and figures that will be collected over the course of time will determine whether it performs better, is more cost effective, time effective, wear effective.

We are always interested in new ways of doing things that prolong the life and improve the performance of any kind of a structure.

Mr. Jennissen: The last question I would like to ask in this particular section is—I am sure the minister is aware of it, and I do not need a long answer—the twinning of Highway 59 south. There is a Highway 59 committee, and I am sure he gets these letters regularly. Just maybe a very brief update if that is in the cards or just where we are.

* (1040)

Mr. Findlay: Highway 59 south from the Perimeter to Ile des Chenes, about a 14 kilometre stretch that is proposed for upgrade over the course of the next few years. It is a twinning of the road; it is a twinning of the bridge crossing the floodway. It is a high-demand road in terms of traffic volumes. It runs around 4,500 to 5,000 vehicles a day. It has clearly been identified as a priority, to get on with it. The whole cost of that 14 kilometres is projected to be \$60 million, so it is not a cheap project.

At this stage the bridge abutments at the floodway have been built. That is the twinned bridge; the existing bridge is there. Then, if we are going to go from two-lane to four-lane and build another bridge, the bridge abutments were built last year. At this stage the grading from the Perimeter to the floodway has been tendered for about \$600,000, and then the bridge will be tendered this summer with the anticipation that it will be built over the next winter, which will be a \$3.7 million project. The initial stage is to get four-lane from the Perimeter to south of the floodway, the most critical stage, and then further projects will continue reaching the whole 14 kilometres over the course of the next few years.

We have met with the Highway 59 committee each year, and we can never do it fast enough from their standpoint, but I think they understand some of the financial realities after these meetings that we are doing as much as we can as quick as we can. They clearly, at the first meeting, said it was the most important road in the province, that I should terminate every other expenditure in the province to do only that. I said that is absolutely undiscussable that we, having demands everywhere, have to do something for everybody on an ongoing basis, step by step by step. I think they have a broader appreciation of that now than they did.

So these committees are meeting with staff or with ministers, and it does help them to understand the

circumstances we face and that the demands are much more than we can meet, but we meet them as fast as we can. I think the design of the road, and further questions on that, we just get on stage by stage to get it done.

Mr. Jennissen: I would like to now move to this fifth section that I talked about at the beginning, it is the future trends. I have a letter from a Marton F. Murphy, and I will table it for the minister, if I could have the old copy back. There is an interesting line in there which is basically a little off course here where he praises Autopac, and he says, it costs twice as much in Alberta to insure a car as it does in Manitoba. He has one line, which, coming from Ace Industries (Int'l) Corp., is rather an interesting line: "This proves that gov't who operate without a profit motive can do a much better job than foreign owned big business." It sounds more like it should be coming from our side of the House, but anyway that is the line, but that is not the reason I quote Ace Industries.

Ace Industries, if I can just summarize, in this letter, this Marton F. Murphy states something to the effect that there is not a level playing field because asphalt is trucked from Montana to Winnipeg without barriers, but when Moose Jaw asphalt is being trucked to the United States—I suppose by Ace Industries—then the company faces what is called "Montana Preference" or "Buy America" or 10 percent penalties and this person argues in the letter that this is not a level playing field.

I guess the question that comes out of that that he wants answered is, is the department willing to support Canadian industry and Canadian trucking by buying Saskatchewan asphalt, thus levelling out the unfair competition? I think that is implied in this letter and I would be glad to table that. Could the minister comment on that?

Mr. Findlay: Does the person come from Saskatchewan?

Mr. Jennissen: It is based in Calgary.

Mr. Chairperson: Order, please. Does the honourable minister wish to ask for clarification of the member for Flin Flon?

Mr. Findlay: Just leave the mike open and let us talk.

Mr. Chairperson: I am sorry.

Mr. Findlay: Rules are rules.

Mr. Chairperson: Rules are rules and I am here to keep order.

Mr. Findlay: You do a hell of a job.

Mr. Chairperson: The honourable member for Flin Flon, do you wish to clarify what your question is, please?

Mr. Jennissen: I do not have the letter in front of me at the moment, but I do believe that the company is based in Calgary and I believe there are two other sub-branches. I think one is in Moose Jaw. I presume they deal quite a bit with moving asphalt into this market and they feel that there is unfair competition. We talk about a level playing field, NAFTA and free trade, but when he wants to sell asphalt in Montana they stick on a 10 percent surcharge or whatever they are doing, and yet the Montana people can come into Winnipeg and there is no corresponding countervailing kind of a penalty.

Mr. Findlay: Well, certainly, the issue of allowing tenders to happen and be fulfilled across provincial borders reducing barriers between provinces has been a big issue in Canada. All provinces have signed on to—through the Minister of Industry, Trade and Tourism, through the Premier's discussions—lower the barriers and move away from preferential buying considerations. I am off on a slight tangent at the moment. I will get to the main part.

About two years ago, I recall, Saskatchewan tried to institute a preferential policy and even there their construction industry in Saskatchewan was opposed to it because what they could see happen if there is a preferential policy that only Saskatchewan companies could do business in Saskatchewan, those companies would be restricted. In Alberta and Manitoba there is a bit of a retaliation. We are, within Canada, moving to less barriers and more open bidding and getting away from preferences which used to be the norm, unfortunately.

When we put out a tender, several companies can bid to supply asphalt. All the bids come from a Canadian location. We are not sure at times where they might source their product. It may be a company out of Calgary or Regina or Winnipeg maybe bid on a project, but where they source their product from to supply that contract we are not aware. So whether there is a real barrier there, it is obviously created by a Montana policy. It has nothing to do with our policy which is open. Because we have scarce dollars, we search for the very best price that meets quality standards that we can get and where the company brings a product from is their choice to meet the tender that they submitted.

Mr. Jennissen: Now that the Crow rate is gone, what is the impact of this and the continuing rail line abandonment on future road costs? Is there an actual estimate of millions of dollars that we hear this \$80-plus million or more being bandied about, and I have read elsewhere that there is no precise figure. But if this is a terrible cost, an added cost—and we have talked about this before—then, again, road costs will increase and it is further argument about not cutting back I guess. Would the minister comment on that?

Mr. Findlay: Well, I think the Crow rate change was a climax to a sequence of events that has been happening over the course of the last, particularly five years in terms of rural Manitoba. Back in the days when I was Minister of Agriculture, we certainly proposed and promoted the concept of farmers diversifying what they produce because in those days we did not pay very well at all. In fact, there were heavy government subsidies in place to keep farmers in grain production.

The process started that people started producing other crops, and then it became more and more diverse products to process. Different groups and individuals and companies started to look at Manitoba because they could see that our tax regime was favourable and attractive. We tried to streamline the processes of getting approvals for locating manufacturing and processing plants here. Now, this takes years to get a thought process in place that gives industry comfort that this is a place to invest.

Then, when the Crow rate changed, the thinking towards diversifying, towards value-added industry, was already reasonably mature, and once the announcement

was made, we have seen a wide variety of activities announced. I mentioned them earlier with anything from pasta plants to oilseed crushing plants to hog slaughtering plants to expansion of french fries production to Simplot expansion to fibreboard, and on it went.

This is a climax to an event that has gone along quite quietly, and that is that the rail, for a variety of reasons, is losing product volume to trucks. As I said earlier, it has been going on for the last two, three, four years, and you see it is just everywhere, whether it is oilseeds going from an elevator to a crushing plant, whether it is feed grains going from a farmyard or from an elevator to a feed-deficient area in the province, and an example I can give the member is there is a significant cattle-feeding industry in southeast Manitoba, mainly hogs, but dairy and poultry, too, and feed grains are brought in from as far away as Yorkton and Moosomin by truck.

All these processing plants that are being proposed, I can almost guarantee the member, the majority of product will move to them by truck, so even though the rail is there and the elevators are there, they are going to be used in different fashions in the future. There is clearly a growing trucking industry throughout rural Manitoba. I could not give the member a precise number, but I bet you if you took every community over 1,000 people, you would find a trucking company that either has started the last few years, or there is somebody thinking about starting in a trucking business. Lots of farmers run trucks in the wintertime, run one or two or three trucks as a sideline. There is a very profitable sideline at this point in time. The volumes are there.

It is moving a lot of different agricultural commodities, but it is an evolution that started on principles of if the trucking industry could compete in price with the rail industry and be more time effective in terms of when the product was picked up and delivered—because most plants receive work on a just-in-time basis. They want the product coming in the front door as they need it as opposed to having to have storage facilities, and the railway is losing out in this regard.

That is happening, plus with the Crow rate change now, you will see farmers who used to pay \$10 to \$12 a tonne for freight are now paying, it varies, anywhere from the lowest I have seen is \$22 up to \$45, so that is a

doubling or a tripling of their freight cost. So they say, hey, hold it here, I am paying the whole bill and it is expensive. Maybe I should grow something else, or I am more interested now in selling it to a local processor or a feed mill. There is a dramatic evolution, so nobody can put a figure on this cost. It is just a growing cost. There is more traffic, more trucks. There is more wear and tear.

Just another comment I can make, the principle of B-trains, these 138,000-pound trucks that have eight axles, very efficient units, big power plant up front, roll along our highways. The concept of them was, well, they will be a great unit for fish at long-haul travel from, say, Winnipeg to Regina or Winnipeg to Vancouver, that sort of thing, and you see them on our major highways, but the reality today is they want to go to every location in the province and drop off at every location. Not only are they used by long-haul truckers, they are used by all the short-haul truckers, too. They have gone from semis to the B-trains, and it is the most time-efficient, cost-efficient way, and so that is weights on our roads that were designed to—I think many of them were built in the days when our weight limits were 72,000 pounds on those roads.

These trucks are 138,000 pounds. A lot of our roads, particularly our PRs were built like the municipal roads. You only had so much clay, and you would have black dirt in the bottom, and that carried the lighter loads. With today's loads, that black dirt is pushing up the middle. The roads cannot carry those weights, yet that is what the industry wants to run.

So there is an evolution that cannot be stopped. We have to respond as best we can, and I meet with municipalities that come in and say we have economic development plans, we have all this going on, and I remember one particular one. They had four different projects they were going to develop. One was a feed mill, one was a seed-cleaning plant and a couple of other initiatives that would require a lot of trucks moving to and from those locations. I said, please, approve those in locations on existing roads that can handle the trucks. They really wanted to approve them three and four and six miles away, and they wanted us to build a road there. Just put a road in for us. So it is your property, your responsibility, your right-of-way, and if you cannot afford it, heaven help us. At the cost-per-kilometre to build the

kind of road they needed, it is just unaffordable. We have enough challenges dealing with just the main network.

So that is the evolution that is going on. That figure, I remember talking with the deputy a couple of years ago, and I was saying, what is the total figure in front of us for highway requests? We sort of came to \$600,000, somewhere in that category. I think I mentioned the other day, yesterday, a billion dollars, and you know, we talked a couple of days ago, they said they wanted \$1.1 billion. I mean, they were doing \$100 million a year. For 100 we do, 200 comes onto the table. And it is all associated with this change in the way commercial activity is happening and the increased volume of it throughout our province, and the same applies in the North in terms of the mining haul that is going on.

It creates jobs. It is economic activity. It is good from all the standards of development, but from the standpoint of meeting infrastructure needs, the challenge is immense, and there is no happy, quick solution to it other than an ongoing process of being as efficient as possible in how we do things. I mean, I ask consistently, is there a more cost-effective way to design that road or that bridge to meet the need? Generally, you cannot save a lot of money, but you sure try to.

Mr. Jennissen: I thank the minister for that answer. The next question is maybe asking the minister to comment on a rather motherhood statement, which is the status report on Gateway North, the bayline, Akjuit, the Port of Churchill and so on, and the reason I am asking it is partially because I will be meeting with Doug Webber today and people involved with Gateway North. I guess basically I do not need to get into all of that because I know we could talk for hours on it, but is there any reason to be more optimistic today than, say, a year ago?

* (1100)

Mr. Findlay: The short answer is definitely yes. Churchill's future, the bayline was all—we always argued in the past about grain volumes as being the be-all and the end-all. Clearly, we called on the Wheat Board to move more grain through there, and they constantly came back saying, well, the buyer does not necessarily want to buy it there and so on and so forth.

What we see involved is, you know, Akjuit, in terms of potential up there, in terms of development, it is an ongoing development which will hopefully materialize in raising the capital necessary. The tourism industry in terms of Keewatin supply, all the things that can happen there, plus two-way trade, not only grain and other things going out of that port, but other products coming in. Those things are all more real today than they were a year ago, in terms of probabilities. The task force the member is fully aware of and out of that came the principle of Gateway North. That committee is forming. Terry Duguid is the president of Gateway North and we have appointed a person to it. It is an active ongoing committee.

In addition, Gateway North transportation systems, I think the president is Gord Peters out of Brandon. A number of other private sector people are at this stage developing a prospectus to do with it and ultimately get into a public share offering to raise the capital to purchase the line and some associated branch lines from CN, the port and then deal with the capital rebuild-upgrade that might be appropriate or necessary.

So that is a very active, highly probable initiative, driven by people who see an economic incentive to do it, and it is a much broader incentive than moving grain. It is two-way movement of bulk freight and all of the other associated activities. I mean, Akjuit, if it gets up and going, it needs a rail line to move the rockets in there.

I think the short answer is absolutely yes. I have never felt better about the probabilities of Churchill.

Another factor I could throw in, the elimination of WGTA makes, you know—people really have to start paying not only the freight costs to Thunder Bay, but the pooling costs that used to be paid by all westerners, now only paid by the shipper, puts the seaway at significant cost disadvantage relative to the west coast and now makes the probability of Churchill even more attractive to reach certain markets.

There is certainly talk about, you know, broadening the time period for the use of the port beyond the existing three to four months. So, I mean, it is just promising in many respects, but it hinges very, very much on this Gateway North Transportation Inc. being successful in developing their prospectus and raising the capital. But it is really yes at this point in time.

Mr. Jennissen: Yes, and it basically mirrors the feeling I have as well. I have talked with Mr. Duguid and I will be talking with Mr. Webber and so on, and in the North it makes us all feel good to know that there is still some hope and some promise for the line and for the port itself.

I would like to ask the minister, however, further to that whether there is anything more developing on the original Arctic Bridge agreement?

Mr. Findlay: The Arctic Bridge principle was born in the early 1990s when the Premier (Mr. Filmon) went to Russia and then the year after I went as the Minister of Agriculture and Eric Stefanson as the Minister of Trade and Tourism. An initial agreement was signed on the concept that two northern ports, there might be commercial movement, two-way movement that would be beneficial to both.

Since then, we have concentrated on this side on the Gateway North development and a previous discussion about private sector entrepreneurs. Along the way, also, Moscow Narodny Bank opened a North American office here in Winnipeg and are prepared, have been, you know, looking at a pilot plan to move some 80,000 tonnes of unprocessed nickel ore through the Port of Churchill from Russia, through the port of Murmansk, which is, you know, the Arctic Bridge concept, in exchange for some kind of barter process involving American wheat that would come up through Manitoba through that northern port.

It is exceptionally unique, and more power to them if they succeed in moving ore from Murmansk through Churchill into Manitoba. Obviously, somebody has to process it. If it is nickel ore, we all know where that should happen—and the idea of moving American grain through Churchill into the Murmansk port. That is active activity on the Arctic Bridge concept, so there are a lot of different initiatives that started at different points in time and all coming together and being picked up by entrepreneurs who see it is a chance to make it happen.

All that activity is positive for the bayline for Churchill and for the future economic activity of the North. It is a concept that we say, go to it, good luck, in the process of trying to put together because, if it works, it is great. But a lot of changing dynamics and transportation costs are happening to make that a probable positive outcome. So,

I mean, I would not say that the Arctic Bridge concept made it happen, but it was an initial process and discussion that had led to raising the reality that Murmansk and Churchill have some things in common.

Mr. Jennissen: Yes, and adding to that, the people in Thompson and, I guess, the people in the North are hoping that if Voisey Bay ever pans out, the nickel will be back hauled to Thompson. It may be doubtful at this stage, but still there is a hope there.

I would like to now move on to a letter that the minister already has. It is from Al Cerilli, dated February 19, and he has a number of questions. Basically, three of them I would like to deal with. If the minister does not mind, I would read all three right now, and he could respond to them.

* (1110)

Al's first questions are regarding—this is WINNPORT. What is the difference between the original concept of WINNPORT free trade zone and the WINNPORT foreign trade zone? The second question is, which level of government will employees in the free trade or foreign trade zone be employed under insofar as employment standards, labour law, environment law, health and safety law, and so on, are concerned? Thirdly, what new upgrading of highway and streets will WINNPORT require? I guess he is basically asking, what provincial money, effort or input goes into this?

Mr. Findlay: The member raises three questions. Clearly, at the outset, I would say, the concept of WINNPORT, as I said the other day, has tremendous potential benefits to the whole province. I see the member for Interlake here now. He was present at a meeting that we had in the Interlake on economic development of the Interlake. Clearly the people up there saw WINNPORT as a positive for activities that would be associated with the Interlake. The specific question about free trade zone, foreign trade zone, they are essentially the same thing. With regard to labour laws associated with it, it is in the province. The labour laws would be the same as far as we would understand, theirs as for the province. It is a more specific question you might want to raise with the ministry of Labour. With regard to network upgrade, between Rosser and the city of Winnipeg, there are some 6,000 acres in that total region that is developable, I guess, and is part of the

development plan of both the City of Winnipeg and the R.M. of Rosser that could be, over the course of time, utilized by the WINNPORT initiative.

Under the Winnipeg Development Agreement, \$5 million of federal-provincial money—in this particular case, it is all provincial money—is allocated. A portion of it has been spent to hire a consultant to develop a plan for development of the region involving the infrastructure and most particularly the roads, and that identified how it might be developed, but we are still very much in a conceptual stage. The business plan that WINNPORT is developing has still not been completed, but they have hired one new person. I saw the announcement in the *Globe and Mail* yesterday, Lynn Bishop, who was the airport manager is now with WINNPORT in a senior position moving that project along, so there are a lot of things happening.

I am not aware of any bottleneck at this stage. I have seen the presentation from IDG Stanley and conceptually what they laid out makes a lot of sense, but a lot of things have to happen to bring it all together yet. It is moving along relatively well at this point, and I have never heard anybody yet speak in a negative sense about this kind of a project happening in Winnipeg and Manitoba. It is all positive, and it has spinoffs of incredible dimensions, pretty near every sector involved in the private sector right now.

Mr. Jennissen: I would be very interested if the minister could supply me with the written answer to Mr. Cerilli's number of questions, because there are quite a number of them. Also, I would like to put the last two questions I have on the record and maybe we would get a written response from them, which will leave a number of my colleagues a chance to ask questions for the next 15 or 20 minutes or so.

The additional questions that we probably will not have time to discuss are: what is the province's input regarding TransPlan 2010, that is, the urban transit plan for Winnipeg? It is apparently a three-phase plan. My last question is, very theoretically, I am not sure even if it is in the realm of reality yet. There is talk about a super highway from Manitoba to Minnesota, which would be a toll road, supposedly. Is there anything to this idea? If there is, what environmental fossil fuel conservation and safety concerns would such a highway raise?

Mr. Findlay: Of TransPlan 2010, we will put a written response in, but on the highway from Manitoba to Duluth, I think it was, it is somebody's concept to drop totally out of the blue, no developments done. I have not seen anything even in writing to talk about specifics. If somebody has a concept, I do not know if they have the money to support their concept, but it is just somebody's comment. There is nothing happening that I am aware of. Minnesota has rejected it, we never endorsed it, so it was just a concept that at this stage is not going anywhere.

Mr. Jennissen: The reason I raised it is because some rather irate conservationists were already questioning this road, so I told them that I would definitely raise it.

Mr. Findlay: From what I saw it had a whole series of significant problems. The idea that you would run trucks that weighed 20 or 30 percent more than the existing trucks on our roads, how would they get out to this toll road? You have to get onto it from someplace. You have to get off it someplace. The logistics of it were just—the concept, I cannot imagine how it worked. Minnesota rejected it. That is the end of the road, I guess.

Mr. Jennissen: I would like to now pass the questioning onto at least three other honourable members, two of them here and one over there.

Mr. Chairperson: Order, please. The Chair will recognize the members as they—

Mr. Jim Maloway (Elmwood): I just have a couple of questions for the minister following along with questions that I asked yesterday. The minister may be aware, I am not sure, about a program in B.C. called—it is called a scrap-it program. Scrap-it, it is designed to get older cars off the road, and they announced this program on April 18, so that was only a month ago. The province announced a program designed to offer rebates to owners of pre-1983 vehicles so that the vehicles were removed from the road and scrapped. The owners whose vehicles qualified would receive up to \$750 toward the purchase of a newer, less polluting vehicle or a B.C. transit pass for one year.

In the program's first year they are going to have up to 1,100 vehicles to be removed from the road, and they are expecting that this will operate for a five-year period. So I would ask the minister whether he has any information

about this program or whether he would endeavour to have the program checked out for possible application here in Manitoba.

Mr. Findlay: The member comes up with some unique questions, some unique angles, but I will say it is an interesting program. As the member has mentioned they just started it. We will see how it works out, what happens, what is the response. Clearly the idea is to get old cars off the road, but we will analyze it, watch it. I am sure every other jurisdiction will, and over the course of time it is always possible that more jurisdictions would see. We should complement each other and try and get older vehicles off the road. Obviously, B.C., particularly the Vancouver area in terms of traffic congestion, must deem that they have a problem. So I wish them well; I hope it is successful and we will observe it very carefully.

Mr. Maloway: Mr. Chairman, I guess what I am really concerned about here on the whole line of questioning is just a concern over lost opportunities, because of the entire history of the electric vehicle program now. It is well into its second year. It started in the spring of 1994. GM had testing sites, which I have indicated here, in the United States. They have set a test site in Vancouver. They are basically into partnership with the B.C. government on this and so what the B.C. government, by being a little forward thinking on this part—I do not know who approached whom, but at the end of the day, B.C. Hydro has an agreement with GM to set up some infrastructure to service these vehicles, and the government has been proactive in this area.

Given that Ford has a test site in Thompson and given that people in Thompson are very interested in expanding that program, as the minister knows, to entice not only Ford but GM and other companies here, I just see this as a great opportunity to not only combat the high price of gas and pollution and so on, but I see an economic opportunity here.

* (1120)

I am not just bringing it up with this minister, because I know he has a limited area within this area, but certainly if he gets proactive and takes some initiative to either reduce or eliminate registration fees associated with EVs, then in my view he has done his part to get the ball rolling. If the Minister of Government Services (Mr.

Pallister) gets involved and agrees to purchase—because they are approaching Fleet Vehicles first—a number of these vehicles, then I would say he would be doing his part to lay down some groundwork here and get a leg up on some of the other provinces before they get into it. The Minister of Finance (Mr. Stefanson) can get involved and do what has been done in California and that is bring in a tax rebate of \$5,000 a vehicle. The Industry, Trade and Tourism minister (Mr. Downey) can do his part by trying to make some money available and entice these car companies to do their testing and research because, after all, we have a testing centre here in Thompson right now. I mean this is a good opportunity to try to encourage these companies to get involved.

We have lost out on GM. They have told me they have made their commitment to B.C., and, you know, if we had been there first, maybe they would have come here, but B.C. jumped in line. Well, before Saskatchewan gets in on it and Alberta and other provinces, all I am suggesting is that the minister go after his colleagues and get them working on this, and on our part, we are endeavouring to help out in this regard.

Mr. Findlay: Certainly, I will try to respond as quickly as I can to conserve some time, but the idea of electric cars, it has an appeal in a city location where you are not travelling very far, but in terms of the long-distance travel that many Manitobans do, at this stage I am not aware that they are as viable as the member leads us to believe and they are expensive too.

The other thing is as government, you know, we cannot run government by continuously telling people you do not have to pay taxes for certain reasons. There has to be a full business case. I can promise the member that not only myself but all the other ministers he has mentioned, we constantly look for ways and means to promote the economy of the province however we can attract people to invest.

The Thompson site that Ford is using is a cold testing site. My understanding is there is lots of potential to expand the development of that particular site at the current proposed use.

So we will pursue it as aggressively as we can, but there has to be a significant business case for us to invest

money in terms of giving rebates or less taxes because we have to fund our system somehow, in the broad sense.

I hope that something works there because there is new technology coming all the time. You know, it is electric cars or some other concept of replacing the vehicles that use fossil fuel that will be a reality in the course of time, and we want to see as much of that happen in Manitoba as possible.

Mr. Clif Evans (Interlake): Mr. Chairman, I just have a few questions for the minister, of course realizing the time.

Can the minister just indicate to me where the Main Street project for Riverton—has council completed the necessary work that they were supposed to do to go ahead with the Main Street project? The minister had indicated to them, I think, two years ago that there were certain things that had to be done. Has the minister had any correspondence of any kind from them recently?

Mr. Findlay: Staff are not currently aware of anything recently happening. We will respond to the member more fully, if he does not mind. Maybe if he just puts some questions on the record, we can respond in written or at some verbal point in the future after we get some information, but nothing new at this point.

Mr. Clif Evans: Mr. Chairman, yes, I certainly will, and I will speak to the mayor and council this weekend, I hope, and get back to you. I was sort of hoping—I saw the mayor last weekend but he did not mention anything so I thought perhaps you had already received something, because I believe they are just about ready to go ahead and I think they have done their work.

Can the minister tell me whether the last few kilometres to the Hecla resort are in the stages of being completed as far as AST or pavement to the resort from the village?

Mr. Findlay: I think the member is referring to about a four-kilometre stretch within the park itself. Natural Resources, ourselves and other departments are looking at what we can do, so it is under very active consideration to be able to put a surface on there to improve the quality and, I guess, a tourism aspect of that region. It is under some fairly active consideration.

Mr. Clif Evans: Active consideration—I believe that this has been raised by myself and the then Minister of Natural Resources. It is about four kilometres. I was told over the weekend that the resort—the people around there were told that it was going to be done this year, so I would perhaps actively, if the minister wants to use actively, perhaps he should actively find out why people are anticipating this road being finished this summer.

Mr. Findlay: Well, I can tell the member that active consideration is very high, and I hope that something can happen, that what he has heard is a reality. Nothing has been announced yet, but it has never been higher on anybody's agenda than it is on the government's agenda right now.

Mr. Clif Evans: For the last, I think, six sets of Estimates, I have brought up the roads to the different ministers in my constituency, and their conditions. [interjection] Yes, I have been after this government for six years to have something done to some very important roadways in my constituency. In discussions with the minister and the previous minister, I understand situations. What bothers me is that with a lot of roads that municipalities and people have been coming to me about and to the minister directly with resolutions, letters, for this period of time, nothing really has been done.

We always hear survey and design, survey and design. I want to ask the minister, how long does it take for a survey and design, when in 1990-91 I had asked about, say, 329, and the response is, from the previous minister and this minister, survey and design. People are asking me—and this is a question that was asked to me. I am surprised they did not ask you or your staff in Teulon. How long does it take for survey and design for a specific road? How fast does it move along, and what makes it move along to the next step?

Mr. Findlay: What stretch of 329 is the member referring to?

Mr. Clif Evans: Using that as an example, but I have raised 329, of course. I am asking specifically about the survey and design. People, you know, when I respond to them that I have asked the minister questions or I have written or whatever, survey and design is the favourite comment, survey and design. I am only asking so I can respond to my constituents, too, and to the elected

officials. How long does it take and what is involved in survey and design?

Mr. Findlay: We have to go through a lot of stages from the concept that a road needs to be done, or there is strong demand, there are commercial needs, there are travelling public needs, there are road volumes, there are municipal resolutions. From that point you look at a road.

Yes, you have to survey and design. You have to acquire property, usually, in most cases. You have to move utilities. You have to get an environmental licence in many cases. There are a lot of steps to go through before you do a tendering, and the tendering might start with grade and gravel, then any sort of surface work that might follow.

* (1130)

It is a long process. There are many projects in the survey and design part of the funnel, if the funnel is going this way. I mean, as you move along you look at a lot of parameters. It is not this precise science that you do this, that, the other thing, and it just moves right along. If there was enough money, yes it could, but I think I mentioned earlier in your absence that we have over a billion dollars of requests sitting on a table and a hundred million to serve that billion-dollar need, and for every hundred million we spend, a year later there is now 200 more that showed up, so we are losing ground all the time.

I do not want to go back into it again, but there are dramatic changes happening in rural Manitoba. When we met in the Interlake, the economic development committee for the Interlake, Garry Wasylowski maybe was the fellow who got up and he laid out all the roads that were wanted. I had a staffperson there, and I said to him, is \$300 million sort of in the ballpark of what he has just requested? He said, yes, it was.

Well, you know, with 12 percent of the travelling public, 12 percent of the roads, sort of thing, and you get 12 percent of the budget, that is \$12 billion a year. Think how long it takes to meet that \$300-million need. That is the dilemma we face. The demand, the need, the expectation is so far beyond the financial capabilities, so you have to ratchet down what you can do. We will

respond as best we can in the very broadest sense, and it is not going to satisfy very many people, because we cannot do enough fast enough.

Nobody really understands the cost of bridges and the cost of building roads in today's dollars. When I talk to the construction industry, they tell us we are getting the best deal ever. Still there is a scarcity of dollars. As people argue for more and more money in health and education and the social services, it limits the capability to do the capital projects in Highways.

So there is no magic that because you have done survey and design you will automatically find the money to get on with it. There is a long rationalization process to what you can do. The member for Flin Flon (Mr. Jennissen) wants to spend 25 percent in the North. That might mean north of the Interlake. So you guys, get your acts together. I appreciate the member's concerns. When he is talking 329, the road count volume over towards Highway 17 is like 130 vehicles a day. That is very low. And that is taking into consideration when the member for Flin Flon asked about Highway 59, it has got 4,500 to 5,000 vehicles a day. It has got totally different considerations.

So I have not got an answer that the member wants, but it is just a reality that we face. It is not easy to decide to do everything in any sort of reasonable time frame.

Mr. Clif Evans: What I would appreciate then from the minister and his department is, I would appreciate the roads that I have raised in the last six years, I mean, I can go back in Hansard to Estimates and bring back to you what you have said and what the previous minister has said. What I would appreciate from the department and I hope this is not out of—but I would appreciate a total rundown of my constituency.

I appreciate the whole provincial aspect of the Highways department. I would like a total on every specific road in my constituency and what and where the department is at with it. The reasons, whether it be road counts, whether it be what stage they have been in, how long they have been in that stage, what is holding it up besides money, I would appreciate that, because it would give me a better idea to be able to discuss it with my communities so that I know where the Highways department is with the roads.

Now the other side of it, I will take 329 for an example. That road is paved to 326 and up and it needs an awful lot of work. Now, I have asked since 1990, specifically, let us say 329. I have said to the then minister, I have said to this minister, if proper maintenance upgrading at the areas that are needed would be done, there may not be as much of an outburst of people coming after myself and the minister's department to pave them as such.

This is what I would like from the minister's department this time around. Instead of specifically arguing about the specific roads, I would appreciate very much that I get that breakdown. If the minister would want from me the specific road numbers, I can do that, but the department staff knows the roads that are in the Interlake constituency, I am sure, and where every road is at.

Mr. Findlay: We will respond, but I would ask the member to just give us the list of the highways that you want us to respond on. That makes it easier, so we narrow down what we are doing. But never forget that all your constituents travel Highways 8, 7, 17, 6. They are interested in roads not only within the constituency but the north-south connecting roads. That is part of the package that services your constituency too, not just within the constituency, so expenditures on those roads facilitate your constituents too.

Mr. Clif Evans: If the minister will remember, in Teulon the economic development organization that put the meeting together there did say that the east-west connection was also becoming more or as important between the communities as the north-south. I would hope that after all the years of political badgering that I have done as far as from myself to get these things done and being a resident of the Interlake community since 1987, I cannot do anything but agree with my constituents and the people in the area to say that nothing has been done for those east-west connections and that something, whatever political stripe is in government, should be looking at that and in other parts of the province too.

Mr. Findlay: There is work being done on some of the east-west connections, but I appreciate that there is greater need because there is more movement of product east and west, particularly livestock, and we are

addressing this as fast as we can, but we will give you specifics. We have had municipality input and, yes, I mentioned north-south roads because they have been built. We continually do reconstruction jobs on them but I know east-west is more important to you now. You used to work on the north-south, now you want east-west. Southern Manitoba, we used to work on east-west, now they want north and south, so you see we are filling in the patchwork process here to have connections in all directions. We will respond.

Mr. Clif Evans: Last year, I forget exactly when it was, I believe the fall of 1995, in my community, a truck, a van—

An Honourable Member: In Riverton?

Mr. Clif Evans: —in Riverton, stopped to gas up. The van was from Illinois and it had all kinds of high-tech equipment in it, manned by three people. When asked what they were doing with Illinois plates, whether they were visitors or tourists, they indicated to some of the folks in my community that they were doing work on behalf of the Department of Highways for Manitoba. I believe the initials on the truck were IMS, and did some checking and the people said that they were there to test the roads and the conditions of the roads and that this was the second time around for them being in the province. Does the minister—can he enlighten us more on this?

* (1140)

Mr. Chairperson: Order, please. A formal vote has been requested in the Chamber. This section of the committee will now proceed to the Chamber for the formal vote.

* (0900)

AGRICULTURE

Mr. Deputy Chairperson (Ben Sveinson): Order, please. Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Agriculture. Does the Minister of Agriculture have an opening statement?

Hon. Harry Enns (Minister of Agriculture): Yes, Mr. Chairman. I am, first of all, of course, pleased, in front of the admiring crowds of those concerned about agriculture, to make an opening statement about the importance of the department.

Let me simply, for the record, however, indicate that the agriculture and food sector, including the farmers and their families, play a very significant role in Manitoba's overall economy. It has a major impact affecting the livelihoods and the well-being of many Manitobans in 1995.

One in eight have jobs in the province as a direct result of agriculture. Over 60,000 persons are indirectly and directly employed in agriculture. Agriculture directly or indirectly accounts for about 19 percent of the total added value for the goods produced in our province. I make these points because although our population percentage is small, only up in the order of 3 percent of Manitobans are actively engaged in agriculture production, nonetheless we contribute upwards to 12 percent of the gross product, economic development product, of our province. In effect, it is the ongoing work of our industrious 25,000-odd family farm units that we have in Manitoba that provide this economic support to the overall well-being of the province.

In 1995, farm cash receipts in Manitoba were estimated at \$2.4 billion. Receipts from crop production rose by 13.5 percent to \$1.37 billion, mainly because of increased prices for all crops, more than offsetting the decreased marketing of barley, canola and mustard seed that we experienced in 1995. Higher receipts from hog, the PMU industry, dairy, chicken, turkey and egg production offset low returns from cattle marketing, resulting in livestock receipts of about \$940 million in 1995, virtually unchanged from a year earlier.

Lower program payments for particularly the GRIP program, crop insurance and NISA resulted in a 63 percent decrease in direct payments to Manitoba producers which dropped from \$310 million in 1994 to \$110 million in 1995. While some may point out that that is a problem area, I would want to underline the fact that most farmers and I myself want to see the farmer essentially gain his returns and his dollars from the marketplace and not from government programs, so I think that point has to be made when you look at that

decrease in the amount of support payments that were made to the farmers.

Manitoba crop producers relied more on returns from the marketplace in 1995 and less on government and that is as it should be. In recent years, the Manitoba government and Manitoba Agriculture have vigorously worked with the agriculture and food industry toward increasing our profits, diversification and value-added activities.

Our province's agrifood sector is vitally dependent on exporting unprocessed or semiprocessed food commodities. For example, 85 percent of our wheat, 53 percent of our barley, 81 percent of our beef cattle and 85 percent of the hog's pork are sent out of the province. We are very much an exporting province. Our province's agrifood industry will continue to be very dependent on dynamic forces beyond Manitoba's borders.

The new liberalized global trading environment represents a major opportunity for Manitoba's agrifood industry. This great opportunity exists both within our continent and offshore, in Japan, Korea, as well industrializing countries, such as the Phillipines, Malaysia and Thailand. The North American Free Trade Agreement, NAFTA, has created a market of over 368 million of people with an output of about \$7 trillion per year. This agreement is opening up new export possibilities for Manitoba's agricultural products.

The revamped GATT, the General Agreement on Tariffs and Trade agreement, will improve Manitoba's export access to other countries' markets. The agreement will continue to greatly eliminate nontariff barriers, reduce export subsidies and clearly define health and safety standards.

Our Manitoba farmers can compete against any other producers within a global marketplace free of significant trade distortions generated by national governments. We in Manitoba look forward to the continued lowering of international trade barriers that will create an international marketplace more responsive to comparative advantages of exporting nations and regions.

We are confident that Manitoba has its own comparative advantage to successfully compete on a level playing field, global marketplace. Our advantage in great

part is based on our high-quality agricultural products, assured supply, low unit costs of production, high level of farm technology and openness to innovation.

In the past few months I have been privileged to participate in several trade missions to Asia. As a result of these missions, my awareness and understanding of the great potential for exporting Manitoba agrifood products to these markets has been considerably increased. My personal experience on these missions again reinforced the importance of listening to the needs of our customers and providing products that meet those needs.

I especially revisited the—you know, it is particularly important that we appreciate and understand the different cultures and the different markets that we are attempting to service. Accordingly we must provide them with custom made and superior quality food products that exactly match their different tastes and preferences.

There are enormous opportunities to expand our exports in value-added products such as with chilled pork, forages, swine and beef breeding stock, canola meal and oil.

As most of my colleagues are aware, I recently returned from meeting representatives from the Ministry of Agriculture in the province of Hunan in the People's Republic of China. As a result of leading this trade mission, a number of agreements were signed that will encourage stronger relations between the province of Hunan and Manitoba. Hunan, by the way, is a province of some 92 million people, to just give some indication of the scale of doing business in a country like China.

The combined impact of the WGTA and the Canadian Wheat Board pooling reforms will be far greater on Manitoba producers than for any other western Canadian farmers. New economic realities imposed by WGTA and the Canadian Wheat Board pooling reforms will require Manitoba's agrifood industry to accelerate in making major adjustments towards greater diversification and value-added activity as well as finding and developing new markets. These grain transportation reforms will drive our province's agrifood industry toward long-term change, change with emphasis on high-value, low-volume crops, forage production, particularly on more marginal crop production land and less on low-value, high-volume crops for export and towards greater emphasis on

livestock production, especially in the areas of hogs and cattle. The provincial government and Manitoba Agriculture are committed towards working with the agrifood industry in making these adjustments.

In recent months we have heard optimistic news about greater diversification and expanded value-added activities in our province. There has been an encouraging series of agrifood announcements about new or expanded processing plants slated for Manitoba. These announcements from various processors are particularly welcome, given our province's agrifood industry's need to adjust towards a greater diversification in value-added activity.

Some of these announcements involved the expansion of the McCain Foods potato processing plant in Portage la Prairie; the new hog processing plant by Schneider's slated for Manitoba; the food processing complex, including a canola crushing facility, by the Canadian Agra group at Ste. Agathe; the expansion of the Carberry potato processing plant by Nestle Food Products.

These new and expanded processing plant announcements have been driven by the agrifood industry. However, behind the scenes and in a support capacity, Manitoba Agriculture; Industry, Trade and Tourism; Rural Development; and Economic Development board staff have quietly worked very hard with a number of agrifood manufacturers in laying the groundwork to making some of these good news announcements possible.

Manitoba Agriculture staff were involved in such behind-the-scenes activities as conducting feasibility studies, reviewing infrastructural requirements and assessing supply needs for the manufacturers. Many of the new or expanded processing plants slated for Manitoba will certainly help our agrifood sector in making necessary adjustments to accommodate the post-WGTA and Canadian Wheat Board pooling era.

Of immediate note, there will be a major increase in Manitoba's potato production in response to McCain Foods and Mid-west Food Products announced expansions to their respective processing plants. It is expected that in the next few years producers will increase the province's irrigated potato acreage by approximately 30,000 acres. Manitoba's total land use for potato production will approach 90,000 acres upon

completion of our potato industries expansion. During the next few years, Manitoba will be moving toward becoming the new potato capital of Canada, replacing Prince Edward Island, New Brunswick.

Our province's expanded potato production will necessitate a considerable increase in acreage under irrigation. Manitoba Agriculture will be working closely with the industry to address the need within a sustainable agricultural framework. Irrigation provides significant benefits in ensuring the competitiveness of processors in world markets. An increase of approximately 30,000 acres of irrigated potato production is estimated to provide close to 290,000 tons of marketable raw product or 145,000 tons of finished product with a market value of approximately \$156 million; 110 full-time jobs on the farm will be created, with an estimated 800 new jobs in the processing and service industries.

* (0910)

That is why this government supports the proposed Canada-Manitoba agreement on irrigation infrastructure development, a 10-year cost-shared program within our 1996-97 Estimates. Manitoba Agriculture has committed \$500,000 this year to support value-added and food processing development through an irrigation infrastructure program.

However expansion plans for irrigation must recognize and take into account the current and future needs of nonirrigators, and irrigators, as well, in providing for an adequate in stream and healthy river flows. As such, emphasis will be in place on the capture of surplus water during spring runoff in retention ponds for latter use in this season by our irrigators. We are also aware of and encouraging news concerning the increased livestock numbers in Manitoba and the associated opportunities for adding value within our province in this area.

Statistics Canada estimates that there will be in the range of 1.8 million hogs on Manitoba farms as of January 1996, an all-time record high. In 1995, Manitoba produced over 2.9 million hogs. We are approaching the 3-million mark. We have always indicated in the past that our benchmark production line was in the order of 2-million to 2.3-million mark. In other words, hog expansion driven by continued strong prices is showing no signs of abatement; the expansion is

moving on. With the recent announcement by Schneider's of a new hog processing plant, we expect our hog production to double by the year 2000.

Manitoba's 14,000 beef cattle producers had a record number of 635,000 beef cows and replacement heifers on farms as of July 1, 1995, an increase of some 4 percent from the previous year. I am well aware, as a modest beef producer myself, that perhaps this is the one area of agriculture that is in some very serious difficulty. I see the honourable member for St. Boniface (Mr. Gaudry) there, and he has several brothers who reside in my constituency who remind me of it in a very forcible way that all things are not well in the cattle industry right now.

There is considerable capacity for our cattle production to undergo further expansion, especially for increased backgrounding of beef cattle here in Manitoba. However, as already mentioned, current low prices for cattle have caused some difficulty for some producers while others are regarding this situation as an opportunity to expand their herds.

In the long term, grain transportation reforms will give our producers relatively lower feed costs combined with abundant feed supplies, contributing to our province's competitive advantage in cattle production.

On January 17, 1996, the Manitoba government announced the creation of a Working for Value Task Force to find ways of increasing the value of Manitoba exports. The major task force was asked to hear from rural Manitobans about how to increase Manitoba's exports by a billion dollars within a decade. From February to March of this year the Working for Value Task Force held some 26 public forum meetings across rural Manitoba. These meetings involved public input from community members, including producers, commodity groups, business and local leaders.

Our government task force was chaired by my colleague the MLA for Emerson, Mr. Jack Penner, and co-chaired by my colleagues for Turtle Mountain and Morris, Mr. Mervin Tweed and Mr. Frank Pitura. Local communities were asked to participate and provided us with thoughts and suggestions of how we could improve the condition and economic activity particularly, of course, with agriculture foremost in mind but not

exclusively. It was inclusive of other industry economic efforts—tourism. It was a joint effort on the part of the three departments: Industry, Trade and Tourism; Rural Development; and Agriculture.

Many rural Manitobans told us that they were willing to take on the challenge of change to create more wealth, economic stability and jobs within their local communities. The task force interim report was released in Brandon at the Rural Forum on April 19 of this past year. That is just a month ago. Here are a few areas of opportunities and initiatives found within the interim report of what rural Manitobans told us. The greatest areas of opportunities were food processing, tourism, cattle, manufacturing and hogs. Major issues outlined in the interim report include investment for value-added initiatives, access to information and service, regulatory reform, community leadership, business planning and marketing, entrepreneurial training, ownership structures and infrastructure. The task force will later be submitting a final report to our government, and the Province of Manitoba is committed to using the task force report as a major foundation in formulating its future policy decisions affecting rural Manitoba and its communities.

Just a few specific budget highlights. Manitoba Agriculture's 1996-97 budget expenditure represents a balance in serving the needs of Manitoba's farmers and the agrifood industry within the general framework of fiscal restraint. The total budget expenditures for Manitoba Agriculture in 1996 is approximately \$96.5 million. This figure represents a total reduction of approximately \$11.6 million from the '95-96 voted Estimates of \$108.1 million. Our budget was reduced as a result, of course, of moving to a new generation of safety-net programs. Enhanced Crop Insurance from GRIP could not have been run—virtually all of the reduction that members of the committee will note are due to the termination of the GRIP program.

Manitoba's agriculture crop insurance premium increased by some \$20.9 million. However, the increase can only partially offset the \$32 million in reduced premium expenditures reflected when the GRIP program was terminated, and therein lies the \$10 million reduction which is very clearly reflected in the Estimates line.

The Gross Revenue Insurance program for crops was terminated effective, of course, at the end of the '95-96

crop year. Throughout its five-year history the program ensured that producers received income support through difficult times. However, improved market prices, reduced federal support and mandated removal of trade barriers under GATT contributed to the demise of the program. The elimination of GRIP facilitated the introduction of an Enhanced Crop Insurance for the '96 crop year. The new program covers the majority of crops grown in Manitoba including tame hay. The program is production neutral, less trade distorting, environmentally sustainable and reduces the need for ad hoc assistance in the event of a major crop loss. Premiums for Enhanced Crop Insurance have increased to some \$35.7 million from the \$14 million that were in the Estimates just a year ago.

A further program that was introduced in the current year for which provisions are made in the Estimates is the Diversification Loan Guarantee Program developed by the Manitoba Agricultural Credit Corporation to assist producers to adjust to the loss of federal grain subsidies by providing new levels of financing for diversification and value-added purposes. I understand that my critic from the official opposition has indicated to me that she would prefer to be dealing with the crop insurance corporation tomorrow when next this committee meets, so we can inform staff that crop insurance personnel will not be required for this morning's session.

I thank you, Mr. Chairman. I look forward to a lively debate on the Estimates of the Department of Agriculture.

Mr. Deputy Chairperson: We thank the Minister of Agriculture for those comments. Does the official opposition critic, the honourable member for Swan River have any comments?

* (0920)

Ms. Rosann Wowchuk (Swan River): Yes, I would like to take a few moments to put a few comments on the record, and to begin with, I want to agree with the minister that agriculture is a very important industry in this province and one that does not get nearly the recognition that it should for the role that it plays in the economy of the province. The saying is that how agriculture goes, so goes the rest of the province, and in many cases we have seen that happen, and when

agriculture is in difficulty, it is very much reflected in the rural communities.

The farming community has gone through a tremendous change in the last year, particularly with the change to transportation, the Crow benefit, and that has caused a lot of concern in the rural community, and we will see farmers having to change how they run their operations because basically with the loss of the Crow benefit, it is a tremendous increase. I think that farmers are very fortunate, particularly the grain producers, this year in that we have seen an increase in the price of grain. Had we not seen that increase in the price of grain, I think the situation reflecting the change to the transportation support would have been much more desperate than it is right now.

The other issue that I think is important to recognize is that although farmers are getting a fair return for their product, they are facing many increased costs, particularly grain producers with the increased chemical costs. Chemical and fertilizer costs tend to go up as soon as grain prices go up, and it ends up being that the bottom line for the producers does not increase very much at all.

The whole industry is changing. We have to make changes to find out ways that we can use the grain that we produce without having to ship it to market, and I think one of the areas that we have to do much more work in is in research and development, to ensure that this happens, and that is one of the areas that I believe government, both federally and provincially, has an important role to play but has been neglectful in this area, and I believe that we have to offer supports to farmers in that area, ways of diversifying.

The minister indicates that there is a tremendous opportunity for growth in southern Manitoba in the potato industry, and I look forward to hearing about that, and I think that this is an important area of growth, as is the livestock industry, that we have to look at ways that government can help producers make the adjustments.

I have concern about the cattle industry. I think the cattle producers are facing real difficulties right now. I talked to a few of them. As the minister has indicated in his area there are many cattle producers, and they are going through a difficult time. There are no supports at the present time for the cattle industry. I hope that we

can have some discussion through the Estimates as what the minister sees as possibilities of working with the cattle industry to help them through this difficult time. We talked about processing in the hog industry. I hope that we can look at also how we can have some of the value-added jobs in the beef industry as well.

One of the areas of concern that I would want to address is under the area of crop insurance and wildlife damage. We have had lots of discussion in this last winter with the heavy snowfall and increased numbers of wildlife. Farmers have certainly paid a price for that and have certainly faced difficulties when they tried to have adjustments done to their crop insurance claims. I think that is one area that a lot of work has to be done on to help farmers through this and also have government recognize that they have a responsibility, not only through the Department of Agriculture but along with the Department of Natural Resources, to manage the wildlife. Or, if they are not going to manage the wildlife, the big game, then put in place proper supports for farmers, because in this last winter they have not been supported properly. There have been a lot of farmers who have lost a tremendous amount of income and have been the people who have been paying the price for keeping these large numbers of big game on their property.

The hog industry is an important industry and certainly one that can grow. I am pleased to see that the numbers are there. The minister is well aware that we do not agree with him on his decision to move to dual marketing of hogs. We do not believe that that is the direction to go. The hog industry has grown under single-desk selling, under Manitoba Pork, as the market grew. I believe that if the market is there, and the minister indicates from his travels and the places he has been on trade missions that there are increased markets, I believe that under single-desk selling the industry can and will grow just as it did in the past to meet the demands.

As these industries grow, both the livestock industry and the hog industry and other areas, there is a responsibility of government to address the environmental issues of ensuring that they are sustainable. We have had many issues raised in areas with hog production of use of water and water tables. That is an area that I believe that the government has to do much more work on to ensure that we have a balance between the growth of industry and the

quality of life of other people. Along with the growth of industry, there is that responsibility to ensure that we can keep that balance in place.

The one issue that the minister did not mention that I would like to have some discussion on is the announcement that came that the government is going to be moving on elk ranching. We still have not seen that legislation. I have questions that I would like to ask about the direction the industry is going, why decisions were made to change positions so dramatically from 1992 to 1995, and where the information came from that resulted in the minister changing his mind from someone who is opposed to the industry to now being such a supporter of the industry. So I think that there are several federal issues that are certainly impacting on the farmers in Manitoba. One in particular is the future of the Canadian Wheat Board and what this government is doing to get their message out to ensure that the Wheat Board remains as a viable industry in this province.

I guess we have to look at how we are going to meet the changes that have resulted in the change from the Crow. We have to ensure that as we make these changes that all people in Manitoba benefit that live in rural Manitoba, that we can ensure that there is sustainability and that the people who want to remain small farmers have the opportunity to do that, because not everybody wants to move into being a large operation. I think that is important as well. We see that our population is going down in rural Manitoba, and we have to look at ways to ensure that not everybody is swallowed up by larger farmers and that we end up with having very few people in rural Manitoba.

So with those few comments I look forward to having a debate on some of the issues that I have mentioned and going through the Estimates. I am sure that the minister will have many answers. My one hope is that we can get through this and that the weather will change and we can see our farmers get out on the land and have a successful year because at this point that is far more important than anything we can be doing here.

Mr. Deputy Chairperson: I thank the member for Swan River for her comments. Is it the will of the committee to allow the member for St. Boniface to make some opening statements?

Mr. Neil Gaudry (St. Boniface): Mr. Chairperson, I will be very brief since the hours or the time is limited so that we can get to the other departments. I would like to concur with the minister and the member for Swan River (Ms. Wowchuk) that agriculture is a very important industry in Manitoba.

I will have questions for the minister, and I want to make sure that when I ask these questions they will be on a positive nature, not in a negative, especially after reading an article in the KAP News yesterday, I thought hit me very well, where Mr. John Castle says, farming has changed so much that people born and raised on a farm but having left 25 or 30 years ago would not have a clue how to operate one today. End of quote.

I thought it was appropriate for me having left the farm a number of years ago and go back quite often, like the minister knows, not to work, though, just to visit, I thought this was very appropriate, because I see the changes that have occurred over the years since I have left the farm. This is why I say I follow the industry very closely, and I will be asking questions that I have prepared to ask the minister. Therefore, not to waste any length of time to make comments here, I will reserve my remarks during asking questions.

Like the member says, we hope for good weather very shortly so the farmers get onto the field and get their crop in so they have a profitable year again this year. I wish them well in their agricultural endeavours in the upcoming season. Thank you very much, Mr. Chairman.

* (0930)

Mr. Deputy Chairperson: I thank the member for St. Boniface for those comments. Under the Manitoba practice, debate of the Minister's Salary is traditionally the last item considered for the Estimates of the department. Accordingly, we shall defer consideration of this item and now proceed with consideration of the next line. Before we do that we invite the minister's staff to join us at the table, and we ask that the minister introduce his staff present.

Mr. Enns: I am pleased to introduce senior members of my staff: Assistant Deputy Minister Mr. Craig Lee will be known to members in the area of policy; Les Baseraba, administration and field services. I am

particularly pleased to welcome a new face to the Department of Agriculture, although I hasten to add, not a new face to the service of government in Manitoba, Mr. Don Zasada, the new Deputy Minister of the Department of Agriculture. In introducing Mr. Zasada, in his first experience in going through the Estimates of the Department of Agriculture, I would like, for the record, to acknowledge the many years of service that former Deputy Minister Mr. Greg Lacomy provided to the farming community, the people of Manitoba and the Department of Agriculture. Mr. Lacomy retired from his position early on this year, and we wish him well in his retirement years. Thank you, Mr. Chairman.

Mr. Deputy Chairperson: We thank the minister. We will now proceed to line 1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits, on page 13, \$437,000.

Ms. Wowchuk: Mr. Chairman, I would like to take this opportunity to get a bit of an understanding and the role of different people on the minister's executive support staff, and just ask the minister—there are several major things going on in agriculture, the changes that have been going on, and there is a lot of work, I am sure, that the department has been doing.

One of the areas that I would like to know about and one I mentioned in my opening comments. with these changes, there has to be a lot of work done on research. It is our feeling that Manitoba is losing out on research. It seems that Saskatchewan is becoming the agricultural research centre for western Canada, and we are losing out in Manitoba. Along with research, there is marketing, and the minister indicated that he has done some travel and outreach work to look at new markets, but I would like to ask the minister, who on his staff is responsible for marketing and research, and what kind of work has been done in the last little while to ensure that Manitoba does get its fair share of research in this province?

Mr. Enns: Mr. Chairman, it is probably a little difficult to answer in the sense that the area of research that the member specifically refers to, I think I understand what she is referring to, is the level and commitment and actual research projects that are being undertaken in agriculture in Manitoba. That is, of course, a multifaceted effort, main research activity that the Department of Agriculture supports. As reflected in these Estimates, it is, of course,

carried on at the Faculty of Agriculture at the University of Manitoba, which receives an annual grant in the order of \$738,000 from us. That has been a kind of a core support to agricultural research that has been traditionally provided by the Manitoba Department of Agriculture.

I share the member's concern that the downsizing, if you like, of agricultural research in such facilities as Morden and Glenlea and Brandon that has occurred in the last calendar year by Agriculture Canada certainly is of concern to me and, I am sure, to all Manitobans who understand the importance of these research programs as they relate to the well-being of agriculture in Manitoba. I acknowledge that certainly it would appear that in some instances greater emphasis has shifted to our neighbouring province, in Saskatoon, Saskatchewan. Whether that has something to do with the fact that the current federal Minister of Agriculture is native to that province, I would not like to impute those kinds of motives, but, certainly, the facilities, particularly in the area of biotechnology, have become outstandingly successful and aggressive in that facility.

I want to assure the honourable member that we are working diligently to ensure that adequate levels of research continue in the province of Manitoba. Specifically within the department, to answer the member's questions, Mr. Assistant Deputy Minister Craig Lee heads up the Policy and Economics research aspect of our department where we have staff—one always could do with more staff, I suppose—who are responsible for providing the data.

They have had a busy year in the sense that these fundamental changes that the member alluded to, the grain transportation changes, the disappearance of the Crow, the very major changes to the Canadian Wheat Board formula at the St. Lawrence shipping routes, has kept our staff busy working with various commodity organizations to generate the kind of statistical data that was important for ministers to have at their fingertips in the series of meetings that led up to these decisions and trying to put Manitoba farmers' positions adequately in front of the federal authorities when the issue of some compensatory cushioning of these major policy changes were made in the announcements of the support program, the \$1.6-billion payout program for western grain producers as a result of the loss of the Crow and to try to argue about getting Manitoba's fair share. That kind of

work necessitated a lot of work on the part of flushing out these figures.

* (0940)

The other person that the member asked about was who is in charge of the marketing aspect. We have later on in the Estimates a specific line, and Ms. Dori Gingera is the person responsible for the Marketing branch. Again, we have senior staff within that branch who work specifically in welcoming and developing trade initiatives, whether it is support to Manitoba trade missions abroad or incoming visitations of which we have a growing number.

In excess of 20 delegations, for instance, were received from the one country of China alone in the last 12-month period. This requires a considerable amount of staff support in making these kinds of arrangements possible, and, of course, the more everyday efforts on the part of the marketing staff is to assist producers, particularly with the emphasis to value adding and the actual market development of farm products, and there have been some very notable success stories in the last 12 months.

Honourable members will be familiar with the success of a farm family from a very small beginning but value adding into various bakery products on the Pizzey farm with flax products, with different on-site, value-added processing of that kind of farm commodity.

Just recently in the Waskada area, the department and the Marketing branch participated in the development of a major greenhouse facility that is now actively selling vine-ripened tomatoes all within the province of Manitoba. I think they have their production all sold. I do not know precisely what scale the production is in, but apparently employing upwards to five or eight people in that operation. This is the kind of work that the department normally undertakes to help value-add on the farm.

Ms. Wowchuk: Mr. Chairman, I know where we deal with the line on research, but I was trying to get a feel for whose staff responsibility, in the senior staff, whether there was any outreach work going, in particular, to try to attract more research here to Manitoba, but from what I gather the minister is saying that there is no role for senior staff. That is basically the work of the university

to attract research here, or is there a role? Is government doing anything to attract? If it is for the University of Manitoba, then that is fine. That is what I am trying to find out. Is there senior staff that is working in this area to try to attract more research and development in Manitoba?

Mr. Enns: You know, developments with respect to attracting and carrying on agricultural research, not a new, but there is greater emphasis being placed on direct participation by various commodity organizations in that research and in the actual funding of that research. Much of the federal dollars that are being made available for ongoing agricultural research are being provided on that basis.

That was why, the honourable member will recall—I regret with some opposition coming from her and her group—I was a strong proponent in the successfully enabled commodity organizations to better fund themselves to access those kind of research dollars. I can report to the committee, a year later, that among the first organizations to have successfully used that legislation that was passed last year are the canola growers of Manitoba and they have very specific research programs.

Canola is perhaps the outstanding example. It is kind of mind-boggling to fully appreciate the extent to which ongoing agricultural research in that crop's development is taking place that has produced a host of different varieties that most specifically suit the growers needs, but there is a case where for them to access some of the federal dollars research through their Canola Council, they need to be in a position to have some seed money. They now are in that position, with the 50 cent per ton deduction that they can provide the kind of base dollars that then begins to flow federal dollars and other private sector dollars into a worthwhile research program.

Other organizations such as the forage growers are taking advantage of the same legislation, and they are leading in some of the research requests for ongoing research in the area of forage. In other words, within the department, of course, Assistant Deputy Minister Dave Donaghy is probably our best point man in terms of coordinating with Dean Elliot from the Faculty of Agriculture, University of Manitoba, and/or interfacing with the different commodity groups and assisting them with their efforts to reach out and to bring research

dollars into Manitoba, but it is essentially driven by the various commodity groups and again I repeat our kind of main Manitoba centre, exclusive of the federal presence here, is through the Faculty of Agriculture and Dean Elliot's work in research.

Ms. Wowchuk: Mr. Chairman, the minister mentioned the commodity groups paying for research, but this research is tied to business, shared with business. Does the minister not agree that there has to be a certain amount of research that is done by government, not tailored to the needs of business or that government has a responsibility to do some base research that is accessible and valuable to the development of the agriculture industry without being tied to business? Do you not believe that there is some need for that kind of research?

Mr. Enns: I do not disagree with the honourable member, and I tend to view that kind of basic, ongoing core support that governments, both federal and provincial, provide through their universities and as specifically noted in these Estimates, the \$738,000 that we provide to the Faculty of Agriculture as not being industry driven, as being publicly government driven if you like, provides that kind of base core of research in agriculture that I think comes close to answering the member's question.

* (0950)

What has developed more and more, and I have no difficulty with that, is the kind of more direct or applied research that is industry driven and that generally comes through the various commodity organizations, and to some understandable because it is supposed to some extent when a commodity organization, such as the canola growers or the forage seed growers, put up some of their dollars, they are looking for specific market-orientated results that will further their objectives with respect to that specific crop.

I do not disagree with the member's base assumption that there needs to be some core research supported by the general public through government programs. I point to the ongoing support that the Faculty of Agriculture is provided with by the department in these Estimates.

Ms. Wowchuk: I raise this concern because of an article I read and heard about just recently and it deals with the

potato industry that the minister had just recently talked about and the value of this industry to Manitoba. The farmer that was making the comments had indicated that through research and genetic control of the potatoes that were being grown, the chemical industry basically had control of what kind of chemicals would then have to be used in the production and spraying of these potatoes and that is what I am trying to avoid. I think that we need very much base research that will help all producers no matter what the commodity, whether it is canola or potatoes or wheat, that research is not done only by the chemical industry or the fertilizer industry, whoever it may be, so that then they have control of what chemicals the farmers use. That is basically why I am saying that it is very important that we have some base research.

I hope that this government will pursue to increase the amount of research that is done in this province in the best interest of producers so that we can have growth in the cereal grains, in the animal industry. In all of those areas we need research, but we do not want to see it controlled to the extent that the feed companies in the animal industry or the chemical companies in the cereal or vegetable industry will have control over the producers. That is the point that I am trying to make, and I think that it is very important that we move in that direction and that there is somebody that is pursuing to attract that industry to Manitoba.

I want to move on to a couple of areas and I would like to talk about a couple of areas that are federal, so they will not come under any lines probably. One of them is, of course, the Canadian Wheat Board, which is in the news a lot lately and under attack by a few producers across the country in comparison to the ones that support. There were hearings that were held on the grain industry here in Manitoba. They were held across the country. I would like to ask the minister if his government made a presentation at that hearing and if can share with us what his presentation was and if he could possibly provide it to us.

Mr. Enns: Mr. Chairman, the answer to the member's question is yes. We did make a submission to the committee while it visited Manitoba. I have no difficulty; in fact, I would ask my staff to make available to the honourable member a copy of that submission that was made on behalf of the Department of Agriculture which,

in essence, stated Manitoba's concerns and position to that committee.

I might, just for the record, indicate that the key concerns that were expressed in that documentation—and for the member's benefit, I indicate to her I have this submission and I would ask the Clerk if I could make some additional copies for other members of the committee as well, to make that available to members of the committee.

Just in a very brief recap, the key issues that we felt it was important to bring to the committee's attention was that Manitoba producers must have reasonable access to the U.S. market and be able to directly reap benefits of this locational advantage. It was important to put that point forward to any group that is looking at how we manage and how we sell and market grain out of western Canada. Manitoba, of course, is the most severely impacted province by the loss of the Crow. So any advantage provided to our producers to the most readily accessible market, obviously the U.S., was an issue of some importance to us, and we sought and looked for some consideration of that fact by the Canadian Wheat Board in their marketing strategies of western wheats.

It is also critical for Manitoba producers in the agri industry that Canadian Wheat Board policies not hamper and actually encourage development of value-added opportunities. Members will recall reading in the farm press, and I am delighted that it is occurring in the southern part of my constituency, one of the first re-emergences of flour milling on the Prairies, major facilities being proposed that would mill upwards to 120 tonnes of flour per day of farmers' grain.

There was some initial difficulty and problems or unnecessary hurdles to overcome by farmers. This initiative is being done by, put on by a group of five or six wheat farmers, grain farmers in the province, who cannot make flour from their own wheat. They have to buy their own wheat from the Canadian Wheat Board before they can do it. So it is important that the Canadian Wheat Board understands that my government and this Department of Agriculture will not tolerate that kind of unnecessary bureaucracy to stand and interfere and to hinder value adding on Manitoba farms, particularly if we are now faced with a very excessive increase in freight costs to move the product out.

I am troubled by the fact that when you look at a jurisdiction like Kansas, which is the major wheat grower in the United States, it is also the major—67 percent of all flour milled in the United States is milled in Kansas. Prairie Canada is where the milling wheat is grown. We do not mill any flour. Only 2 percent of the flour milled in Canada is milled where the wheat is grown because millers have found it more convenient. If the grain is shipped to them at lakeside, in eastern Canada or on the West Coast, at taxpayers' expense, why mill the grain in Saskatchewan or in Manitoba?

But with the loss of the Crow, that old-think has to be rethought again. Now, it is not going to happen overnight, but within several decades, a generation from now, there will be very significant structural changes taking place in western Canadian agriculture.

Can the Canadian Wheat Board continue to exist and prosper for the benefit of the farmers if the North American market opens up to dual marketing? These were questions asked. My government's position is one of challenging the Canadian Wheat Board today, not of confronting the Canadian Wheat Board.

Mr. Chair, we have been joined by my assistant deputy minister, Mr. David Donaghy, who we were just referring to a little while ago at the table here.

Ms. Wowchuk: The minister has indicated that there is a need to have more value-added here, and certainly I agree with him on that. I am very pleased that there is a flour mill starting in Manitoba.

Mr. Enns: Potentially.

Ms. Wowchuk: Oh, potentially. My misunderstanding. I thought you had indicated that it was there. Certainly we have talked to the Wheat Board, and the Wheat Board said that these kinds of arrangements can be made. They will make those arrangements. The question I ask the minister though, in his presentation, is the minister's position that the Wheat Board should retain its monopoly for selling grain or in his presentation did he make a recommendation to move towards dual marketing of grain?

Mr. Enns: I appreciate that the honourable members have not had an opportunity of reading the submission.

I invite them to do so. They will confirm that that is not a position that I have taken with that submission, nor one that I take now that challenges the Canadian Wheat Board's marketing position as the single selling desk for marketing Canadian grains. What I have challenged them and what is sprinkled throughout the submission is the chain status that Manitoba grain producers face as a result of the loss of the Crow and that from the Department of Agriculture's, from Manitoba's position, significant emphasis has to be refocused on the encouragement of value-adding within the province. That is somewhat—and I ask it more as a question—at odds with the mandate of the Canadian Wheat Board. The Canadian Wheat Board's mandate is to sell our grain abroad. I put it to the members of the committee, and, as long as they are doing it, they are fulfilling that mandate.

* (1000)

All things being equal, if the Canadian Wheat Board can get \$3.50 for our feed barley, for instance, in Japan, by all means, sell it to Japan. On the other hand, if hog producers are prepared to pay \$3.50 for that barley to value-add through hogs and maintain a processing industry in the province of Manitoba, it is distinctly to the advantage of Manitoba and Manitoba's economy not to export that grain abroad but to value-add it and use it at home. In my opinion, there is a legitimate conflict in terms of how the issues are addressed. I want to be absolutely clear.

(Mr. Mervin Tweed, Acting Chairperson, in the Chair)

I do not believe—I say that with some experience and some pain, that it is not the position the department holds out that Manitoba grain producers should receive any less than world market prices dictate, nor do I believe that the hog industry or the cattle industry be supported by, reduced at the expense of the grain producers. Quite frankly, what has to happen is that beef prices have to come up to reflect today's cost, and the consumer has to acknowledge and accept the reality of that. There is no question that the higher and the sudden rise in feed costs have, to some extent, triggered the very serious price decline in the cattle industry, but I do not seek, as a solution to the cattle industry's difficulties, reduced feed prices necessarily. As the honourable member for Swan River indicated, I am pleased that after all too many years of depressed grain prices, finally in that area of

agriculture there is a little more encouraging news. Just looking out the window, we just hope we get the crop in the ground so our farmers will be able to take advantage of those more encouraging commodity prices that I think most producers can look forward to if and when they get the crop harvested this year.

Ms. Wowchuk: The minister indicated that our closest market is the United States, and we have to look at ways that we can access that market a little bit more. I think we also have to recognize that the United States is a large grain producer themselves, and we cannot only focus on that area because we are soon going to see retaliation from the American government. We have heard it already: They do not want too much grain; they do not like the Canadian Wheat Board's monopoly.

Does the minister not agree that we have good markets in other areas of the world and we have to ensure that those markets are maintained? Because although we are going to change, we are going to be doing more processing. I think that is good, we are going to be getting more value-added for our grain, but for the amount of grain that we grow in Canada we are not going to put it all through value-added. We are not going to sell it all to the United States because they have their own grain as well, and it is important that we also keep the contacts, have the ability to sell to other parts of the world. It is the Wheat Board that has done that very well and got a very good return for producers.

So we have to be sure that we do not weaken the one tool that we have in order to access markets that are close by where we could end up in real difficulty and we do not ruin the markets that we have in other parts of the world, because we will not put all of the grain we produce through a value-added or through livestock. Those markets are important as well. We should not be focusing on trying to get more grain only into the United States.

Mr. Enns: Mr. Chairman, I totally agree with the honourable member for Swan River's comments. I think that even some of the harshest critics of the Canadian Wheat Board tend to acknowledge the role that the Canadian Wheat Board does in representing the Canadian producer in their offshore global market other than the U.S.A. It is, of course, the continental market that is probably more scrutinized by the Wheat Board's critics than any other market, but I confirm what the

member says. I think the reputation that we have garnered for ourselves in Canada in the grain trade is one that needs to be respected and safeguarded. It is not just the role of the Canadian Wheat Board. Other agencies like the Grains Commission, our whole licensing process, our control of ensuring that when grain is ordered from Manitoba, or from Canada, there is a consistency to it, a quality to it that international buyers can depend on.

I am told that we are one of the very few nations who are suppliers of grain and that is in fact the case. Grain purchased from other major exporters like the U.S. do not carry that consistency, and it is for that reason that Canada continues to enjoy that reputation and it is still very much there. I have every belief that we will in significant numbers continue to provide the quality of milling wheat, the quality of malt barley. We are of course increasing amounts of vegetable oil both in the raw and processed form. I, of course, would like to see it more in the processed form leaving Canada, or this province, and that will continue and that is why the ongoing role of the Canadian Wheat Board, in my opinion, has a long-term future.

Ms. Wowchuk: I am pleased to hear the minister say that, and I also look forward to the long-term future of the Canadian Wheat Board providing service for farmers and maintaining that market we have.

I think the other thing that we have to recognize is something that the minister just mentioned—the importance of the grain trade to this province—and having the Canadian Wheat Board in Manitoba, in Winnipeg, provides a large number of jobs as do the other grain trades. But any move to dismantle the Wheat Board will hurt farmers, because they will lose a very important tool that they have to sell grain, and it will also hurt the economy of the province. I think that is something that has to be recognized and I look forward to the minister's strong support. There is no doubt that the Wheat Board does have to make some changes and they are making changes. They have made many changes from the time it was first established. I want to put on the record that we very much support the Wheat Board monopoly and the Wheat Board's continuance to be the single-desk seller of wheat and barley.

There are a couple of other areas that I would like to address. One of them is that along with the change to

transportation, we have a change of the ownership of the hopper cars, and recommendations were made that those hopper cars should be owned by the grain companies. Farmers were not happy with that recommendation, and a proposal has been put forward that the hopper cars should be turned over to the farmers.

I would like to ask the minister if his department has had any discussion on that issue and whether the minister has written any letters to the federal minister with respect to that issue.

Mr. Enns: Mr. Chairman, allow me to take this opportunity to put on the record my appreciation for the co-operative assistance that the department and this ministry has received from a host of commodity organizations representing agriculture on this and many other issues.

* (1010)

The honourable member will recall that I refer to them as a coalition of farm organizations that have advised me on a continual basis on these very important issues. They were brought together a year and a half ago when the federal government first gave us the indication that it was seriously considering the removal of the Crow benefit totally and indicated that there would be some compensatory package of dollars made available to grain producers to offset the loss of the Crow, and to provide advice to the ministry this coalition was formed. I believe the honourable member participated in certainly one of the meetings about a year ago in this very building when we were getting to the short strokes and decision time when it was being made with respect to the Crow.

This same group continues to come together and has provided information on these very important issues; in this case, the transportation reform that the member alludes to and the specific question of car ownership. The position that Manitoba put forward, supported by this coalition, is very strongly in support of the farmers having a direct ownership role in these vehicles to be able to, in the future, have some role in directing the flow and the movement of grain at the time that is critical to them.

Ms. Wowchuk: Does the minister see any role for the province to play in this with respect to financing of—there

is a fairly substantial amount of money involved here. Has a figure been reached as to the value of the cars, and does the minister see any role for the government to play in putting any money into the purchase of these cars?

Mr. Enns: Well, Mr. Chairman, I would suspect that even with the priorities of the political group that is now asking me this question, if pressed they would probably say they better go into health or into some other areas of government priorities rather than buying rolling stock, and, furthermore, if the other governments who have made investment, both federal and in Saskatchewan and Alberta—and we see those brightly coloured cars, Alberta Heritage Fund, Saskatchewan Government, or the federal government's wheat cars—if they are in the process of divesting themselves of their interests in rolling stock, it would probably be a hard sell and a questionable activity for the department and for me to recommend to my government for us now to get into them.

In retrospect, I think it was the right kind of decision that was made by another government. The Manitoba government at an earlier time when we acknowledged the need for additional rolling stock to help the movement of major grain crops, and not wanting to be left out of the support to the grain industry when Alberta governments, Saskatchewan governments and the federal governments were actively investing in supplying of grain carrying stocks, you will recall we leased a number of cars for a period of time. When the need was not that apparent anymore, we no longer leased them. I am advised by staff that this program was carried on for about four or five years. We leased 400. We leased some 400-500 cars at that particular time. So we do not have that problem, quite frankly, that faces Saskatchewan and the other governments who are now trying to sell them.

But the position—the proposal of the group is that we are strongly supportive of the proposal for producer ownership of the cars.

Ms. Wowchuk: I thank the minister for clarifying that because it was my understanding that Manitoba owned some cars, and what I was looking for was to see whether the province was, with ownership of those cars, looking at a way to recapture them that they might be able to turn back to the producers, but if they were leased cars then that is not the question. The minister indicates that there was no ownership of cars in Manitoba.

I wonder, I may be asking this question in the wrong area, but if it comes under Crop Insurance or that department the minister can indicate, but I am—

Mr. Enns: We are dealing in this very first item, you know, policy studies and policy issues in this section of the Estimates, so it is quite appropriate in my opinion to ask for these somewhat wide-ranging policy questions. I have no difficulty with that.

Ms. Wowchuk: The question that I wanted to deal with deals with the western grain transportation program, the additional money that was announced, and I wonder whether there are funds coming to Manitoba. I believe there is \$25.9 million coming to Manitoba for agriculture infrastructure enhancement.

I wonder if the minister can indicate to us what, and again if this the wrong area, if it has to be project specific, then I will defer to a different area, but I am wondering if the minister has given any indication. In other provinces we understand that there is money going for infrastructure. Earlier on we had heard the minister indicate that there might be—at one point he had said there could be some money going for irrigation projects, and I think that that is not there right now, but can the minister indicate what his plan is with respect to this money, how he proposes to use it in the best ability to help farmers?

Mr. Enns: The specific fund that the honourable member alludes to was referred to by the federal government as the \$300-million adjustment fund. That is over and above the payout of \$1.6 billion for the loss of the Crow benefit. This adjustment fund is roughly broken down—because Manitoba has at the same time also lost the St. Lawrence pooling formula that the major portion of that fund goes towards Manitoba and eastern Saskatchewan, about \$105 million or something like that.

Another portion out of that fund was designated, I believe, some \$45 million specifically to the alfalfa industry to offset the shock of the increased freight rates to them. Now, major benefactors of that are located in Saskatchewan and Alberta. We only have a very small portion of that. That left \$140 million—\$145 million that the federal government indicated was available to the province for infrastructure, various infrastructure programs. The member is correct that, I think about a year ago, I had alluded to that some of our changes that

were taking place, infrastructure, could include the demand for irrigation or some water development projects. Manitoba's share of those funds is some \$26 million.

Just in the last several months, I have co-signed a letter with my colleagues, the Minister of Rural Development (Mr. Derkach) and the Minister of Transportation (Mr. Findlay), and forwarded to Mr. Goodale specifically supporting and agreeing with—in fact, the letter is co-signed by the president of the union of municipalities that the money all be attributed to roads and road improvement.

* (1020)

We recognize that there will be very significant pressures on our road system. This is regrettably—one should not call \$26 million small potatoes, but \$26 million in the budget of requirements of what I hear from the Department of Transportation is not a great deal of money to offset the heavy pressures that are being placed on our road system. So to answer the question directly, it is being, from the Manitoba's government's point of view, all being allocated for roads.

I should indicate to you that I have just yesterday met with the federal minister of State, the Honourable Jon Gerrard, who is, as we speak, holding several meetings in the communities of Dauphin I believe, of Steinbach, Stonewall, and in Brandon. The member may have a news release that was issued about that to determine—allow me just to read you the first paragraph: Dr. Jon Gerrard, Secretary of State for Western Economic Diversification, will lead a series of rural meetings on the Western Grain Transportation Adjustment Fund to gather input on priorities for the use of that portion of the federal fund designated for agriculture infrastructure of Manitoba. This is the very \$26 million that we are talking about here. The first meeting will take place in Brandon, Manitoba.

Now, I have some difficulty quite frankly. We have told him very directly, and his colleague, the senior minister, Mr. Goodale, where in Manitoba, where the Department of Agriculture, where the Department of Rural Development, where the Department of Highways wants these monies spent. Furthermore that position has been supported by the president of the union of rural

municipalities. I am somewhat puzzled why this approach is being taken. Mr. Gerrard is now going out to these communities to get some additional input as to where those monies should be spent. I fear, quite frankly, that there will be no shortage of ideas of where to spend \$26 million. If you go into any community and say, look, we have \$26 million, how do you think we should spend it, you will get 101 recommendations. I tried to give that advice to my M.P., Dr. Jon Gerrard, that we quite frankly were a little puzzled at this approach. Because if in fact he is wishing to consult with Manitoba as to the most appropriate place to spend these dollars, as a politician of some experience myself, I do not think he could have asked for a better situation where, instead of us scrapping about it, between Agriculture or Highways, or between the union and municipalities or something like that, here we provide a consensus point of view about how that money should be applied in Manitoba and put that on the table for the federal government to access. However, they chose this course.

Ms. Wowchuk: I guess I have to agree with the minister that this may create a bit of chaos in the system, and it is unfortunate that with that amount of money—and it is going to be spent over two years as I understand; it is not in one year. So that amount decreases for what can be spent. I had hoped that there would be a co-ordinated effort through the Department of Highways and Agriculture and Rural Development, whereby there would be consideration given to the areas where there is the most rail line abandonment, in the areas where we are going to see a tremendous increase in traffic on the roads. I would hope that what the minister is doing now is not going to jeopardize and put chaos into the system, and we will see the roads that are most needed get the work. I hope that this does not become a political issue, where people are playing with this amount of money and political posturing rather than meeting the needs of the people and addressing the concern that really should be addressed here, and that is, the increased traffic that will result in these areas because of rail line abandonment and also a shift in transportation costs because farmers are moving from rail to road.

I would hope that the minister can use his influence, and we will certainly try to use ours, to have the best possible solution to this. I wonder whether it would be premature to ask the minister if he can share with us

which roads were recommended by the government as ones that should be upgraded through this fund.

Mr. Enns: Mr. Chairman, let me get something off my chest that is beginning to worry me. I attribute it solely to the fact that the sun is shining, but we have now been engaged in Estimates for over an hour, and Rosann and I are just agreeing with each other all the time. We are being cordial and civil to each other. It is starting to cause me some angst.

While in that process of co-operation, allow me to extend this a little further. I indicated that the meetings that I just referred to that the federal government is holding, among the places they are visiting is Dauphin, in the next day or two. I would certainly encourage the member for Dauphin, I would certainly encourage my official critic to, in this instance, seeing as how we are agreed, the priorities of these monies, these \$26 million, should be directed as the municipalities have requested us, for infrastructure roads. It certainly would not hurt to reinforce that position at these meetings, in this instance that we are at fairly strong consensus.

(Mr. Chairperson in the Chair)

I might say, that is why I, even though the member reminded me, earlier had mused in public about the fact that perhaps some of it could go for other infrastructure programs such as water retention for irrigation purposes, but I quickly withdrew from that position because the farm community legitimately views this as part and package of the withdrawal of the Crow benefits. The monies should be directed more specifically to some of the adjustment costs and extra pressure that it puts on our roads system, particularly in the area where rail line abandonment has occurred or is slated for further occurrences, that that is the appropriate use for these monies. That is what the municipalities recognize. That is what the coalition of commodity groups that I referred to earlier recognize, and we in the government recognize that as well. I think, in this instance, it would only be helpful if that, in fact, was allowed to be represented as a consensus coming from the Manitoba Legislature.

The member asked specifically. We are attempting at this point in the stage simply to secure those monies for Manitoba, and the difficulty will be for my colleague the Minister of Highways (Mr. Findlay) to make decisions,

and I suspect inasmuch as it is federal money that the federal government will have a say in the actual application, which specific roads.

I think, again, the effort will be made to tie this in some fashion directly to where rail line abandonment is occurring. We have again another problem in Manitoba. We have suffered through more of the rail line abandonment some years ago already, whereas in Saskatchewan that is occurring in a more specific form right now.

Ms. Wowchuk: So specifically, Mr. Chairman, there are no roads designated yet. This is just a proposal that the Manitoba government has put forward, that the money be put on roads where there is rail line abandonment, where there is going to be increased traffic, but no plan has been laid out yet, and that will fall to the Minister of Highways' department to make a decision on which roads will be the benefactors of this money.

Mr. Enns: My understanding is because the monies are essentially federal, there is a proposal from the federal government to work this not unlike the infrastructure program that is just finishing that called for leveraging money from both the province and the municipalities, that there could well be a kind of consultation process with the municipalities, province and the federals involved in the actual allocation of where these monies are to be spent.

I point out, again, as my colleague the Minister of Highways (Mr. Findlay) keeps pointing out, he has a wish list that is very close to a billion dollars in new road improvement. Members will know that the annual expenditure of new highways in the province of Manitoba is in the order of 10 percent of that demand, about a hundred million dollars, so \$26 million in that relationship is not going to go a long way in addressing the very serious demand for upgrading and improvement of our major highways.

* (1030)

Ms. Wowchuk: I want to move on to another area. Over the last year, we heard a lot of discussion about a whole farm safety net program, about a national safety net program. Then the minister made an announcement

about our Enhanced Crop Insurance Program, and we hear Alberta has a program. I think it is the Alberta farm income stabilization program.

I would like to ask the minister, is there still work being done on a national safety net program, or has all of that come to an end, and is each province going on their own to develop a program?

Mr. Enns: I want to acknowledge the federal government and my federal minister, Minister Goodale's, very sincere and strong effort to, as we exited the Gross Revenue Insurance Program, the GRIP program, to be able to introduce a second generation of support programs that were national in scope and provided for a level type of support for agricultural producers across the country. There was every effort made by the federal officials and minister to bring this about.

Regrettably, we did not succeed in doing that. What we did succeed in maintaining to some extent is the basic crop insurance programs, which, of course, continue to be the kind of core national program that is available to farmers across the country in much the same levels of support insofar as support from different levels of government, federal and provincial, and the expanded NISA program. Those are the two programs that can be described as national in scope and scale across the country.

Different provinces, notably Alberta, opted for wrinkles of their own and programs of their own, which made it then more difficult to move from, for instance, the GRIP program into a national-type program. We in Manitoba, faced with that situation, decided to utilize, and with the federal government's participation, some of the GRIP premium dollars that were no longer required for that program to provide what we believe to be, and we call it that, an enhanced feature to our basic crop insurance program. While no program is perfect, certainly one would have to indicate that by the reception that it has received by our producers as being a pretty positive program. It is my hope that the participation rate will be considerably increased from the levels of before.

Mr. Deputy Chairperson: Order, please. I would just like to ask here whether we have moved into crop insurance. No?

Mr. Enns: Well, we are discussing this under Policy Studies.

Mr. Deputy Chairperson: I see. Okay.

Mr. Enns: Because I am in that mood, and Rosann has been very civil and kind with me. I have decided to—and the sun is shining, Mr. Chairman, which means that things are moving in the right direction in Agriculture, that we are going to conduct these considerations of Estimates in a very civilized, reasonable manner. I would ask the Chair to consider seriously not interfering.

Mr. Deputy Chairperson: I am sure, Mr. Minister, that the committee is most appreciative of your generosity.

Ms. Wowchuk: Thank you, Mr. Chairman, and I appreciate your consideration as well. I had specifically indicated that I was not going to be getting into crop insurance. I wanted to talk about the national programs.

I guess I want to pursue this a little bit farther because there was so much discussion about a national safety net program and looking for some equality across the country. The minister is indicating that there were just breakdowns from some provinces. Why? What was the goal? What was the minister's anticipation of what the national safety net program would be, and what was the reason for the breakdown? Specifically, when you first went to this table to discuss national safety nets, what was the goal? Was there any consideration given to looking at a program that would ensure that farmers were treated fairly and would be insured, looking at cost of production formulas and things like that?

I guess basically, what was the goal or the dream that the minister had as to what kind of program he would have liked to have seen as far as a national safety net program?

Mr. Enns: First and foremost, the position, I think, of any minister going into these kinds of negotiations, without even spelling out the actual details of the specifics of a program, the benefits of a program, is simply to ensure fair and equitable treatment in terms of the level of support coming to maintain a safety program in that province from the federal government. We spent considerable time in putting forward that position with the federal authorities.

The overall level of support is being downsized by the federal government, and that put our researchers to work crunching out the numbers, that if the overall window of the support program was being reduced from X number of dollars to a new level, that in the reduction we maintained our fair share.

That was the first issue, and it is the importance of maintaining that fair share because that then maintains the level playing field, that at least Ottawa provides for program support such as the base programs like crop insurance, like NISA. Our difficulty in achieving a kind of a national sign-on on all these programs were, quite frankly, the two provinces of Quebec and Alberta. Quebec simply would not undertake to put its signature to any national program, and Alberta has introduced or is in the process of introducing a program that they call GATT 70.

* (1040)

It is a farm income support program that has been developed in Alberta and is unique to Alberta. It is a program that calls for, I suppose, premium-free enrollment by Alberta producers, but it only triggers any support payments when they fall below 70 percent of a five-year average or whatever the nature of that program is. It is quite a different program. Alberta, of course, argued that they wanted to have the federal government's support, the federal government's portion out of the safety program, to apply to their program. It was not to be and that is what prevented the consensus from being achieved for that kind of a national program.

We, quite frankly, I think it is fair to say, supported Mr. Goodale and supported the federal government in trying to achieve this national program, but, again, I suppose in Quebec's situation it was as much for political reasons as others. Certainly not in the year of the referendum were they going to be signing on to a national Canadian farm program. I think the Minister of Agriculture for Quebec had explicit instructions about that, and Alberta, as I mentioned, had their own reasons for not joining in a national program.

Ms. Wowchuk: I was talking earlier about where in the minister's staff—who was dealing with various programs and policies.

One of the policies that I want to talk about is the proposal by this government to dismantle the single-desk

selling of hogs and the impact of that. Just to begin with, I want to say that the beginning of this was based on a report done by this government and a report called the Manitoba Pork Industry: Building for the 21st Century, and a report that the majority of people in the hog industry have been critical about indicating that they were not properly consulted, the majority of producers were not consulted. There were many recommendations made in the report.

The one recommendation that the government appears to be acting on is that one recommendation to move to the open marketing of hogs, and that is a recommendation that producers in the industry do not support. Producers feel very strongly that the hog industry has grown successfully under Manitoba Pork, and they have met the demands of the world markets. They believe that they can continue to meet the demands of the world market under Manitoba Pork. But this government has insisted that there is going to be changes, and we will be moving to an open marketing system of hogs.

I would ask the minister whether he has given any reconsideration, although not probably likely. We see the flexible marketing transition committee's report here as well, but producers are still not happy with this decision. I wonder whether the minister has reflected on that at all and is giving any reconsideration to maintaining the sale of hogs under Manitoba Pork and recognizing that the industry has grown and can grow without these kind of changes.

Mr. Deputy Chairperson: The generous honourable minister—

Ms. Wowchuk: Am I out of order, Mr. Chairperson?

Mr. Deputy Chairperson: No. Why, you were not finished?

Ms. Wowchuk: No, go ahead. You said generous and I thought you were saying I was—

Mr. Deputy Chairperson: No, I am sorry. I was just going back to the little episode a little while ago, and I just wanted to expand on that a little bit.

Mr. Enns: Thank you, Mr. Chair. The member alludes to the report. I am pleased to indicate to her, of course,

that one of the co-authors of the report is sharing the head table here. Assistant Deputy Minister Mr. Donaghy, along with the former dean of the Faculty of Agriculture in the University of Manitoba and a well-known farm economist Professor Clay Gilson and, of course, Mr. Gerry Moore were the three gentlemen that put together that review of the hog industry back several years ago.

To answer the honourable member's question, there has been no second thoughts about the decision that the government has arrived at. I am very much aware, of course, that the decision does not meet with a universal acclaim, to put it mildly, but nonetheless I have no reason to change my feelings and convictions that it is an appropriate decision.

The member referred to the report and the fact that producers were not in agreement with that report. I would have to take issue with that statement by the member. The only serious disagreement that Manitoba Pork producers have taken with respect to that review done by the three gentlemen that I mentioned is that one recommendation with respect to greater flexibility in marketing, or removal of the single selling desk. There are many other features of that report that indicate the direction, indicate the opportunities, the challenges, current situation, which I believe are, by and large, acknowledged as being (a) good scholarship, (b) more factually correct and one with which the industry and the individual pork producers have not taken an issue with. They have taken an issue with the one recommendation that the member alludes to, that is, the question of marketing.

The conditions that prevail for when the commissioners reviewed the industry, in my judgment, have not changed. There are some very specific market requirements that are, if anything, developing in a way that, in my opinion and the opinion of the authors of that report, called for more direct retailer, through processor, and to producer involvement in the chain of delivery of the product.

Also other issues such as capital requirements for the expansion of the hog industry, even at the farm site, is considerable. Again, the kind of contractual arrangements of a longer term nature that the more flexible marketing system makes possible, in the opinion of the authors and the opinion that I accepted, was more conducive to providing those kinds of capital requirements.

The report indicates significant requirements in the order of \$300 millions, \$350 millions of dollars are required, and I maintain that a credit union, a lending institute, private or public, will make those monies available more confidently if that producer can provide the proposed lender with a contractual undertaking that sees significant portions of the hogs to be developed or grown in that facility already precontracted and presold, in other words, to a sure source of supply.

* (1050)

So those are some of the issues that predicated the decision. Of course, the major one was, and one that is still troubling me, that too many hogs are leaving the province for processing elsewhere. When we dealt with this issue a year ago, a year and a half ago, estimates ranged in the order of 3,000 to 4,000 hogs that were leaving the province every week. I am advised that today that figure is closer to 10,000 or 12,000 hogs that are leaving the province every week. That is why I wait with some anxiety, I suppose. I keep hearing that there are interests in further expansion of our processing industry by some of our existing people, like the J.M. Schneider announcement of some time ago. Quite frankly, I would like to see some concrete being poured and some construction being undertaken that would manifest that desire.

I am not at all concerned that this \$40-million, \$50-million development will likely take place in the constituency of my good friend, the member for St. Boniface, Mr. Gaudry, and provide the 500 or 600 additional jobs in his part of the province as opposed to my good friend and colleague in the Chair here who might have thought it should have gone to somewhere in his constituency, but, again, that is just the kind of a guy I am, Mr. Chairman, share the wealth.

Ms. Wowchuk: The minister indicates that there are recommendations in the report, and certainly there are. Producers did take exception to this one recommendation, and it is the one recommendation that the minister decided to act on that is causing the concern.

The minister raised a couple of points that I would like to address, and that is, he says that there are a large number of hogs leaving the province, somewhere in the range, it was 4,000, is up to 10,000. Is it not true that, if

we move to this system of open marketing, there is no guarantee that these hogs will stay in Manitoba? There is no plant.

So really the minister has indicated earlier on that it was important that we open up the system so that there could be more processing in this province. The processors have put on the record that they do not need open marketing; in fact, they prefer to purchase from one agent. They have indicated that there are going to be problems for them. They do not have the facilities to take hogs directly to their plant, so in actual fact opening up to an open market system will not guarantee that hogs are going to stay in this province. Is that correct?

Mr. Enns: Mr. Chairman, I just want to put on the record that the member's statement about myself, or government, having just picked the one recommendation that is most troublesome to producers out of this report and acted upon it, simply is not true. I am advised that a goodly number, 85 percent, 90 percent, of the various recommendations made through the report have, in fact, been acted upon.

There have been one or two areas where we had specifically indicated there, or the report recommended, we establish a committee to co-ordinate various aspects of the hog producing, that have not yet been acted upon, but many of the issues that were raised by the specific recommendations that were raised in the review have, in fact, been acted upon.

I want to indicate, of course, to the honourable member that a very significant program that is being entered into in the hog industry is what we call PRE-HACCP program, the health program. We see that both from—doing our utmost to ensure that we in Manitoba and Canadians and any of our customers worldwide receive the highest-quality product of food and the one that I can attest to.

Our customers are demanding that we continually fine-tune our ability to ensure that, particularly in the area of food and processed meat production, it meet the highest levels of acceptability in terms of residue free, other health measures that are constantly being scrutinized by customers around the world. In order to do that, we have to be able to develop considerably more sophisticated programs of control that go right from the processing

floor back to the farm, to the farmer's barn, to the farmer's gate.

We have to know when, upon inspection, unacceptable levels of residue of an antibiotic, for instance, or a feed ingredient that ought not to be present in the meat at that level, where and how did that occur. So programs are being introduced that will provide producers with that information that will develop an inspection or monitoring system that will bring us to the level that we can with confidence to our own consumers, Manitobans and Canadians, as well to our prospective customers of which there are many; 70 percent, 80 percent of our hog production is currently exported. All of the expanded hog production is for the export market, and we simply have to meet these standards in terms of health and safety of the product that we are exporting.

Ms. Wowchuk: The minister indicates that the majority, a large portion of these recommendations have been implemented. One of the recommendations is recommendation for education and training. The pork industry will require 8,000 new employees to meet the job requirements on farms through the service industry to the consumers, and there are various recommendations on how this education should be carried forward.

Can the minister indicate then, are there any special courses that have been designed at Assiniboine College or Red River College? Has Manitoba Workforce 2000 participated in any of the training, and are there any special programs being designed through the University of Manitoba Agriculture to meet the needs of these people who will supposedly get jobs in this industry and at what stage is that at?

Mr. Enns: I note, I think the member refers specific to one of the recommendations that Manitoba Agriculture expands their ongoing training role through local, regional, provincial initiatives, including pork quality assurance meetings, hog days, Manitoba swine seminars and so forth. Those activities are all being accelerated by the department at these various opportunities of meeting with hog producers. In addition, specific educational courses have been introduced at Assiniboine College I understand, and it would be our hope to continue to respond to these kind of requirements for our existing and for our new hog producers in the industry.

Ms. Wowchuk: Could the minister indicate what the course is that is being offered at Assiniboine Community College?

Mr. Enns: Mr. Chairman, I do not have the specific details of the course, but I could undertake to provide the committee with that information when next we meet, for instance. It would be something that perhaps the Ministry of Education would be able to put her finger on immediately, but we can certainly find out from the Department of Education what are the specifics of the course that is being offered.

Ms. Wowchuk: I would be interested in knowing whether the Department of Agriculture had any input into designing the course. Is it a course that is to help farmers get started in the hog industry? Is it a course in quality control in the meat processing industry? What type of course is it?

Mr. Enns: My staff advises me that it is a practice when courses of this kind are introduced into the educational system that our specialists—in this case, it would be our swine specialists—are actively involved in the development and the review of the curriculum material that is then presented in class.

* (1100)

I might say that I encourage the member in this direction. If anything, in my judgment, we are not doing enough in our general educational services when it comes to providing our ever-increasing urbanized society—start with the young as they are in school—about agriculture and about the requirements of agriculture, about the contribution of agriculture just in the broadest and general way. We have become such a minority group of people dedicated to food production in this country. As I said in my opening remarks, only 3 percent of our population is actively involved in food production and that puts a greater burden on people like ourselves who from time to time come together to represent the interests of the agriculture industry in legislatures or in committees and, hopefully, make the right decisions in terms of the kind of support the department and the agricultural community requires in the many different requirements that they have, whether it is in transportation matters, whether it is in water matters, whether it is in marketing matters.

We have a constant challenge to inform and to educate the rest of the population about the importance of what it is that we are doing because after all it is, as I have stated from time to time both privately and publicly, the most important activity of man, the basic provision of our food stocks. People are demanding that it not only be there in adequate form, they are demanding that it be there cheaply, too cheaply in my opinion, and they are demanding more and more that it be safe food, meeting the highest health standards.

Ms. Wowchuk: I guess that ball is in the minister's court. That is up to him and his department to ensure that he co-ordinates with the Minister of Education (Mrs. McIntosh) to ensure that there is a much greater content of agriculture-based information in our school curriculums, and I look forward to seeing him put some effort into that to ensure that the general public does know more about our education system. I look forward to seeing future curriculums and that we will see it. I say that in all seriousness. I think that we do have to do more, but it is up to the government to ensure that this does happen.

We are having a tremendous change in agriculture right now. We are coming into a generation of urban people, in particular, who have very little contact with the farming community. It used to be that there was either a grandmother or grandfather or aunt and uncle who lived on the farm and children used to visit. That is not there right now.

The minister raised the issue of education. I just put that to him, that I think that his department should be doing much more to work with the Department of Education to ensure that that content is in the school curriculums.

Mr. Enns: Well, Mr. Chairman, I again appreciate the comments by the member for Swan River and totally concur in her general remarks. I accept as fair the admonition to me that one of the responsibilities that I as minister have to accept is co-ordinating and promoting and putting forward agricultural issues with my colleague the Minister of Education and ensuring that more of this gets developed into our school curriculum.

Just for the record again, let me indicate that we are aggressively moving in this direction. It is the

department's policy to expand their involvement within the school system. A staff year has been seconded as an agriculture curriculum specialist in order to provide the co-ordination and leadership in developing agriculture resource material. This provides Manitoba Agriculture with a unique opportunity to provide information to our 180,000 children who are in the school system.

We are working in co-operation with other strategic partners to promote agriculture and to develop various agricultural programs within the school system. We have various programs, agriculture in the classroom of Manitoba, that works with the Manitoba Department of Education and Training. Various commodity organizations, different marketing boards, co-operatives assist us. We partner with them in providing curriculum material in the classroom. Activities that have specifically occurred and are occurring include a Grade 5 curriculum in resource research and development. We have a presence in the Grade 10 and Grade 11 science curriculums that are specific to agriculture.

We are involved in what is referred to as a kids in the environment magazine, a children's magazine that deals perhaps more heavily with the environment generally, but we ensure with our input that the agricultural portion or side is represented. We are developing an agricultural education package to be used in school presentations by Manitoba Agriculture staff called Food, Agriculture, You in the Making, trying to make that connection between where the food, in effect, is grown and how it is grown. Eggs do not come in those funny cartons. Milk does not come in a plastic container. It comes from a living animal, a cow that needs to be cared for. Sometimes our urban cousins do not understand the conditions that these animals are cared for and make assumptions that are not correct.

This caring minister will be introducing legislation that ensures that we in agriculture take seriously the responsibility of the care and the proper care of our animals. I look for support from honourable members opposite when that bill arrives. It is called The Animal Care Act. I know that members will support me in that bill. I would like to go down in this session as being unique in the sense that I at least introduce a piece of legislation that will be unanimously supported in the House by all members, including the member for Dauphin (Mr. Struthers) and the member for St. Boniface

(Mr. Gaudry). That is just an advance on my coming legislation. I like to do this homework at appropriate times.

Mr. Deputy Chairperson: The committee would like to thank you again, Mr. Minister.

Ms. Wowchuk: We look forward to that legislation, and I am sure we will have wonderful discussions on it.

Getting back to the hog industry, when the announcement came about the Schneider's plant, the minister talked about the increase of jobs that would result from the expansion and how good it was going to be for hog producers and for farmers in Manitoba. Following that announcement, there was a letter that came from the president of Burns, who was critical of this announcement. He, in fact, said, and I will quote one part: When Cargill's new plant in Alberta—Calgary's new plant in Alberta has created 700 new jobs, but almost all other beef plants in Alberta have been forced to close, with the loss of 2,000 jobs.

He also indicates that no farmer is going to grow more hogs because someone says he is going to build another packing plant. He is only going to grow more hogs if he is going to get a better price.

I want to ask the minister whether he has—and this letter was copied to the minister—any concern with the fact or whether he really believes those numbers are true, that by having another hog plant built in the province, we are going to have that many more jobs created or whether the minister has any concerns that building another plant will put other plants in jeopardy and whether he believes that producers are going to grow more hogs just because there is a plant built. I believe producers will produce the hogs if there is a market. If they can make a dollar, a fair return, they will do it. They will not do it just because the plant is there. There are other concerns, other plants that are in Manitoba.

Has the minister's department taken into consideration the other processing plants and what the impact will be on those plants? Was all of that taken into consideration when the government pursued building another processing plant? I want to say to the minister, this is not a statement in opposition to a plant being built here. It is a question about, what is the future of the existing

plants, and what homework was done by the government to ensure that we will not be losing jobs at one plant at the price of another? The minister is well aware of the letter I am referring to that was sent to Mr. Clay Gilson by an Arthur Childs.

* (1110)

Mr. Enns: Mr. Chairman, let me make it very clear that the government of Manitoba is not in the business and, quite frankly, ought not to be in the business of making management decisions by the industry, by processors as to where and when and how they choose to either invest or not invest in capital expansion of their facilities. It is our hope, and it is the hope of any government, that we provide through these kinds of investment opportunities more jobs for Manitobans and revenue, quite frankly, for the government of Manitoba so that we can maintain and carry on the level of services that particularly members in opposition daily demand and request of us as government. It is just that simple and that basic.

Nobody in my government is making analysis or taking actions that say this is going to build us a new processing plant. It would be an intervention in the marketplace that would be very difficult to justify. You know, whose plant should we be expanding or providing, so that is not a function of my government or this government at all.

What we have done a great deal of work on and what the review and the commission looked at was looking at the economic factors that will dictate where and why the assumption that increased and expanded hog production in this part of the Prairies, in this part of the country, is an appropriate undertaking. I agree with the honourable member. In the final analysis, it will be the hog producers themselves who will decide and are deciding on a daily basis that investment in hog production is to their benefit. They alone will make that decision and, quite frankly, this is the disagreement I have with some of the hog producers.

I, furthermore, make the statement, hog producers will produce hogs whether or not they are processed in Manitoba or not, and they are demonstrating that every day. If there are people in South Dakota or people in Toronto or elsewhere or in Alberta that want our hogs and they pay sufficient monies to maintain the interest in hog production by our producers, those hogs will be grown in Manitoba. The issue though is quite different

as to whether or not they will be processed in Manitoba. We can only do what we believe is, in our judgment, create the kind of economic conditions that make that kind of an investment attractive to would-be investors. I would do that in different ways.

We do that by providing a stable tax regime which I am very pleased and proud to be part of a government that has introduced eight budgets in a row now without major tax increases. We signalled very clearly to would-be investors and we are talking about people who are talking about putting \$50 million, \$60 million, \$70 million or \$80 millions of dollars investment capital and there is, whether we like it or not, competition between jurisdictions as to where those dollars go. We have enough strikes against us here in Manitoba in the middle of the province, from a distance factor, from a weather factor. It does not surprise me that everybody would like to be in Vancouver harbour or on the mainland or even down East. So we have to have these attractive conditions that provide for that expansion to take place. I am satisfied that those conditions are being developed, those conditions are being met.

In the case of the hog industry, we have been advised whether—again, it is not for me. I have no desire to move and see how the hog processing industry will develop. I know that there are different aspects to it. There are some that provide and are content to look at the domestic market in a specific way, some that are garnering for different niche markets in a particular way, but there is, in my opinion, virtually an insatiable demand on a worldwide scale for quality pork. I am advised, however, to access that market, you need world-scale operations that begin to talk about numbers of processing hogs of upwards to two million a year. And that is the kind of facility that Schneider's has in mind, for instance.

Now, that is not a decision that I am making as government and not a decision that I am making to force other processors out, but it is a decision that if we want to competitively place our pork in the Japanese and the Korean and the Chinese markets in competition with the major players, whether they are in the United States or in Denmark or in Australia, then that is the kind of class of production we will require.

I might tell you that I have a bone to pick with Mr. Arthur Childs, the Chairman of the Board of Burns Meats, who I know and I have a great deal of respect for.

He has certainly contributed a great deal to the well-being of this province in his many enterprises that he has operated. Burns has been established, a long-time processor of quality foods in our province, but one has to take with a grain of salt the kind of letter that he writes. He is writing as chairman and, I believe, sole owner of a meat processing plant that does not particularly welcome competition, and that is in essence the point that he is making.

I, on the other hand, feel extremely disappointed by the fact that we chose, that is, the pork industry chose, along with the Manitoba Department of Agriculture a few years ago, to do an extensive experiment with Burns packing house to provide an experimental shipment of chilled pork to the Japanese market. We had been receiving very clear market signals that the demand is increasing for the product to be provided to them in a chilled fashion, not frozen.

If we can move into that market demand, there are tremendous opportunities for Manitoba Pork, so we co-operated with the use of some tax dollars. The Manitoba Department of Agriculture contributed, the Manitoba pork producers contributed through their agency, Manitoba Pork, and the federal government contributed in total somewhat in excess of a quarter of a million dollars, \$230,000, \$260,000. We chose Burns to be the co-operating processor to provide several shipments. I believe 5,000 kilograms of chilled pork, on an experimental basis to a Japanese customer.

We ran the experiment successfully. The Japanese got the chilled pork and were ecstatic about it. They said, now, please just keep it coming, we cannot get enough of it. Our people, including my departmental people, went back to Burns with the good news and said, you know, we have a tremendous reception for your product in Japan, now please produce it. What was Burns response to us? We are not really interested in the Japanese market. We would just as soon concentrate on the domestic market. The experiment folded. We were out a quarter of a million dollars of public money. The Manitoba Pork producers were out \$40,000 of money that they contributed to this experiment and we are not shipping any chilled pork to Japan.

That kind of industry response, quite frankly, is not acceptable if I, on the one hand, put myself and the

department and my government out on a limb and tell my pork producers there are glowing and virtually unlimited opportunities for the selling of our pork unless we have much more aggressive and innovative marketers that go after that market. Because if we do not service that market, others will. The Danes will, the Dutch will, the Americans will, but the market is there for us. So my whole action in this pork matter is aimed as much at breathing some new challenges into the processing end of it than anybody else.

* (1120)

Ms. Wowchuk: I just want to ask the minister, the minister said that his department has done no work to outreach to try to attract businesses here as far as the packing business goes. Surely somebody has been coming from Industry and Trade, surely somebody has been working to attract meat processors to this province, whether it be the pork industry or the beef industry. Surely there must be some work being done analyzing what the importance of the industry is, and somebody must be doing some work to attract the processors. The minister is saying it is not coming from the Department of Agriculture?

Mr. Enns: We are constantly promoting what we call the Manitoba Advantage. We do it in all kinds of commodity areas. It is a theme that I take with me when I travel to different countries as the leader of a trade delegation. We have expended modest sums on video presentations of what we refer to as the Manitoba Advantage, and together with our Market Development branch and, more specifically, with officers of the Department of Industry, Trade and Tourism—whose department is specifically charged with the wooing or developing industry initiatives in the province—we certainly do everything we can to ensure that those whom we think could be potentially interested in Manitoba receive this kind of data and information.

I can report to members of the committee that it is not going unnoticed by those in the meat-processing industry that this part of the country, Manitoba specifically, is showing such robust growth in hog production. We have the distinction of successively being at the very top of the ladder in terms of our quality that we produce. We have an index measurement that rates the quality of hog carcasses, and Manitoba in the past five or six years has

outdone all other jurisdictions in that respect. So a combination of the quality of hogs that our producers are capable of raising, the economics of raising them here which again in the post-Crow era are better than anywhere else in the country, are attracting a considerable amount of attention by those who are prospective players in the processing industry.

I can tell the honourable members of the committee that we have had visits from Iowa beef-packing people who are the largest red meat packer on the continent. We have had interest expressed by the Schneider people, of course, which is the most publicized one. We have had interest expressed by a major Quebec processor that has had an activity in the province through the Neepawa plant at some previous time. We are aware that plants in addition to Schneider's are looking at expansion opportunities like the Springhill plant.

All these activities are taking place and they are, of course, being supported and information is provided by members of my staff, as well as you would expect more specifically, by members of Mr. Downey's Industry, Trade and Tourism staff when it comes to having full understanding of the kind of support programs that are available from the government of Manitoba for these kinds of job-creating initiatives.

Ms. Wowchuk: Has the minister's staff done an analysis on the future of the family farm? There are different views of what the family farm could be, so I would ask the minister if his staff has done an analysis of what the future size of a future farm is that he sees as a viable operation, that he sees as an operation that the farm will be able to survive at with these changes that are coming about. We know that there is a trend and many small operations are saying that they cannot survive. That was a big fear that came out of this, when this announcement was made to move to dual marketing, that the smaller operations would not be able to survive. So I would ask whether any work has been done on that and what the minister sees as the future for farmers in Manitoba, particularly small operations.

I emphasize that because we see a decrease in population. As I indicated earlier, as smaller operations disappear, there is an impact on all the rural economies. But, specifically, what kind of analysis has been done on

what kind of farms will survive? What does the minister see as the future for these smaller operations?

Mr. Enns: In my more robust years in opposition I would respond to that kind of question when I was in a more redbaiting mode and in a fashion that I was not really interested in social engineering and social tinkering of the kind the honourable member is suggesting to me. I would be concerned if members of my staff busied themselves deciding that a farm in Manitoba should be 633-and-a-half acres and should consist of 42 laying hens and three sows and one riding horse.

Ms. Wowchuk: Now, now. That was not the question.

Mr. Enns: I know, and I am being maybe not quite fair, but the question is a very difficult one to answer. It is changing, and it is being reflected in the changing of the policy that I am asking and that staff in the department is coming up with. Programs that we run through the Manitoba Agricultural Credit Corporation reflect these changes. What I think that I was fair to say was that a kind of a universal or more readily identifiable embracing of what ought to be the family farm and a cornerstone support for agriculture has changed very dramatically in our lifetime, and the honourable member is totally aware of it.

I am well aware, to be specific, that this charge is made specifically at me by my hog producers that, in the removal of the single-selling desk, this is an attack on the single-family farm. I have to tell the honourable members and members of this committee that, when the single-selling desk was introduced in 1972 or '73, there were 7,000 hog producers in the province of Manitoba. Twenty-four years later there are 1,900.

What happened to those 5,000 in family farm hog producers? They did not exit hog production because of the marketing structure. In other words, by removing the single-selling desk, I cannot even get half as bad as the single-selling desk was if you attribute the single-selling desk to the protection and preservation of the family farm. Five thousand people stopped producing hogs on small, I take it, and modest-sized family farms in Manitoba during the tenure of the single-selling desk.

No, Mr. Chairman, what happened is that junior came home out of college, just like young Mr. Struthers here,

and said: Dad, get rid of those 40 pigs in the back of the barn and those three old cows that you are still milking. They are the ones that are tying you to the farm seven days a week, 365 days of the year, including Christmas and New Year's, and, probably more important, including the morning after last night's party. Live with the '80s and the '90s. Get regular weekends off. Go to the beach. So the farmers have. It is a societal change. They have moved out of particularly in the area of livestock, and they have changed the nature of farming.

But that is not to say that that is a bad or a plus. I am very positive. I look at these mega-hog operations that we have, multimillion-dollar farms. It is impossible in many instances for the single-family farm to contemplate that kind of an operation, but you look at the structure and you see there are three or four families involved very often. Very often, and with a regular workforce of maybe an additional 10 or 12 people working on these farms, they are working regular hours. They have weekends off. The owners have weekends off, and that is how agriculture is developing in many cases.

* (1130)

My programs and staff have to respond to that. We do not do it exclusively. We try to be inclusive in our programming, in our attention to the whole range of rural and farm experience that is out there, including, and I raise this with staff from time to time, what we sometimes refer to as the hobby farmer. We have a large number of people out there who have come back, if you like, with a very modest agricultural interest. Sometimes maybe it is just a few horses; sometimes it is a relatively small forage production, somebody who has built a home on a quarter section or 50 acres.

I can remember, in a former department, Natural Resources, one of my director's lived just north of the city on a fine piece of alfalfa hay. He enjoyed putting up quality forage hay, which he sold to his neighbours who were in the cattle industry. I think the Department of Agriculture has to respond to all of these legitimate inquiries, and I take exception if we are asked to view agriculture in a way that excludes any of the kinds of activities that I have just described.

Ms. Wowchuk: Hog producers raised what I believe is a legitimate concern when this report came out, and the minister said that he was going to accept the

recommendation to move to dual marketing. They raised a legitimate concern that they felt that moving to open marketing would have a negative impact on smaller operations. That was what I was asking the minister. Because it is a legitimate concern, it is an agriculture concern, has the minister addressed that? Does the minister come to any conclusion that there is going to be a negative impact? The minister can go back to the number of hog operations there were years ago and the number there now. We know that change has taken place. This is a concern today that producers have raised with respect to their future and how they are going to fit into this vertical integration plan. I raise it in all seriousness.

I ask the minister, has his department considered that, and does he believe that this will have a negative impact on smaller operations? Does he believe that they will not be able to survive, they will have to become larger to survive and make larger investments to survive? That is the question I am asking, and I believe it is a very legitimate fear that producers have put forward and one the department should be able to give some answers to producers. That is what I am asking, whether the department has done any work or analysis on as to the impact of this.

Mr. Enns: Mr. Chairman, I can only respond in a most direct way to the member's question that pork producers in Manitoba have demonstrated in a very real way, one that cannot be fudged by anything I say or put any political spin on it, that when I indicate to you that in the period of January, March, when certainly at the height of the decision with respect to marketing was well publicized and in the news—and one must assume, if it was creating that much anxiety among the pork producers, it might have cause for some indecision—Manitoba led the nation in pork expansion with a 104 percent increase over prior years versus in Canada, the national, being at 101. Then the period of April to June, the next three-month period, again, we are leading the nation with 103.2 percent in Manitoba versus 99. In fact, it is a small decrease; in portions of Canada hog production is decreasing. Our producers are making their management decisions indicating ongoing continued confidence in the industry.

Now, I am well aware that the current very welcome strong prices in hogs is providing the basis for some of

that growth, although as members are only too well aware with their own farm background, the extremely high, record high feed prices in input costs all too often are associated with these price rises, and so the margin may not be all much different. But nonetheless that expansion is taking place. If that rate of expansion takes place, that doubling of hog production will occur not because this government or this minister is suggesting that that ought to occur. It will occur because, as the member fully knows, if the people involved in the business feel that there is enough economic reason, if there is an opportunity, there are markets for them to do that.

Mr. Chairman, it is a question that troubles me as to the impact that this decision has on the future of the modest or small producer. It is again an issue that, in my judgment, if the small and modest producers do several things, they can secure for themselves positions in the marketplace that ought not to be at any greater disadvantage to any of the larger producers. I certainly encourage in all my discussions and my meetings that they, for instance, continue to use Manitoba pork as the marketing vehicle of choice.

If I were in a position to market a modest number of hogs, 50, 60 or several hundred a year, it would not take too much to convince me that—and I am marketing against a neighbour's operation that is pushing out 2,000 hogs a week—I would want my hogs assembled and packed together in lots of a hundred or a thousand and, providing quality and genetics are there of equal value, there is no reason in the world why the modest or smaller producer ought not to be able to find ample opportunities to compete.

After all, it is only supporters of Manitoba Pork that are saying that I am doing away with Manitoba Pork. I am not doing away with Manitoba Pork or the board. In fact, Manitoba Pork as an entity will be well situated financially. Financially it will be secured with the universal levy that I am imposing on all hogs. It will flow to Manitoba Pork to continue doing the generic pork production that I think is of considerable value to the industry and to the province. But, more importantly, I think Manitoba Pork—and my understanding is that they are doing that right now—is looking at restructuring themselves. They are looking at creating a tighter relationship, if you like, between producers who wish to continue doing business with them. They have to earn, in

my opinion, their position as being the marketer of choice for producers, rather than having it carried out for them by government regulations.

Ms. Wowchuk: The minister will have to agree. He says there is a small portion of—I believe he said—supporters of Manitoba Pork, but I believe that a survey was taken recently by Manitoba Pork, and in fact over 80 percent of the producers support the single-desk selling of Manitoba pork. So the minister in this move is not taking the advice of producers.

I want to ask the minister, he says that he does not believe that small producers will be negatively affected, they can survive. I am wondering if the minister has looked at the situation that developed in Carolina, I believe it was, where there were very large vertically integrated operations that went into place and, in fact, when that happened the majority of the small producers were put out of business. It has not been a positive effect for the producers in that state.

Will the minister recognize that this move towards vertical integration and larger operations not only has a negative impact on the people and on smaller operations, it has a negative impact in many cases on the environment? And that documentary that we saw, and I think the minister was even in that documentary as well, did not paint a very pretty picture of what could happen when we move to these large operations. Not a positive effect on the producers and not a positive effect on the environment in that state, and I wonder whether the minister will address that, please.

* (1140)

Mr. Deputy Chairperson: Order, please. A vote has been called in the Assembly. This committee will recess and we will proceed to the Assembly.

NATURAL RESOURCES

Mr. Chairperson (Marcel Laurendeau): Will the Committee of Supply please come to order.

This section of the Committee of Supply has been dealing with the Estimates of the Department of Natural Resources. Would the minister's staff please enter the Chamber at this time. We are on Resolution 1.

Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits.

Mr. Stan Struthers (Dauphin): Mr. Chair, I would like to give the minister a chance to respond to the question that I had at the end of the day yesterday. He did not get a chance to answer my question, so I would like to have him do that.

My question was the type of precautions he would take against poaching once the elk ranching has been set up.

Hon. Albert Driedger (Minister of Natural Resources): First of all, talking about poaching, I want to elaborate a little bit even beyond that. I do not know whether the member is aware, but ever since we brought in the new fine system and new legislation related to heavier fines and confiscation, our poaching has basically dropped off by over 60 percent. I am talking generally hunting poaching.

In terms of the potential of poaching related to elk ranching, I can assure the member that that has been looked at very carefully, and we feel that the way the system is being contemplated and being done in Saskatchewan and Alberta, every animal will have to be registered with the Department of Agriculture. They will have to be tattooed, registered and no animal movement can take place, so if somebody, even if they wanted to catch an animal in the wild, once the program comes in place, every animal is going to be registered, tattooed, recorded, so nobody can move an animal without the permission and authorization of the Department of Agriculture.

That is the scope of where we are going at this time, so if people thought they would be able to get out there and catch some animals in the wild and then sell them, it is not going to happen. There is not going to be any room for that, and the only animals that will be allowed to the trade are those that have gone through the process.

Mr. Struthers: Mr. Chair, that was the only question of yesterday that I had that was left unanswered. I basically do not have any more questions. I would have liked to have wrapped it up yesterday, but we got a little delayed at the end. I am willing to pass this line, and I have no more questions on the rest of the lines, so I would be willing to pass the whole book.

Mr. Chairperson: Shall the item pass?

Mr. Driedger: Mr. Chairman, with your indulgence, I have information here that I was going to make available both to the member for St. Boniface—[interjection] Did you already pass—[interjection] Oh, I see, okay. They already have the information related to Parks. Okay, fine. Let us proceed.

Mr. Neil Gaudry (St. Boniface): Mr. Chairperson, my question is going to be very brief. The minister had mentioned before that he was going to give us this information, and I thank him for the information.

My question is in regard to those permits, the parks permits. The seniors who have called me, it is in regards to the ones who own cottages, and they pay taxes already, and they are given a permit, \$20, I believe, and they have to buy a second or third one for the family, so that they can travel back and forth. They are prepared to pay another \$5 for a second or a third permit. They were wondering why they have to pay, let us say, \$60 to get three permits. Would the minister consider even having this sort of permit for the cottage owners since they pay already, it is \$700 to \$800 per cottage.

Mr. Driedger: Yes, the member is correct that we have implemented this year, where seniors used to have a free pass into the provincial parks, we did make changes. They are probably aware of the rate structures of some of the changes that have taken place. We have also asked the seniors—last year the provincial park pass was \$17. We have raised that to \$20 this year, and seniors are not exempt. I really do not think that it does create a hardship for a senior to buy a \$20 pass to utilize all the provincial parks that we have. It is a perception thing more than anything else.

Related to the second pass for \$5, we have looked at this. We have some difficulty with that, and that is why I have an example here. These are the detachable ones that you put around your windshield, you know, the mirror out there, so you can move them from one vehicle to the next. We run into difficulty if we start handing out two or three passes to the family, and, because they are detachable, everybody uses them as they best can. So, within the family, they can share it from one vehicle to the next, but, if they want to use two vehicles to get into the park, they have to have two passes.

That is the way we have established it for now. Depending on the reaction we get and what happens, we will review it again for next year, but these were major changes that we made this year as you can see on this fee structure that I gave to both members. By and large, we are going to be looking at it. There is some justification in terms of people being concerned.

Mr. Chairperson: Shall the item pass?—pass.

12.1. Administration and Finance (b) Executive Support (2) Other Expenditures \$83,800—pass.

1.(c) Administrative Services (1) Salaries and Employees \$621,300—pass; (2) Other Expenditures \$337,800—pass.

1.(d) Financial Services (1) Salaries and Employee Benefits \$1,206,500—pass; (2) Other Expenditures \$238,100—pass.

1.(e) Human Resource Management (1) Salaries and Employee Benefits \$830,600—pass; (2) Other Expenditures \$148,900—pass.

1.(f) Resource Information Systems (1) Salaries and Employee Benefits \$630,600—pass; (2) Other Expenditures \$58,400—pass.

12.2. Regional Operations (a) Headquarters Operations (1) Salaries and Employee Benefits \$1,196,600—pass; (2) Other Expenditures \$1,053,700—pass; (3) Problem Wildlife Control \$272,000—pass.

2.(b) Northwest Region (1) Salaries and Employee Benefits \$1,930,000—pass; (2) Other Expenditures \$633,400—pass.

2.(c) Northeast Region (1) Salaries and Employee Benefits \$1,958,700—pass; (2) Other Expenditures \$869,300—pass.

2.(d) Central Region (1) Salaries and Employee Benefits \$4,167,900—pass; (2) Other Expenditures \$1,526,400—pass.

2.(e) Eastern Region (1) Salaries and Employee Benefits \$3,068,100—pass; (2) Other Expenditures \$827,500—pass.

2.(f) Western Region (1) Salaries and Employee Benefits \$4,105,100—pass; (2) Other Expenditures \$1,444,400—pass.

2.(g) Fire Program (1) Salaries and Employee Benefits \$2,710,900—pass; (2) Other Expenditures \$7,204,500—pass.

Resolution 12.2: RESOLVED that there be granted to her Majesty a sum not exceeding \$32,968,500 for Natural Resources, Regional Operations, for the fiscal year ending the 31st day of March, 1997.

12.3. Resource Programs (a) Water Resources (1) Administration (a) Salaries and Employee Benefits \$418,900—pass; (b) Other Expenditures \$391,900—pass; (c) Grant Assistance \$25,000—pass.

3.(a)(2) Water Licensing and Approvals (a) Salaries and Employee Benefits \$667,300—pass; (b) Other Expenditures \$32,400—pass.

3.(a)(3) Waterway Management (a) Salaries and Employee Benefits \$617,400—pass; (b) Other Expenditures \$109,000—pass; (c) Waterway Maintenance \$3,817,500—pass.

3.(a)(4) Surface Water Management (a) Salaries and Employee Benefits \$893,900—pass; (b) Other Expenditures \$381,400—pass; (c) Canada-Manitoba Agreement for Water Quantity Surveys \$286,900—pass.

3.(a)(5) Groundwater Management (a) Salaries and Employee Benefits \$609,200—pass; (b) Other Expenditures \$163,900—pass.

3.(a)(6) Computer Graphics (a) Salaries and Employee Benefits \$434,100—pass; (b) Other Expenditures \$25,000—pass.

* (0910)

3.(b) Parks and Natural Areas (1) Administration (a) Salaries and Employee Benefits \$385,300—pass; (b) Other Expenditures \$341,200—pass; (c) Grant Assistance \$133,500—pass.

3.(b)(2) Planning and Development (a) Salaries and Employee Benefits \$646,300—pass; (b) Other Expenditures \$198,400—pass.

3.(b)(3) Park Districts (a) Salaries and Employee Benefits \$402,500—pass; (b) Other Expenditures \$51,600—pass.

3.(b)(4) Park Operations and Maintenance (a) Salaries and Employee Benefits \$9,122,800—pass; (b) Other Expenditures \$3,336,100—pass.

3.(b)(5) Support Services (a) Salaries and Employee Benefits \$177,000—pass; (b) Other Expenditures \$50,300—pass.

3.(c) Policy Co-ordination (1) Salaries and Employee Benefits \$911,300—pass; (b) Other Expenditures \$231,700—pass; (3) Grant Assistance \$10,200—pass.

3.(d) Forestry (1) Administration (a) Salaries and Employee Benefits \$333,400—pass; (b) Other Expenditures \$311,700—pass; (c) Grant Assistance \$475,800—pass.

3.(d)(2) Forest Resource Surveys (a) Salaries and Employee Benefits \$715,700—pass; (b) Other Expenditures \$137,700—pass.

3.(d)(3) Forest Landscape Management (a) Salaries and Employee Benefits \$804,600—pass; (b) Other Expenditures \$898,000—pass.

3.(d)(4) Forest Economics and Marketing (a) Salaries and Employee Benefits \$477,500—pass; (b) Other Expenditures \$31,500—pass.

3.(d)(5) Forest Renewal \$4,282,600—pass.

3.(e) Fisheries (1) Administration (a) Salaries and Employee Benefits \$198,000—pass; (b) Other Expenditures \$174,200—pass.

3.(e)(2) Fish Culture (a) Salaries and Employee Benefits \$596,000—pass; (b) Other Expenditures \$300,600—pass.

3.(e)(3) Fisheries Habitat Management (a) Salaries and Employee Benefits \$325,600—pass; (b) Other Expenditures \$70,600—pass.

3.(e)(4) Sport and Commercial Fishing Management (a) Salaries and Employee Benefits \$453,500—pass; (b) Other Expenditures \$80,500—pass.

3.(e)(5) Northern Fishermen's Freight Assistance \$250,000—pass.

3.(e)(6) Fisheries Enhancement Initiative \$350,000—pass.

3.(f) Wildlife (1) Administration (a) Salaries and Employee Benefits \$388,000—pass; (b) Other Expenditures \$306,100—pass; (c) Grant Assistance \$157,000—pass.

3.(f)(2) Game and Fur Management (a) Salaries and Employee Benefits \$482,500—pass; (b) Other Expenditures \$214,000—pass; (c) Grant Assistance \$89,900—pass.

3.(f)(3) Habitat and Land Management (a) Salaries and Employee Benefits \$580,400—pass; (b) Other Expenditures \$162,600—pass; (c) Canada-Manitoba Agreement on Agricultural Sustainability \$516,000—pass.

3.(f)(4) Nongame and Endangered Species Management (a) Salaries and Employee Benefits \$394,600—pass; (b) Other Expenditures \$95,200—pass.

3.(f)(5) Canada-Manitoba Waterfowl Damage Prevention Agreement \$331,500—pass.

3.(g) Sustainable Development Co-ordination Unit \$237,100—pass; 3.(h) Habitat Enhancement Fund \$50,000—pass; 3.(j) Conservation Data Centre \$50,000—pass; 3.(k) Snowmobile Network Opportunities Fund \$175,000—pass; 3.(m) Special Conservation and Endangered Species Fund \$432,100—pass.

Resolution 12.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$40,801,500 for Natural Resources, Resource Programs, for the fiscal year ending the 31st day of March, 1997.

12.4. Land Information Centre (a) Administration (1) Salaries and Employee Benefits \$665,300—pass; (2) Other Expenditures \$510,200—pass.

4.(b) Crown Lands Operations (1) Salaries and Employee Benefits \$391,600—pass; (2) Other Expenditures \$1,088,200—pass.

4.(c) Crown Lands Registry (1) Salaries and Employee Benefits \$224,600—pass; (2) Other Expenditures \$137,700—pass.

4.(d) Survey Services (1) Salaries and Employee Benefits \$1,381,500—pass; (2) Other Expenditures \$473,900—pass; (3) Less: Recoverable from other appropriations (\$1,455,300).

4.(e) Remote Sensing (1) Salaries and Employee Benefits \$593,700—pass; (2) Other Expenditures \$123,300—pass; (3) Less: Recoverable from other appropriations (\$23,700).

4.(f) Distribution Centre (1) Salaries and Employee Benefits \$351,500—pass; (2) Other Expenditures \$267,900—pass; (3) Less: Recoverable from other appropriations (\$95,000).

4.(g) Land Information Systems (1) Salaries and Employee Benefits \$469,300—pass; (2) Other Expenditures \$609,500—pass.

Resolution 12.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,714,200 for Natural Resources, Land Information Centre, for the fiscal year ending the 31st day of March, 1997.

12.5. Expenditures Related to Capital (a) Equipment and Infrastructure \$535,600—pass; 5.(b) Water Projects \$2,424,400—pass; 5.(c) Park Facilities \$3,227,300—pass.

Resolution 12.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$6,187,300 for Natural Resources, Expenditures Related to Capital, for the fiscal year ending the 31st day of March, 1997.

Mr. Chairperson: The last item to be considered for the Estimates for the Department of Natural Resources is item 1. (a) Minister's Salary. At this point we request that the minister's staff leave the table for the consideration of this item.

Mr. Cliff Evans (Interlake): Just a few questions to the minister. As the minister is aware, there was a report

drafted up, made up, the Symbion report, on the fishing industry in Manitoba, commercial fishing industry. The minister provided me with a copy of a letter. First, can the minister tell me whether the letter has been distributed to all the organizations as he had indicated earlier that he would do so?

Mr. Driedger: The letter has gone out to every single commercial fisherman around Lake Winnipeg—not to organizations, but to every individual fisherman and organization.

Mr. Clif Evans: I am wondering if the minister is aware—or his department, I am sure, is aware and has been made him aware—of the problem with spawn in Riverton over the past couple of weeks. There is a group of fisherman there who have organized and have a spawning area there designated. Over the past couple of weeks, they have been collecting spawn, and with my own investigation of it or looking into it, I was informed that the spawn were dying by the hundreds of thousands because of the water.

They were collecting, of course, and using river water, the Icelandic River water, plus well water, and the eggs have died, hundreds of thousands of eggs. I am wondering if the minister and his department—what are they going to do about this?

Mr. Driedger: I can only assume that the member is talking about people who are basically collecting spawn for fish hatcheries, and the member is well aware that we have established five new fish hatcheries throughout the province in the last two years alone and that I very strongly have promoted the expansion and continuation of having more new fish hatcheries established.

* (0920)

I will take and get details back to the member by this afternoon, but normally the people that do collect the spawn, that catch the fish and take the spawn or the roe, whatever we call it, are very qualified in doing this. I am surprised, I was not aware, as the member talked about, that the eggs are basically not fertile eggs or that they are dying because of the way it is being handled, because normally the people that do collect the roe for the fish hatcheries are very qualified and know what they are doing. I will check this out and find out what is wrong.

I am very surprised that they would be using well water when they collected out of a river bed. Maybe the member can give me more details.

Mr. Clif Evans: I did not, at any time, say that the spawn had died because of the handling. In investigating and being there with the fishermen, they are more than qualified, and they are doing their job excellently. It is from the water that they are using that they have taken. After a certain amount of roe had died, they went to using well water, and the spawn, after a couple of days, had survived for a couple more days and from the river water. So they have even stopped using well water.

So it is not the handling. It is the situation that I am asking the minister, has his department or will his department fully investigate the situation in Riverton and have the water checked, tested, and discuss it with the fishermen as to what the problem is?

Mr. Driedger: Yes, Mr. Chairman, I certainly will because the one thing that I feel very, very sensitive about is the spawning areas, the reproduction of our fisheries. To me, that is a very high priority, and I can assure the member within the hour I will have some idea as to exactly what is going on. I was not aware of this, but I will certainly have my staff give me information.

Mr. Clif Evans: I thank the minister for that.

Another question regarding fisheries, there has been a proposal put in to his department, to the minister, I understand, re: the Mantagao River. Their proposal there is also to improve the Mantagao River flow for spawn and for pickerel. The group that was organizing or had organized the proposal had indicated to me that they had met with the minister's senior staff and that they felt confident that the minister's department would provide them with the necessary resources.

Can the minister enlighten me on that, and will the Mantagao River project be a go for the fishermen in that area?

Mr. Driedger: The member, if he went through the letter that I gave him a copy of, I make reference in the second last paragraph to the fact that when I met with the various fishermen around Lake Winnipeg, the one thing that they identified in terms of protection of spawning

area was the various rivers, that it is not just the Mantagao River, it is the other rivers, as well, and where we have beaver dams and major problems, I have undertaken—and I can maybe read part of the quote: One of the issues identified by fishermen was the problem of beaver dams and debris blocking spawning runs of pickerel. I am also concerned about this issue and will identify funds to assist fishermen to remove blockages in spawning rivers.

So I have instructed staff that we are going to work very closely with the fishermen organizations to do that.

Mr. Clif Evans: Again, is the Mantagao River project a go for this year, the Mantagao?

Mr. Driedger: I do not know exactly, specifically, what the member is referring to, the Mantagao project. If it is a matter of clean out down there, I can assure you that we will do the clean out. For more details of it, I have my fisheries department go throughout the province. I am not aware specifically of the project. I will check it out and make sure we do have a go situation.

Mr. Clif Evans: One final question, and it is a resolution from the Fisher Bay community, and I will read the resolution to the minister, and I am sure his office has received it: Whereas the employment in Fisher Bay community is very limited in the winter months and whereas the community does not have a timber permit, be it resolved the Department of Natural Resources make a timber permit available for 350 cords of pulpwood and some logs to be used for community docks.

I am sort of giving the minister notice on this resolution. I am sure his department will see it, and I would hope that the minister will encourage his department to assist the Fisher Bay community in their resolution, and, hopefully, the minister will get back to me on that, too.

Mr. Driedger: Just to clarify that, I believe the member is asking, the community wants to have the authorization to cut down so many cubic metres of wood to take and build a community dock. Am I correct? Is this what he is making reference to? Mr. Chairman, my staff, we always have provision and allow for a certain amount of allowable cut every year specifically for these kind of projects. All they have to do is, either the member can

bring it to my attention directly to my office or through the normal course, whichever way they want, and I can assure him we will look after that.

Mr. Clif Evans: I am sure the minister is aware that over the years, because of storms on Lake Winnipeg and Lake Manitoba, different seasons and problems with nets and floats being lost by the commercial fisherman, the Disaster Relief Board, which is under Government Services, has been providing funds for claims on nets and floats.

I have a letter here from the department, and basically what I am asking is for the minister's support. The letter indicates that there no longer will be funds made available to claims for nets and floats due to certain situations during fishing season that the fishermen incur.

So I am asking the Minister of Natural Resources, is he aware of this, and will he support the fact that this is a very important project or support system for the fisherman? Would he encourage the minister responsible to look into providing the resources and the funds for these fishermen who have made claims for the 1995 fall season and are now, with fishing season around the season, going to be left without the availability of nets and equipment to go onto the lake?

So I am asking the Minister of Natural Resources, responsible for the fisheries, to encourage and support these fishermen and please get back to me on this. It is very important. I have discussed it with the Minister of Government Services, and now I am asking the minister's support for this.

Mr. Driedger: The member is right. The responsibility, under Manitoba Disaster Assistance Board, of course, is with the Minister of Government Services who, I believe, has given a bit of a direction in terms of what qualifies and what does not qualify.

I am going to caution the member. He is asking for my support in terms of pushing my colleague to take and continue to pay out damages for nets lost. We have sort of, over a period of time, set a bit of a precedent, good, bad or otherwise, where every time there was a storm that they applied to Manitoba Disaster Assistance Board and received some money. It is getting to be a grey area as to when is it a disaster and when is it not a disaster.

The occupation itself is a very dicey occupation many times in terms of you are dealing with the environment, you are dealing with water issues out there, you are dealing with ice. It gets to be a point, when is it a disaster and should qualify for assistance? I will dialogue with my colleague, but I am not going to give a whole carte-blanche endorsement to continue to pay out for fisherman on their nets.

There has to be, I think, a more definitive criteria established in terms of, when is it a disaster, and when is there some ownership on the commercial fishermen themselves who are, by and large, very qualified individuals? They know the risks that are involved when they do set their nets. You have certain circumstances when you have a major storm. I think this is when the first time that payout was made. It is not that many years ago the first time that Manitoba Disaster Assistance Board got involved. It never used to be involved with the net damages, and now it is getting to the point, whenever somebody loses a net, then, you know, claims come in. I will continue to dialogue with the Minister of Government Services and see what his approach is to it.

* (0930)

Mr. Cliff Evans: Of course, I asked the minister for support on the situation and the issue for the fishermen. Whether the funds are going to be made available in total or cut off totally is another topic. I am saying to the minister that it is important to these fishermen. Claims have been—I have records here dating back to 1986 on this, and I believe that we should have something in place for these types of losses. A lot of these fishermen right now are depending on these nets for their livelihood and we would rather, of course, see them fishing than not fishing. So I again just request the minister's support on the initiative or on the idea for it.

In closing, Mr. Chairman, I would just like to put the minister on notice that I would greatly appreciate—even though his department has provided in certain areas a tremendous amount of support for my constituency on problems within the constituency but, on the other hand, there are times that I have brought to the attention of the minister certain problems or issues—I would greatly appreciate a much quicker response and more dialogue with the minister on some of these issues that my constituents feel are important, whether it be a

municipality for drainage, whether it be licences, tags for outfitters, land acquisition. I will, of course, provide the minister with a full list of some of the issues that I have brought to his attention.

The constituents come back to me and say, what is happening, why is there not a response? So I am putting the minister on notice that I will be letting him know and I would appreciate if his department would react. Thank you.

Mr. Chairperson: Item 12.1.(a) Minister's Salary \$25,200—pass.

Resolution 12.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,570,600 for Natural Resources, Administration and Finance, for the fiscal year ending the 31st day of March, 1997.

This concludes the Department of Natural Resources.

The next department for the committee will be the Department of Justice.

Is it the will of the committee to take a five-minute recess to get prepared? Agreed? [agreed] Five minutes.

The committee recessed at 9:30 a.m.

After Recess

The committee resumed at 9:41 a.m.

JUSTICE

Mr. Chairperson (Marcel Laurendeau): Will the Committee of Supply come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Justice. Does the honourable Minister of Justice have an opening statement?

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): Yes, Mr. Chair, thank you very much, and good morning, everyone. The Estimates for the Department of Justice for 1996-97 present the fiscal plans for the year. They contain detail about the total expenditures and the staff years devoted to the many varied programs that are provided by the department. Behind the numbers, however, are hundreds of

hardworking Manitobans who day in and day out provide services that Manitobans have come to rely on. I wish, at the very start of my comments, to pay tribute to the dedication and the professionalism of the departmental staff. Thanks to them, the department has consistently been a national leader and continues to provide innovative approaches to the many problems facing the justice system in Manitoba and, indeed, across Canada.

The Department of Justice has been part of the administrative reorganization which this government has been pursuing in order to provide better services to Manitobans. At the start of this fiscal year, Land Titles and the Personal Property Security Registry became administratively a part of the Department of Consumer and Corporate Affairs. This reflects the fact that these agencies, which were for many years part of the Attorney General's department and then the Department of Justice, administer service for the public that is different from the other services which are provided by the Department of Justice. We were pleased to have them part of the Justice family for all those years, but they fit very well with the other registries in Consumer Affairs.

Also, as part of the administrative reorganization, first Civil Legal Services and now the Public Trustee have been transformed into special operating agencies. As members are aware, the advantages of being such an agency are primarily the flexibility provided to management and staff in meeting the need for services for their clients.

In addition to these major administrative changes, the Department of Justice has also been making service improvements throughout the system. While it is not glamorous, while it does not attract headlines and probably will not be the subject of extensive questioning in the review of these Estimates, I believe it should be noted that we have amalgamated our personnel and Human Resource Services with the Department of Culture, Heritage and Citizenship and have achieved economies of scale. As well, we are making greater use of technology throughout the department in order to deliver the same level of service and, indeed, very often an improved quality of service with the same staff complement.

Many services of the Department of Justice are taken for granted. We seldom pause in this House to reflect,

for example, on the superb service we receive from the Office of Legislative Counsel. All government departments and the official opposition receive services from this branch as we deal with legislation. In the same way, the government receives excellent support from the Constitutional Law Branch and independent advice on issues from the Law Reform Commission. All Manitobans have access to the Human Rights Commission when they feel their rights have been infringed.

Another program that assists all Manitobans is Maintenance Enforcement. I am pleased to inform members of the success of the changes to the Maintenance Enforcement Program that were made last year to strengthen the ability of enforcement officers to collect on outstanding maintenance payments. The maintenance enforcement program is making aggressive use of the changes that were made, and, as a result of increased authority to demand information from employers and associates, the number of garnishment orders issued by the program, I am informed, has been increased by 480 percent. The number of federal interceptions, I am informed, has increased by 1000 percent. As well, maintenance enforcement has issued, I am informed, 85 driver's licence suspension notices, 120 refusal to renew notices, and garnished 27 pensions. In 1995, maintenance enforcement collected \$35.4 million, which is an increase of 6.6 percent or \$2.2 million over what was collected in 1994. It remains one of the most successful programs of its kind in Canada.

While these achievements are noteworthy, it remains the case that almost \$160 million of the \$168,378,000 that is in these Estimates for the Department of Justice are devoted to the criminal justice system. Public Prosecutions, Legal Aid, RCMP policing and most of the Courts budget, Criminal Injuries Compensation and Corrections are all part of the criminal justice system, and that is the area that usually attracts the most attention, not only in the media but also during the Estimates process.

I am pleased to report that Manitoba's lead in a number of areas is now being followed by other jurisdictions. For example, our anti-impaired driving program has been copied virtually in its entirety by Nova Scotia and British Columbia. Alberta has had vehicle impoundment for some time, and Saskatchewan has announced that it will be bringing in vehicle impoundment. As well, Ontario

has announced its intention to introduce administrative licence suspension into that province.

More recently, Manitoba took the lead in developing a process which would allow for the notification of the community in circumstances where there are good reasons to fear that an offender will commit a crime. The Community Notification Advisory Committee has been very active, and it is functioning well. It has already authorized four full public notifications and 15 targeted notifications. Alberta has announced its intention to establish the same kind of process, and Saskatchewan has announced that it will be introducing legislation establishing a process similar to the Manitoba process.

Of course, there is only so much which the province can do itself, given that our constitutional responsibility is limited to the administration of justice in the province. We have continued to press the federal government for stronger action. While I am not completely satisfied with the federal response, I believe that the antistalking legislation which the federal government has introduced, as well as some of the changes to the Young Offenders Act, making transfer of older youths to adult court for violent crimes somewhat easier, are at least the beginnings of a response to these very serious concerns of this government and the public about these issues.

Manitoba has also urged the federal government to repeal Section 745 of the Criminal Code which allows murderers to seek parole prior to serving 25 years. We believe that this is inappropriate. The public has the right to insist that murderers serve the full 25 years before they have an opportunity to get parole.

One of the concerns I raised at the recent meeting of ministers responsible for justice is the position of victims in the criminal process. Too often they seem to be forgotten, and it seems that there has been a tendency to forget the issues of victims. I am pleased that ministers agreed that we should establish a working group to review what has been done with respect to victims across the nation, and to identify the most promising programs. My hope is that a national strategy will grow out of this initiative.

Here in Manitoba, the department is currently reviewing services provided to victims. We have retained an outside consultant to do a review of what is available and to identify any problems in the system. As you are

aware, Wyman Sangster has joined the Department of Justice with a mandate to work with communities on crime prevention and victim services, and I am sure his leadership over the next few months will lead to more focused services providing victims the services they need.

A challenge which the Department of Justice faces is the overrepresentation of aboriginal people in the criminal justice system. Working with our aboriginal communities remains one of our priorities. We are actively pursuing negotiations with 28 First Nations communities under the umbrella of the First Nations Policing Policy. We have already signed agreements with eight First Nations communities, six of which have chosen to be policed by the Dakota Ojibway Police Service, while the remaining two communities have preferred to receive policing services from the RCMP. We have also been supporting initiatives like the Hollow Water Community Holistic Circle Healing and the St. Theresa Point youth court. These programs are currently being evaluated, and the challenge which we will face, assuming that there is a positive evaluation, will be to expand these programs to more First Nations communities.

* (0950)

Here in Winnipeg Legal Aid has opened the Aboriginal Centre law office at the Aboriginal Centre on Higgins Avenue. It can provide service in Ojibway and Cree, and we expect that it will prove to be a great improvement in furnishing services to aboriginal people who have come in contact with the law here in Winnipeg.

In the Corrections field, we have for many years provided elder services in our institutions, and we have been reviewing our programming to ensure that it is culturally appropriate. The most important time in an offender's career in our view is when he or she first comes in contact with the law. Usually this occurs when a person is a youth and subject to the Young Offenders Act. Manitoba Justice has promoted the creation of youth justice committees. We now have, I am informed, 74 youth justice committees operating around the province. They have had success in dealing with young offenders who have not yet committed serious and violent crimes.

Where the courts have determined that a custody sentence is appropriate for the young offender, we have made the youth facilities more rigorous, with an accent on

programming which will make a difference in a young person's life. The effectiveness of our boot camps is currently being evaluated and, if any deficiencies are noted, we will make the changes in programs that are required to make them the most effective possible.

The recent Headingley riot should not blind us to the progress which has been made in the adult correctional system. We have been trying to strike a balance between the need to protect the community from dangerous offenders and the need also to reintegrate offenders into the community in ways that will give them the chance to be productive citizens.

As a result of the Arthurson case, we have been refining our system of offender classification to better identify potential repeat offenders. No system will ever be perfect, but Corrections is using the latest research and techniques to make the system a leader in Canada in its ability to protect the public.

As members are aware, Judge Hughes has been appointed to review the incidents that led to the riot at Headingley. Clearly it would be premature to speculate on what that report will contain or to make any announcements as to the changes that will be made in procedures as a result of the report. However, I can assure the members that as we repair and rebuild Headingley, we will take all reasonable measures necessary so that the guards are safe, the institution is under control at all times. We will do everything possible to ensure that no such riot could occur again.

In the Courts Division, members are well aware that the civil justice review has been undertaken and will be making its report in the fall. On the criminal justice side, we continue to have available trial dates well within the Askov guidelines. There has been some concern with court delays in northern Manitoba. I am pleased to, during the course of Estimates, speak about a number of the steps that we have taken to deal with the issues in northern courts. I can tell the House that aboriginal Cree-speaking magistrates alternate sittings with provincial judges courts. In four communities they deal with summary conviction, guilty pleas and by-law offences, and the magistrate court also acts as a first appearance court, so that the criminal matters are sent on to the provincial judges court docket only when they are ready for sentencing or for trial.

Mr. Chair, it is therefore with pride in the accomplishments of the department in the past and also with confidence in the department in the future that we will continue to provide outstanding services to the people of Manitoba, I present these Estimates to the House.

Mr. Chairperson: We thank the minister for those comments. Does the official opposition critic, the honourable member for St. Johns, have an opening statement?

Mr. Gord Mackintosh (St. Johns): Yes, Mr. Chair, thank you. This is the third series of Estimates with this individual as Minister of Justice and Attorney General. Over the course of her tenure in office we have seen many difficult issues come to the fore, and we have identified many shortcomings, some of which, a minute number I would suggest, have been addressed by the minister with varying degrees of success, but in our view, the great majority of shortcomings have yet to be addressed in any meaningful way by this minister.

Since we began dealing with this minister's approach to justice in Manitoba, we have pinpointed such areas as violence against women, maintenance enforcement, youth crime and violence as key areas that need urgent redress in this province. But today, here now at the third round with this minister, there are two different issues that have emerged and come to the forefront that have eclipsed even the very, very serious challenges that we face in youth crime and violence, violence against women and maintenance enforcement, for example. Those issues were certainly touched on in the earlier Estimates processes and indeed in almost daily questioning in this Legislature. Those two issues are the integrity of this minister and her competence.

The events of the past month have helped define for Manitobans what we in this Chamber have defined and attempted to explain to the public of Manitoba. We have here a minister who has moved the office of Attorney General from emphasizing public safety to public relations. We have a new era in the office of Attorney General where there is a very partisan, PR-stunt approach to the serious issues of public safety, and it is our view, Mr. Chair, that this is certainly not in the interests of Manitobans at any time, but what has been occurring at a steadily increasing pace are statements by this minister

which are both contradictory one day to the next and contradictory with regard to the facts.

I think one of the more telling discrepancies that we have brought to this Legislature came following the testimony at the Lavoie inquiry. The minister has said both in this Legislature, which by the way, Mr. Chair, statements in this Legislature have historically been treated very seriously. There is an assumption that statements made in this Legislature have great veracity, and where statements made in this Legislature contradict each other clearly, the member faces, I would suggest, serious sanctions by this forum. Because it is in this forum where the public interest is ultimately to be protected, I would suggest even more so than in the courts; and in this Chamber, and in written materials, this minister went on talking about how not only in the Family Violence Court but throughout her Prosecutions department, the Crown attorneys were trained, received special training in domestic violence. At the Lavoie inquiry, we heard not one, not two, but three Crown attorneys, under oath, in answer to the simple question, have you received special training in domestic violence, respond, no.

From time to time, I have brought into this House statements by people who are in the know on certain issues and had to confront the minister. I have asked repeatedly on different issues, how could the minister say this when so and so said that? I think it is unfortunate that we have to bring the names and statements of other people into this Chamber, but it has come to that because the minister continues with her contradictory statements. But when we bring into this Chamber the transcripts of evidence, under oath, by her own department staff, we should not be surprised, Mr. Chair, about what is now coming to the fore, what has been exposed about this minister in the last month. Of course, the events that I am referring to revolve around the Headingley riot.

* (1000)

Immediately following the riot, the minister said that staffing levels were not an issue, were not a factor, emphatically said so. She was satisfied that security concerns had been addressed adequately at that institution, and then what did we hear? We heard from correctional officer after correctional officer, present and retired, officers at all levels, union officials, health and safety people, we received minutes from health and safety

meetings, which confirmed over and over again that this minister has turned a blind eye to security at that institution.

We can debate at length how one gets to an effective correctional policy. Corrections is a very difficult policy area, but the path followed by this minister has been one of saying, I am tough, we have rigorous confinement, a new policy, a new regime. We are going to slam prison doors shut. They thought that was enough of a catch to put on TV during the election. They thought the prison doors was enough of a catch that they sent out pamphlets throughout Manitoba in the days leading up to and during the election. They were the party of law and order. Indeed, some of the media bought into that. I remember Maclean's, there was an article in there with the heading, Ms. Law and Order. I would commend that reading to anyone.

Mr. Chair, it is that puffery that has been exposed. Let us look at some of the issues that were raised as a result of the riot. The minister first—and I talked about this yesterday—came out after the riot and was flailing around saying, these inmates are going to repair this institution, by golly. As the member for Transcona (Mr. Reid) says, in-your-face justice, in-your-face corrections. Of course, we all want to move toward a system where there is restitution and where offenders are truly accountable and make up and face up for their wrongdoing. But that statement was made without authority. That statement was made without knowledge, without thinking through the ramifications, without thinking through the security implications. What was she going to do? Was she going to decide on who were the rioters? Who was guilty, and who was not? Was she going to supplant the role of the courts of law? Or is she going to put the victims to work doing that as well? Credibility into question.

Then we brought into this Legislature convincing evidence, I would say conclusive evidence, that barrier walls had been removed by this minister in cell-block 1 where the riot broke out. This minister mocked the member for Transcona when he raised this issue in the House, saying we bring in false information to this Chamber. Her senior official got on TV and looked into the camera and said, there never had been barrier walls in cell-block 1. Mr. Chair, the people who took down those barrier walls a couple of years ago could not believe what had been told to Manitobans. The person who did the

drawing of the division in cell-block 1 could not believe what he heard from this minister. Credibility at issue.

Then the minister said, well, this is the first day in the Legislature following the riot. Today I am pleased to announce random urinalysis testing for drugs at the institution. I am sorry I could not do this earlier, but we were waiting—

Mr. Chairperson: Order, please. I really hate to interrupt the member when he is in full flow, but I do want to remind all honourable members that we will keep the decorum at a very level pace in this committee, and I do not want to hear any chatter going back and forth.

The honourable member for St. Johns has the floor at this time. Anybody wanting to carry on a conversation can do so in the hall or in the loge. The honourable member for St. Johns to continue.

Mr. Mackintosh: She said, I am sorry but it was not until today that I could announce random urinalysis because we were waiting for a court decision. We went and looked. There are books on this subject. There are regulations on this subject, regulations passed in 1992 by the federal government, setting out how random urinalysis will take place in the federal institutions. I believe that urinalysis began in 1993 and has been taking place. I understand that as part of an overall drug response program, it can play a role as a deterrent. Credibility again, Mr. Chair.

And then the minister said, making fun of our Leader, I do not know where he gets his legal advice, but you cannot have a commission of inquiry and criminal proceedings going on at the same time. Here we are looking at criminal proceedings and the commission of inquiry into the Westray mining disaster going on in Nova Scotia. In the national news we are reading about it all the time. It is interesting there is a Supreme Court of Canada decision that says, yes, indeed, you can have both at the same time. There are checks and balances. The Charter of Rights and Freedoms have to be respected, but you leave that to the commissioner. The commissioner can ensure those protections are guaranteed.

Well, then along came a tragic murder at Inwood. Now Mr. Chair, we are all cognizant that individuals charged

with any offence are only charged. They are not found guilty, but this amounts to a serious allegation, to put that mildly, by the police that the individual who was charged, Mr. Rouire, for the murder of Mr. Futch at Inwood, it just so happened, was on a temporary absence pass from Headingley Institution, and the pass was dated the day following the riot. Manitobans started asking some serious questions. It was our duty to follow up on allegations that individuals made, that correctional officers made, to pose those to the minister.

It is too often the case, of course, that is the reality, we are in opposition, we have to bring forward allegations when they appear well founded, as do the radio commentators in this city, as do television stations and others who are in the business of informing the public. When it was asked of the minister whether there was a new get-soft policy, I think some of the questions were posed, whether there was a loosening of criteria for early releases, temporary passes, the minister said, and I will quote just one of her statements. It is from the Legislature: "There were not changes to the criteria." I recall—I am paraphrasing—I believe she said on television that, was there some loosening or was there some leniency? No, she said, all those who were released were eligible. They may have been eligible in terms of their time. The question that the public has is were they eligible in terms of their risk assessment, the community assessment? Were they eligible based on that old stand-by criterion of common sense? Was public safety sacrificed?

* (1010)

We understand that there were demands on spaces in the adult correction system as a result of the riot. That is only common sense and that there may have been some extraordinary decisions made that could be warranted but not at the expense of public safety. But what did the minister say? She did not say that. She said there has been no change. Everything is tickety-boo. We are the toughest, we are one of the toughest, and if this new rigorous confinement and we are carrying on and, by golly, no one is getting out from our institutions that would not get out otherwise. And what happened? The number of T.A.s in the few days after the riot skyrocketed. Mr. Rouire was one of them. Mr. Rouire, this does not go to whether this man is guilty or innocent, because that is not my function, and indeed it would be

wrong for me to comment. This goes to the question, how could this individual be eligible looking at all the criteria, not just how long he has served, how could he be eligible for a temporary absence pass? This is an individual who according to the records of the Provincial Court, which, I am sad to say—this reflects on the minister's staffing—was incomplete at the time we requested this individual's record, very unfortunate that the Provincial Court would not give us the complete records when asked. But we went back, Mr. Chair, because we had serious questions about what information was given to us.

It was discovered that this individual, according to these records—I am just reading them; this was what appears—was convicted for 12 offences since February of 1995. We have listened to the sentencing, the transcripts. We heard about the vicious assaults this individual was involved in in this community, the place where he was sent back to. He was convicted for assault caused bodily harm twice in the last year alone, apparently jumping on a man's head for one thing. What is very telling, this individual apparently, according to these records, breached every probation order that was thrown at him. This is an individual who has no respect for the law. This is an individual who a temporary pass would mean nothing to, I would suggest, based on his record, criteria, I would suggest, Mr. Chair, which the Justice minister and her department are required to take into consideration when granting temporary absence passes. This individual had over half of his sentence yet to serve.

What message is the Justice department and this minister giving to Manitobans and to those who do what is worse in their community? And if there was no change to the criteria, I would ask, what is the sense of the criteria in the first place then if individuals like this get out? What rigorous confinement is this?

You know, if there is one essential role for prisons, it is to protect public safety. We hope that individuals are changing for the better in those institutions; we have serious questions as to whether under this minister that is occurring, but what happened to public safety? But the minister said, no, even faced with that. Everything was tickety-boo. Not one person had been let out under unusual criteria. Then she went on to say, well, I think 24 were let out following the riot. Well, there is a link. So now the bells are going off. This is just getting too

much. Then she said, 63 were let out, and as I interpret what the minister said, those were 63 on temporary absence. I do not believe that included those who were at end of sentence.

The minister when asked, just tell Manitobans, tell us here how many were let out, what their offences were, she said, yes, and tomorrow morning I am going to have on my desk a full report and I am going to report back, and she never did. In fact, every day she says I am going to report back and she never does. It was Richard Cloutier yesterday who said to her, just posed a simple question, why do you not put some of these matters to rest? Just give us the information, just tell us. We are asking questions. We are asking her to confirm or deny what has now come to light.

It started last week on a talk show with Peter Warren, who had good information that three or four sex offender—I think he originally said four sex offenders had been released early as a result of the riot. The minister came out of her office in a strange public relations exercise on Friday afternoon and essentially confirmed everything that Mr. Warren was alleging. Then yesterday it came to our attention from a correctional officer that, no, four was not the right number at all; it was 11. We cannot confirm or deny that, Mr. Chair because we do not have the knowledge, we do not have the list that the minister has. Only the minister could have stood up and said whether that was correct or not.

Now today there are allegations in the media that this group of sex offenders included pedophiles and perhaps some who are a high risk to the community. And then I do not know what happened. Despite questions going back two or three days from the member for Osborne (Ms. McGifford), I do not understand why the Community Notification Committee was not advised that these individuals were released. I mean, the minister goes around the country talking about a Notification Committee, and she goes around the country talking about sex offenders and how we have to have long-term supervision and a different regime. She started talking about that. Of course, that was after the Arthurson, the Sarah Kelly inquest report which damned this minister's policies on sex offenders. She has the gall to go to Ottawa with that puffery, and meanwhile she lets sex offenders out the side door who had not completed their sentencing, who had not completed their programming,

and I ask, what incentive is that for sex offenders to keep their programming going?

Mr. Hughes has been called on to look at the causes of the riot, and I met with Mr. Hughes briefly last Friday. I have full confidence in Mr. Hughes's abilities. He is the right carpenter but this government refused to give him the tools that the public of Manitoba needs to ensure that all of the truth is uncovered, the ability to examine under oath, compel witnesses and documents, because this minister, her department, have a spin that everything was tickety-boo. They will try and impress that spin, no doubt, on Mr. Hughes but we will rely on Mr. Hughes, a person of great integrity, to cut through that, but we lament that he was not given the tools to do the full job.

* (1020)

I asked Mr. Hughes whether it was his intention to call the minister. I understand the interviews will be behind closed doors. This is not a public review. Manitobans should be reminded of that. Mr. Hughes looked surprised and said, well, no. So when the minister says, well, I have added to Mr. Hughes's scope questions about what happened after the riot, she of course does not agree to examination under oath by Mr. Hughes, because the questions that are in the public mind are not just the legality of releases following the riot. The issues are also the integrity, the contradictory statements made by this minister, indeed the veracity of the minister, and second of all, the competence of this minister and indeed just the common-sense nature or lack thereof of correction policy on releases in Manitoba.

So Mr. Hughes has not been given the mandate to deal with what Manitobans are concerned about.

Justice begins with honesty and the Justice minister's office. I do not know where else it begins. On that, Mr. Chair, this minister must go. She is not serving the public interest, and I for one am of the view there is very little that she can say now that is credible and that we on this side and Manitobans and indeed the victims of crime in this province can rely on. Thank you.

Mr. Chairperson: We thank the critic for his opening statement. I would remind members of the committee that debate on the Minister's Salary, item 1.(a) is deferred until all other items in the Estimates of the department

are passed. At this time we invite the minister's staff to take their place in the Chamber.

Is the minister prepared to introduce her staff present at the committee at this time?

Mrs. Vodrey: I am pleased this morning to introduce Mr. Bruce MacFarlane, who is the Deputy Minister of Justice; Deputy Attorney General, Mr. Pat Sinnott, who is the executive director of Administration and Finance; and Mr. Greg Yost, who is the executive director of Policy and Planning.

Mr. Chairperson: The item before the committee is item 1. Administration and Finance (b) Executive Support.

Mr. Mackintosh: Mr. Chair, I move that this committee has lost confidence in the Minister of Justice and Attorney General.

Mr. Chairperson: It has been moved by the honourable member for St. Johns that this committee has lost confidence in the Minister of Justice and Attorney General. The honourable member for St. Johns.

Mr. Mackintosh: Thank you, Mr. Chair. My—

Mr. Chairperson: Order, please. The honourable member for St. Johns has been recognized to start the debate on this motion. I would ask all honourable members to carry on their conversations in the loge or in the hall.

Mr. Mackintosh: This side, as it has in the past on motions dealing with the Minister's Salary, the previous two go-rounds of Estimates, where it also moved motions of no confidence in this minister, three years in a row I would add, Mr. Chair, takes this issue very, very seriously. This motion is a very serious motion. We believe that it only follows, not only on the issues raised in my introductory remarks, but on the concerns that this side has had over the course of the tenure of this Minister of Justice (Mrs. Vodrey). The time is up for this minister. We have called on this minister to resign. We have called on the First Minister (Mr. Filmon) to remove this minister.

This motion of no confidence reflects our disdain, the appalling record of this minister, particularly as I

emphasized in the beginning of my remarks, in light of the questions of her veracity and competence. Thank you, Mr. Chair.

Mrs. Vodrey: I am pleased to have a little bit of time to speak to the motion. I believe that is the opportunity that I have now. There are a number of issues which I think need to be addressed in the time that I have, and others may address some from there.

First of all, let me just say that the position of this government and for myself as minister, the goal on behalf of Manitobans is a goal of public safety. There has never been any question about that goal. The actions of this government over the past eight years and the actions in the past three years while I have been in charge of this department speak only strongly to that.

I think it important to talk a little bit about those accomplishments, to talk a little bit about what has been done in the interest of public safety for Manitobans and particularly what has been done in the light of the great lack and vacuum that was left to us by the NDP.

The NDP now try and come forward and they try and say they are very interested in domestic violence, they are very interested in maintenance enforcement, they are very interested in youth crime, and they are very interested in corrections. They are trying to have us believe that in some way they took some action in those areas and that now we have not taken any.

Well, the facts are exactly the opposite. That has been the case for the member for St. Johns and the members of the NDP party in the time that they have been in this House as opposition. They have very often brought forward information which is totally wrong. They have brought forward also information which is only a part, and the part of the information that they bring forward we find is clarified in the part that they just did not bother to read. We found that with the member for St. Johns, when he was speaking about Street Peace. He only read one part of the card and did not bother to read the other part, which was the explanation. So we often find that they are easily, easily taken in by half pieces of information which simply are not helpful.

So, Mr. Chair, I am happy to speak about some of the initiatives that this government has brought forward and

that during the time that I have been minister this government has considered and brought forward as well.

Let us start with legislative issues, let us start with the position on the Young Offenders Act, because it was this government that led the way across the country in terms of how the Young Offenders Act should be strengthened. It was this government who first raised the issues in terms of very specific ways of strengthening the Young Offenders Act to the new federal minister, and I can tell you, Mr. Chair, there was no help from the other side. They did not believe that you should toughen the Young Offenders Act; they did not think that was the way to go. In fact, there was not even a peep from that side. They just did not believe it. But our government certainly believed that and took forward very specific—

Mr. Chairperson: Order, please. I would like to inform the committee that we will have a very interesting debate here and that this is a very serious matter before the committee at this time, and I would ask for the cooperation of all members to give the common courtesy to hear everyone who is putting their words on the record.

The honourable minister, to continue.

* (1030)

Mrs. Vodrey: Thank you very much, Mr. Chair. Obviously the other side has great difficulty when I point out the weaknesses that they have had in their time when they had an opportunity.

Now let me also just very briefly list off a list. Then I will go through discussing, and we can talk about strengthening the Young Offenders Act. We can talk about strengthening our policy in the area of Youth Corrections, because we made it clear that where federal government was not prepared to act, this province was prepared to act in the area of its jurisdiction.

Let me speak about the area of violence against women. It was this government that set up the Domestic Violence Court, the Family Violence Court. It was this government that took those specific actions. It was this government that introduced zero tolerance. It is this government that has continued on that path with no support, a vacuum from across the other side. It is this government that called the Lavoie inquiry. It is this

government that has made the commitment to look at what is raised as a result of the Lavoie inquiry.

Mr. Chair, it is this government that took the steps to make the strongest changes in the area of maintenance enforcement legislation because we believe that economic security, women's economic security is an important matter and that people should not be victims of a weak maintenance enforcement program which the other side had and supported. I see that we got some support from them in our bill, not total support.

When we developed the Community Notification Advisory Committee which was to deal with notification of communities, if there was an offender who was still considered to be at risk to the community, that was developed here in this province because, again, the federal government has not yet acted in that area for high-risk offenders. We did not get support from the other side. In fact, the whole work of that committee has been totally minimized by the member for St. Johns (Mr. Mackintosh). I believe the day that they issued their first report, the member from St. Johns was seen in the room speaking to the press, wildly flailing about, as he likes to talk about, and when he is thinking and talking about flailing, he was flailing about that day, trying to find some way to minimize and say that this meant nothing. I am paraphrasing, but in his words, this meant nothing, this did not do anything.

In fact, across the country, other provinces have looked at our model and will be adopting our model or models very similar to it because they recognize that this is an important step. This government was the first across the country, and we have indemnified those people who have taken the position of acting on that committee.

Let us not in any way have that member think that they have acted on behalf of women because we set up the Domestic Violence Court, that they have acted for economic security of women because we were the ones who brought in the maintenance enforcement act, that they have acted on behalf of youth crime and violence because they did not have a position on the Young Offenders Act. The list goes on—support to victims. We have not heard from them on the issues relating to support to victims, but it was this government that said that victims must be recognized within the justice system and have asked for legislative changes federally to

recognize the role of victims, particularly, of stalkers. I would like to see some of those changes recommended for stalkers expanded to domestic violence. Position on stalkers—I am not aware that the other side has taken a strong position to protect, by and large, women who are victims of stalkers. It was this government that took the proposals forward to Ottawa. It was this government that has continued to persevere in this area, and this government will.

So, Mr. Chair, in the area of dealing with Manitobans and public safety, I start from the beginning. It was this government who dealt with legislation, federal and provincial. When we deal with violence against women, it was this government who developed the domestic violence court. It was this government who developed zero tolerance.

It was this government who dealt with the issue of the cross-charging policy. In the area of youth crime, it was this government who held the summit on youth crime and violence. It was this government who put into place preventative programs such as Street Peace. It was this government that recognized that you could not just do to young people as they would do. Instead, you had to involve young people. It was this government who has involved the community in youth justice committees and recognizes the importance of community participation. It was this government who has continued to work involving young people, and it was this government who recognized that there had to be consequences for young people who were offenders.

All of that, Mr. Chair, with the opposition of members opposite, members opposite who have always felt that fighting other issues, other important issues as well, but fighting other issues was more important and that a soft approach to public safety—they always thought we were too harsh—they never agreed, that would not be their position. So the facts speak for themselves on what this government has done.

We are now dealing with a very difficult issue. The riot at Headingley was a very difficult issue. It was very difficult for all concerned. No one would ever seek to minimize what happened that day. As a result of that, we are dealing with Mr. Hughes to look at the reasons. We want to make sure that this does not happen again. We want to provide the best justice system for the people of

Manitoba, to do so with an open mind, and to do so with policy that is consistent and has been consistent on behalf of the people of Manitoba, in the interests of public safety. I think we will hear half the story from other members opposite, and at every opportunity, Mr. Chair, in either this debate or the discussion of Estimates, I will be here to clarify everything that they have put on the record that is, in fact, not correct.

Mr. Dave Chomiak (Kildonan): I welcome the opportunity of rising in this debate, Mr. Chairperson, to put on the record some of my concerns, the concerns of my constituents and, I believe, the concerns of Manitoba concerning this minister and the motion that is now before us.

The motion that is before us deals with lack of confidence of this Chamber of members on this side of the House with the capabilities and the functioning of the office of the Justice minister and the Attorney General, Mr. Chairperson. We do not take that very lightly. It is not often in this Chamber you will see a motion brought forward where members of the Chamber state their lack of confidence in the ability of a minister. What we have seen demonstrated in this Chamber over the past several weeks and indeed over the past several years are serious failings in the office, and it comes down to something that is fundamental to our democratic process and fundamental to the operations of this Chamber, and that is ministerial responsibility—ministerial responsibility and failure on the part of this minister and indeed the First Minister to accept their responsibilities as guardians and stewards of the justice system in the province of Manitoba.

There is nothing more fundamental than the rule of law as it relates not just to proceedings in this Chamber, but to the very functioning of the government of Manitoba. Never before do I believe in the history of Manitoba have we seen more of a lack of confidence in the ability of a Justice minister to undertake the responsibilities of his or her office in the Province of Manitoba.

What this debate comes down to is the inability of this minister to undertake her responsibility and her roles and the failings of the First Minister to undertake his responsibility to remove this minister from her position and restore confidence in the justice system for the people of Manitoba.

Mr. Chairperson, I have sat in Question Period and I do not think I have seen a more abysmal performance by a minister in response to legitimate questions asked by members on this side of the House, and I have seen—

Mr. Chairperson: Order, please. I hate to interrupt the honourable member, but I have already advised the committee that we do not want any disruptions. This is a very serious matter before us at this time. It should not be taken lightly, and each and every one of the members of this committee will have an opportunity to put their words on the record if they so choose. I would ask that they give the opportunity to this member, and the common courtesy.

The honourable member for Kildonan, to continue.

* (1040)

Mr. Chomiak: Thank you, Mr. Chairperson. I have seen some bad performances in this House, most notably by the Minister of Health (Mr. McCrae), both in the emergency hospital dispute and certainly in the fiasco that is occurring in the privatization of home care. While I have suggested and recommended that the Minister of Health ought to be removed as well, this issue, the competence and the response and lack of responsibility by this Minister of Justice is so fundamental to the functioning of the government of Manitoba that it is a most serious concern, and the minister cannot be removed too soon.

Mr. Chairperson, I want to go back to the day of the Headingley riot and question the Minister of Justice appearing, holding press conferences and talking about how tough the government of Manitoba was going to be in the face of this particular dispute. I believe the quote—well, it has been quoted, I am sure it will be quoted during the course of this debate—but I question the very requirement for a Minister of Justice to proceed to the site and to take the stand that somehow she is in charge. Having done that, whether or not it was advisable or not, she has become responsible for the consequences of her actions and her words that day and her subsequent words.

That day she was wrong. She said the prisoners would be going out there and cleaning up immediately, and that has not happened. So the Minister of Justice, by

proceeding to set herself up and put herself in the position where she was taking responsibility and then subsequently not living up to those responsibilities, has put her in no other position, no other honourable position than to resign because she has lost the confidence of Manitobans.

It does not just deal with the prisoner cleanup. It has to deal with prisoners out on T.A. It has to deal with notification of sexual offenders. Who is responsible? Is the minister responsible? Are her staff responsible? Where does the buck stop? The minister has taken responsibility. The minister says she is going to get tough. The minister has talked about all of the activities she has done to get tough, and then when it comes to questions about what have you done, she says, I do not know. She says, I am reviewing it.

Mr. Chairman, it is unconscionable for a minister to come to this House and to this Chamber and say, I am going to review the facts as to why a prisoner got out. Either you are responsible or you are not, and if you are not responsible then you ought to leave your position. The minister has time and time again come to this Chamber and said, I am going to review. Well—

Mr. Chairperson: Order, please. I am having great difficulty hearing the honourable member for Kildonan, and I know he is speaking loud enough. [interjection] Are there any other conversations we want to carry on? At this time the honourable member for Kildonan has the floor.

Mr. Chomiak: Thank you, Mr. Chairperson.

I am offended as a member of this Legislature and as someone who has had some experience in the legal profession to hear a Minister of Justice, who has indicated she is in charge and she is getting tough, come into this House and say, I do not know why those prisoners got out; I do not know why those sexual offenders did not go through the notification process.

Mr. Chairperson, either you are responsible and you made the decision or you are not responsible and you did not make the decision. In both cases, you have no choice. Either you know what is going on in your department and you direct what is going on your department and take the responsibilities for the activity of your department or you

are not responsible. In both cases, the minister has no honourable choice but to resign, to leave that position. She cannot continue to blame her departmental officials.

This is the minister who went and said she was going to get tough. This is the minister who said she was in charge on the day of the riot. She was down there, she was in charge, but now she is not in charge for the concerns about the cleanup? She is not in charge for the T.As? She is not in charge for the sexual offenders non-notification? Mr. Chairperson, you cannot have it both ways. Either way this minister is either responsible for her department and failed to undertake her duties adequately or she is not responsible and not in control and has contradicted everything that she said when she went down and said she was going to get tough, when she says that she has these policies in place.

In addition, she talks about half-truths. This minister has been contradicted more times in this House between what she said in the House, what she says in the hallways and what is coming out from her own officials who appear to be at odds with the minister, Mr. Chairperson, and are a further indication of lack of confidence in this minister, her own officials who have no confidence. How can we have confidence that justice will be administered in a fair, evenhanded and appropriate fashion when her own officials contradict her, when her own words in the House contradict her, when she is not taking responsibility for her very activities that she is sworn to deliver? Or, if she is responsible and has not adequately fulfilled those duties, how can we have any confidence in this minister undertaking, in a very difficult portfolio, in a very difficult position, the administration of justice?

We have no choice but to bring a motion of this kind forward. We are doing it in the interests of Manitobans, and the sooner that confidence is restored in the office of the Attorney General and Justice minister, the better off all Manitobans will be. Thank you, Mr. Chairperson.

Hon. Jim Ernst (Minister of Consumer and Corporate Affairs): I have been in this House for about 10 years, I guess, a little over 10 years, and I have heard a number of speeches given in this House from a wide variety of individuals, people who have been in government, people who have been in opposition, on a wide variety of issues both in Estimates and in debate in the House on some pretty contentious issues, but I have

never heard a more pompous, arrogant speech by a member than I have heard this morning from the member for St. Johns. Mr. Chairperson, it was absolutely unbelievable. I have not seen tactics like that since I was in grade school and the schoolyard bully used to bounce around the schoolyard, and that is exactly what the member for St. Johns reminded me of, a schoolyard bully.

(Mr. Mervin Tweed, Acting Chairperson, in the Chair.)

Some Honourable Members: Oh, oh.

The Acting Chairperson (Mr. Tweed): Order, please. The minister has the floor. Please proceed.

Mr. Ernst: Thank you, Mr. Chairman. The member for St. Johns and the member for Kildonan (Mr. Chomiak) recently in his address to the Chamber exactly did that, went right at the personality of the Minister of Justice (Mrs. Vodrey). They were the ones who started this whole issue, the fact that they have performed with the kind of tactics that we have seen just in the last few minutes.

Our government and the Minister of Justice have been extremely strong with regard to the issue of young offenders. Members opposite were opposed to that. We were very strong on the question of domestic violence and I would not say opposed, but they were at least lukewarm on the other side of the House about that. Boot camps were—great derision came from the members opposite. The fact that you want to deal with young offenders in a strong manner, came nothing but derision from the other side of the House.

Some Honourable Members: Oh, oh.

The Acting Chairperson (Mr. Tweed): Order, please.

Mr. Ernst: So the initiatives that this government has taken, strong initiatives, initiatives appreciated by the people of Manitoba, supported by the people of Manitoba, we get from the members opposites nothing but derision, opposition and at very best, lukewarm. I have never seen more negative people in my whole life than the members opposite and particularly when it comes to Justice issues.

But they are tough, the members opposite. They are tough on PMU herds, they are tough on hog barns. They

are soft on criminals and tough on hogs. Real, real class people that want to form the government of Manitoba—unbelievable. They come into this Estimates process. They do not want to ask any questions. They do not want to seek out any answers. They do not want to talk about issues related to Justice or even any of the events that were mentioned in the speech by the member for St. Johns (Mr. Mackintosh). They do not want any information. They do not want any facts. They do not want to ask any questions. They simply want a political grandstand.

Mr. Chairperson, we have seen that every day in Question Period. When they stand up they are not interested in facts, they do not want to hear what the Minister of Justice (Mrs. Vodrey) has to say. They do not want to hear any of the information that is related to these issues at all. They are simply here to political grandstand, try and get a 10-second clip on television, trying to get their name in the newspaper.

They are not interested in the facts—and then to come in here and not even want to talk about issues related to the Estimates process, not even want to seek out additional information, to ask questions, to have the minister's staff here so that questions can directly be put through the minister, they do not want any of that. They want to political grandstand. They want to stand up and the very first thing they did after making, as I said, a very pompous and arrogant speech in my view, the very first thing he did was want to move a motion of no confidence in the Minister of Justice.

(Mr. Chairperson in the Chair)

Quite frankly, I do not care if they have any confidence in the Minister of Justice because the people on this side of the House do and we are the government. We have confidence in the Minister of Justice. We think she is doing a good job. Quite frankly, if they do not have any confidence I really do not care because it will not matter in the long term because the Minister of Justice will carry out her duties, will do the job that the people of Manitoba expect and will bring forward the kind of policies, the kind of actions that are necessary so that we have law and order in this province, that we have the kind of things that the people of Manitoba want. We will see criminals dealt with in an appropriate manner. Certainly, Mr. Chairman, on behalf of this side of the House, we

certainly support the Minister of Justice and have no cause for the issue raised by the member for St. Johns.

* (1050)

Mr. Daryl Reid (Transcona): Mr. Chairperson, I am pleased to rise to enter into this debate today to also express on behalf of the people of my constituency nonconfidence in the Minister of Justice (Mrs. Vodrey). I do not make those statements lightly. It is a very, very serious situation we have in this province by a Minister of Justice who refuses day in and day out, question after question in this Chamber, making statements that she has outside of this Chamber, where she refuses to accept any responsibility for her actions and for the events that have transpired in this province to call into disrepute the office that she currently holds.

I want to go back to the time on April 26 where it came to our attention that through unfortunate circumstances, the inmates at the Headingley correctional facility had rioted and that the Minister of Justice chose to make a statement on national television, to choose the opportunity to have that 10-second clip on national television saying that we were going to take the steps necessary, she was going to take the steps necessary to force the inmates that were responsible for the riot at Headingley correctional facility to clean up the mess that was there and to repair all of the damage.

She said, and I believe I am quoting accurately, this is in-your-face corrections in the province of Manitoba. What did we find, Mr. Chairperson, April 26 until yesterday? Yesterday, the minister admitted in this Chamber, was the first day that a single inmate had performed any work in the Headingley correctional facility since the riot. What happened in the ensuing time period? With the minister's words that inmates were going to be responsible and clean up the mess and clean up the damage at the Headingley correctional facility, is this the in-your-face corrections that the minister talked about?

I think we need to go back to what we see, to what I believe are the root causes of the riot that the minister refuses to accept any responsibility for, fundamental causes of the riot, I believe. I have in my hand here a document showing that the intermediate barrier wall on block 1 of the Headingley correctional facility was

removed some two years ago. What this caused was that there was a 10-block, 10-cell section outside of that barrier wall in block 1, and behind that barrier wall there were a further nine cells where inmates were housed. By the removal of that barrier wall, which the minister refuses to acknowledge was removed under her responsibility as the Minister of Justice for the Province of Manitoba, it put at risk the employees, the correctional officers that were serving the public and the Department of Justice, protecting all of us, putting at risk those corrections officers in the performance of their jobs.

The minister even today in this Chamber refuses to accept any responsibility for the removal of that intermediate barrier wall that allowed inmates in 10 cells and a further nine cells to be in the same block section with open cell doors, that when the corrections officers went in to do their search and seizure, they were outnumbered 19 or 20 to seven. Now can the Minister of Justice, in her mind, explain how it is logical to have corrections officers outnumbered 19 or 20 to seven in their search and seizure? How is that protecting the security of those people that are performing the security measures for protecting the people of the province of Manitoba?

The Minister of Justice who was the co-chair with the Premier (Mr. Filmon) of this province, development of the Conservative Party philosophy in the last provincial general election campaign, she was in the development of the slam-the-cell-door-closed policy that this government went through the election campaign and told the people of Manitoba, we are being tough on criminals in this province.

Tough talk, weak action. Slamming that cell door is not what occurred. What it did, by the removal of that intermediate barrier wall, precipitated the riot actions in the province of Manitoba.

Point of Order

Mrs. Vodrey: Mr. Chair, just on a point of order, perhaps the member did not hear the clarification around the wall. I believe that it had been clarified to him that it was very difficult to tell which wall he was referring to, that in some cases walls were removed. They were removed with Workplace Safety and Health's involvement and in the case of—I am not going to be

specific as to which wall because I do not have those notes here—were removed at the request of guards so that they felt that they had a better view. So the member is putting on the record information, again part information.

I would like to clarify that, though I would say I do not have my notes here to specifically note that we are talking about the same wall. Some walls were removed. In some cases there was not a wall there.

Mr. Chairperson: The honourable minister did not have a point of order. It was a dispute over the facts.

Order, please. At this time I would like to advise the committee that points of order are questions raised with the view of calling attention to any departure of standing orders or the customary modes or proceedings of debate. It is not to bring to the attention the incorrectness of a statement or to correct any statements made by any members in the House.

* * *

Mr. Reid: I have in my hand, as I explained to the Minister of Justice a few moments ago, a document from the Headingley correctional facility that shows that there was an intermediate barrier wall that the minister refuses to accept any responsibility for the removal of. The maintenance people, the maintenance supervisor I spoke to personally told me that he had instructions to remove that wall, and it was removed some two years ago. So let not the minister say that the wall is still there. She can go out there if she wants and check the lines on the floor. I am told they are still there on the floor.

I want to go to another point. The minister said that she does not have a directive. There is no directive from her staff saying that in her policy, Mr. Chairperson, let us do lunch, that the corrections officers do not have to take meal breaks with the inmates of Headingley correctional facility which causes hardship and stress for the employees of the correctional facility, and at the same time puts them at risk, something I think that this minister has denied time and again.

I have in my hand here, and I will quote it, I will quote it for the minister's reference: It is expected that all the staff shall support divisional institutional directives and/or philosophies which in part necessitate active

participation in case management process and usage of the combined inmate-staff dining room when taking advantage of institutionally supplied meals.

* (1100)

That was a directive that was given to all of the part-time and full-time correctional officers at Headingley facility. So let not the minister say that she does not have a let-us-do-lunch policy in this province because documents from her own facility show very clearly that it is her policy that forces the inmates and the corrections officers to share meal facilities and mealtimes at the facility.

People of my community are offended that the Minister of Justice allowed dangerous people back out into society, dangerous sexual offenders, those who chose to terminate their counselling training or support programs in the facility and that there was no continuation of those programs. People of my community have raised with me in the past, and I raised it with the Minister of Justice in this Chamber last year, that they are very concerned about dangerous sexual offenders in our communities in proximity to our families and yet this minister continues to release people with those problems from Headingley facilities back into our communities, putting at risk the communities and the people who live in them.

So I support the motion that was brought forward by my Justice critic saying that we have lost confidence in the Minister of Justice.

Mr. Gary Doer (Leader of the Opposition): Mr. Chairman, I appreciate the allowance to speak on this resolution.

It is four weeks ago today that the riot took place at the Headingley Correctional Institution. It is not the first riot that has taken place in correctional institutions in Manitoba. Hopefully, it will be the last one. But this riot four weeks ago has illustrated the major weaknesses of the Minister of Justice in terms of the administration of the justice system and has amplified to the public of Manitoba a Minister of Justice who talks before she knows, talks without any knowledge, is more interested in the press and press opportunities than the facts and honesty in terms of the people of Manitoba. We, of course, on this side have absolutely no choice but to raise

the discrepancies between what the minister says and how she says it and what has actually happened and is happening today and, regrettably, under the stewardship of this minister will happen in the future unless this motion is supported by all members of this Chamber. If members of this Chamber are going to vote with their constituents instead of along party lines, if members of this Chamber are going to vote with the people instead of voting along party lines because some whip in the Tory caucus has to support the Minister of Justice, the members opposite will vote with the people and against this Minister of Justice. The members opposite will vote with the NDP on nonconfidence in the Minister of Justice so Manitobans can have a Minister of Justice who will provide for the safety of Manitobans in an honest way.

The Headingley situation is one example where—[interjection]

Mr. Chairperson: Order, please. I do hate to interrupt the honourable member, but I am having trouble—[interjection] Order, please. All honourable members will have an opportunity to put their words on the record. At this time, the honourable Leader of the official opposition has the floor. Let us give him the common courtesy to listen as he has listened to the other presentations.

Mr. Doer: What did the minister say on the weekend of the riot? We will hold responsible all those who were responsible for the riot, and they must clean up the institution and repair the institution. She went on to say on April 28 and again on April 30 that she expected those people to be cleaning up the same day or that week that the riot took place.

Of course, you should not threaten people with action if you cannot deliver. I mean, the whole premise of authority is you use your authority in a way that you can deliver your actions to your words. It makes a farce, unfortunately, of a very serious situation because all Manitobans want to hold accountable those people responsible for the riot, with criminal charges, with sanctions in jails and, yes, with cleanup if possible. But you should not be so interested in a national clip that you put in disrepute your own word and your own authority and your own ability to delivery and you put to ridicule the justice system and the Justice minister for comments that you cannot deliver on. It is the first rule of any

authority. You do not say anything you cannot deliver on.

If you are a parent, you do not say something to your child that you are not prepared to deliver on. If you are a shop steward, you do not say something to the management lawyer unless you are prepared to deliver on it. If you are the owner of a company and you are dealing with employees, you do not threaten something unless you can deliver on it. You deliver on your word and you know first before you open your mouth what are the consequences of what you are saying. You do not just go for the 10-second clip unless you can deliver day in and day out on what you said.

Secondly, this minister—and I asked her in this Chamber—she said that staffing levels were not an issue to the riot. It was in her own ministerial statement. We knew full well that the staffing levels had changed and the deployment of staff at Headingley had changed, and the numbers of people on security in the jail had been reduced from up to 25 on the evening shift down to between 16 and 19. The minister said it was not an issue. The guards said it was an issue. We say it is an issue. The minister was wrong.

The minister said that the barrier walls were not an issue. She came to the House when we asked her the question, and she says, oh, you know, you do not get your facts right.

If you go to cell-block 1 you can still see the spots where the wall was taken out under the stewardship, not actually of this minister, I believe, of the former minister, the Conservative minister in '92-93, or it may be between the two of you. Of course, all we wanted was a straight answer to the question. We had a memo saying that the range bars were put back in 1987 and the range bars were approved to be removed under this minister's stewardship. I have the memo. I tabled it in the House. It is signed by a Mr. Wolfe. Again, on and on and on.

I am glad that the minister had to do a U-turn on the range bars, but on the cleanup you are wrong, on the staffing levels you are wrong, on the barrier wall in cell-block 1 you are wrong, and it goes on and on and on.

Then, of course, the tragic situation last week on the T.A.s at the Headingley jail. We asked a very simple

question to the Minister of Justice. We asked was this individual who committed the alleged murder on a temporary absence and how many people from Headingley were on temporary absences and did the riot play any part in the decisions on temporary absences in the Justice system. The minister said, no, it did not play any part, but senior correctional officials a week before said that, yes, the riot did play a part in accelerating the number of temporary absences from the jail.

Why did the minister not just say that in the House last week? Why did she not just tell the people the truth? Who are we to believe, a long-time senior employee of the Department of Corrections who is nonpartisan, or are we to believe the Minister of Justice (Mrs. Vodrey), who says that the riot was no consideration for the release of temporary absences?

Every guard knows the minister is wrong. Every probation officer knows the minister is wrong. Everybody working in Corrections except the minister knows she is wrong. We have even been told that the minister was advised to give another answer to the public and tell the truth at the first step, because it is a lot easier in a difficult question and in difficult circumstances, it is a lot easier in the long run to say that, yes, there were a number of T.A.s approved, ultimately found at 63. We know that some of those were accelerated.

When you look at the criteria of danger to the public and length of time served, Mr. Chairman, we know that people were released on an accelerated basis. The public knows that. The guards know that. The senior correctional officials had confirmed that. The only one that has not had the ability to tell Manitobans the truth is the Minister of Justice.

* (1110)

I recognize that this is a very, very serious situation. A person was murdered, a 72-year-old man. His family is very concerned about it. But the first place we have to start, we have to start with a minister that will tell Manitobans the truth. As tough as that may be, as hard as it may be to deal with it, you have to face these issues with courage, and courage requires honesty.

That is what our motion is about all today. We cannot have confidence in a Justice minister, in terms of the

safety and security of Manitobans, if we cannot have confidence that she is giving full and proper answers to tough issues that a Justice minister must deal with, she is giving full and honest answers to tough issues that we pose in this House.

We asked the question about the Headingley riot. We have asked about staffing. We have asked about the barrier walls. We have asked about the issue of the philosophy that had changed the jail to be much more of a kind of a love, trust, pixie dust philosophy under this minister rather than safety and security of inmates first. You know, it was under her stewardship that all these kind of flip-chart jail policies were developed rather than the safety and security of people.

So we can go on and on about the backlog in courts, the increase in offenders unfortunately in our communities, the cut in victims' assistance but, unfortunately, when the minister wants to say in-your-face to all Manitobans and she wants to have the bravado, she has got to deliver. If she cannot deliver, she should resign. Thank you very much, Mr. Chairman.

Mr. David Newman (Riel): Mr. Chair, I am very proud to be the legislative assistant to this minister. She is a conscientious and hard working and responsible minister, and she is performing a very difficult job. Honourable members opposite may not appreciate the very challenging and difficult and lonely role it is to be an Attorney General of any province in this country under our system. You must stand alone on many occasions because you do not want to ever give the impression, certainly never the reality, but not only that, the impression that you are interfering with the exercise of discretion of prosecutors. You cannot ever do anything that would suggest that there is political interference. That makes you very cautious, and some ministers are more cautious than others in the common law system that we have in our western democracies. More caution is better in the sense that it means less likelihood of interference, but it also means many times you are exposed to the sort of attacks that the honourable members opposite have chosen to levy, to render to this particular minister, with the support of the media in a large measure.

I found it very interesting, coming in from a career as an advocate where you had due process in courts or

before administrative tribunals, you had a natural justice sort of format. I have discovered that the goal in this Assembly of this particular opposition party and the honourable members speaking for it is to try and either intimidate a minister into resigning or to use the processes of Question Period and the very short time span you have and the very limited opportunity you have to expand on anything, to use that process to judge and then pass judgment on the person who is under attack in that process, often in an orchestrated way with a joint-and-several effort, not just by people in the Legislature representing the opposition party, but also with the full support of the media. It certainly is very much like a pack of wolves who smell blood and move in for the kill.

I might say it is very good training for all of us on this side of the House that have not had the honour and the responsibility and the exposure and the vulnerability of being a minister. I must say, it makes one think twice, sitting here and watching the process that one must endure when one wears those sorts of responsibilities. It is no wonder that many people outside, very qualified people, might consider never running for office at all if this is what it means and this is what you risk.

When you attack in 15-second clips, human beings performing duties responsibly and conscientiously as stewards on behalf of the citizens of this province, the way it is done you hurt them, you hurt their families, you hurt their friends and you hurt all of those that believe in them. It is very easy, as I say, to make that happen, but the courageous ones like this minister are not going to give into that, nor is the team that she is a part of because they see it for what it is, and even if there were any justification for it you would resist it because you appreciate how unjust the process is.

(Mr. Mike Radcliffe, Acting Chairperson, in the Chair)

We must be reminded that this minister, in dealing with this riot at Headingley, something that was thrust upon us—it was an event that took place that makes nobody happy, and it has had consequences. You put the event in the context when we have had an act of civil disobedience and illegality, probably, at Waterhen involving the native people in part and gangs in part associated with Headingley in part, you put it in the context of the labour disputes that were going on and the feelings and tension, you put it in the context of the

feelings in the Legislature when certainly there is a lot of subjective anger and negative emotion about home care and other events that do certainly inspire emotion, feelings and different opinions, we are in a very, very emotional time.

So you put the Headingley situation in there as well, and what do you do? Well, the wonderful thing about our system in Manitoba and in this country is that we do have the rule of law. We look to due process, and we look to that process to come up with the truth to generate the evidence to examine the real issues. Not in the seconds here before television cameras—and I am not questioning the role. The role of the opposition is to highlight these things but let us not carry to an extreme. Let us not, and hopefully if I ever am in a position where I am in opposition, I will not conduct myself—

Some Honourable Members: Oh, oh.

The Acting Chairperson (Mr. Radcliffe): Order. Excuse me. I would ask the honourable members to try and contain themselves. The honourable member for Riel has the floor at this point in time. This is a highly controversial aspect of the proceedings of the committee, and I would ask every honourable member in the committee today to honour the individual member who is speaking at this point and award him the respect.

Point of Order

Ms. Becky Barrett (Wellington): Mr. Chair, I wonder if the member for Riel would define “extreme” for the House?

The Acting Chairperson (Mr. Radcliffe): Excuse me. I do not believe that is a point of order. That is a request for interpretation, and I would rule that is not a point of order. I would ask every member to keep their comments to a minimum on this and keep them to themselves.

* * *

The Acting Chairperson (Mr. Radcliffe): Would the honourable member for Riel please proceed.

Mr. Newman: My experience in this House has demonstrated to me that very commonly there is an attempt by the honourable members opposite to usurp the

function of due process and carry to extreme these sorts of situations. Just like collective bargaining resolves many things and often without sort of an interference that has been demonstrated in this House very well and sometimes faster without interference, so the due process that is going to be conducted by retired Justice Hughes will bring about fact findings and reliable and complete enough information that then conclusions can be drawn.

* (1120)

It would be inappropriate, I would submit, and not with respect to process, to judge this minister, the people who work within the Justice department, the people who work within the Government Services department, the people who work within the Labour department responsible for workplace safety, it would be wrong to judge those situations until a process has been completed and the information is in.

That is exactly what Justice Hughes is embarking on. Justice Ted Hughes, a resident of British Columbia, has a proven track record for making constructive and helpful recommendations. He is well known across the country for being objective and impartial. A long-time judge in Saskatchewan and then Deputy Attorney General in B.C., after retirement he served in a number of significant roles in the last six years: Conflict of Interest Commissioner for the Northwest Territories, Complaints Commissioner for the British Columbia Police Commission, chair of the 1991 commission of inquiry involving justice issues in Manitoba.

All of us want to know what may have led to such a violent and tragic incident as Headingley, and I am confident the Justice Hughes review will lead us to the answers.

His mandate is complete. It is to make recommendations to the Minister of Justice on actions which can be taken to prevent or minimize the chance of another riot. His report will be made public and will address the management of the institution; the immediate precipitating events; the impact of the presence of authorized and unauthorized drugs in the institution; the training of correctional officers and equipment available to correctional officers; staffing and resource levels in the institution, including the mix of security and program personnel; living

conditions in the institution; adequacy of security measures for protective custody inmates.

In addition, Justice Hughes may report on any other areas that he considers necessary to investigate the causes of the riot.

I urge all honourable members to respect this process and not make any premature judgments on this particular issue. Thank you.

Mr. Kevin Lamoureux (Inkster): Mr. Chairperson, I have a few words that I would like to put on the record with respect to the whole issue of justice in the province of Manitoba, in particular this resolution.

You know, it is interesting, during the last provincial election everyone recalls this whole let-us-get-tough-on-crime attitude that this government has had both during the election, even leading up to the election, where they had the one brochure talking just about how tough they are going to get with crime.

I guess what they were trying to address is what they believe was public opinion and feed into public opinion. Public opinion was saying, look, we want you to get tougher on crime, but had they read a bit further into it, they would have discovered what the member for The Maples (Mr. Kowalski), our critic, had discovered.

That is that in order to get tough on crime, you have to start getting tough with some of the causes of crime. That is where this government has really been missing the boat and failing quite miserably. Whether it is youth justice or adult justice matters, they have not put in the effort. Rather, what we have seen is somewhat of a facade.

It came to a point when we had a crisis in the province of Manitoba in the sense of the Headingley uprising that took place, and virtually instantly after the riot was put to rest, we had the minister, and we expect that the minister had conferred or consulted with the Premier (Mr. Filmon), coming out strong, she wanted to send a strong message to the public to give the perception that the government was really tough on crime, and that is, you know, there has been a bunch of bad boys over at the Headingley Correctional Institution. They caused a riot, and we are going to make those guys clean up the mess that they caused, Mr. Chairperson.

A lot of people within the public would look at that and say, you know, there is the minister really getting tough and standing up for the public by forcing these individuals to clean up their own mess, only to have to retract on that. First you hear from the lawyers that say, well, we are not too sure if that is against the Charter and then there was a question in terms of security, do we really want individuals that have caused the riots to have some of the equipment that would be necessary in order to clean up the mess? So then the minister starts backing down.

What one would have expected of the minister would have been an apology. I made a mistake, I should not have said what I have done. You know, the minister could maybe learn a lesson from the Deputy Prime Minister and what the Deputy Prime Minister did with some of the comments that she had made, made an apology, even went a bit further in terms of seeking another mandate from her constituents. Well, Mr. Chairperson, we are not suggesting that the minister has to seek another mandate from her constituents. Many Manitobans would argue that they would like to see the whole government seek another mandate. I think that there are a lot of valid arguments to why it is that they maybe should be seeking a whole entire new mandate, because the Minister of Justice is not alone.

I went through, as the member for Kildonan (Mr. Chomiak) did, health care Estimates and we make reference to a number of areas where there is outright incompetency, where government fails to recognize where it has made a mistake and to rectify that mistake. There is nothing to coming forward and saying, look, I made a mistake; I should not have said what I said and this is, in fact, what is going to result from it. Then what we find with this particular minister, Mr. Chairperson, is that she will say one thing in an attempt to—at least on the surface—appear to cover up. For example, the other day she said in the Chamber that, look, we are now having inmates starting today cleaning up the mess. Well, on the way to work this morning, I hear on one of our radio stations that it was four individuals in an area in which the riot did not occur.

Well, whether that particular radio report is correct or accurate or not, the problem is that this is a Minister of Justice who fails to bring information to this Chamber unless that information is supportive of what it is that she

is doing or the actions that she has taken. Again, a complete absolute failure from this minister to acknowledge where she has made a mistake. She keeps on digging herself deeper and deeper in. What I have found to be somewhat interesting in this whole process, to a certain degree—as I pointed out at the beginning, the Conservative image of, we want to be tough on crime. Over the last couple of days, one might argue that the New Democrats are trying to say, we are going to be tougher on crime. So you have two political parties here that are trying to demonstrate to the public that we are going to be really tough on crime: We can be tougher than you; the government is nothing but a facade; they do not know how to be tough on crime whatsoever—an interesting perspective from where we are sitting in terms of watching this on what appears to be more of a day in, day out, at least over the last week or since the Headingley riot.

Mr. Chairperson, we do have very strong reservations with respect to the confidence of the Minister of Justice. We feel frustrated in the sense that she is not coming forward. You know, the member for The Maples (Mr. Kowalski) had the opportunity to meet with the minister and the RCMP where there were explanations that were given. We respected that particular meeting. The minister at that time appeared to want to share information, to let us know and through us we can let our constituents know, and through our critic, the critic is allowed to address the fears that Manitobans might have and it is based on information. But what has happened is that information, in many cases, has now been inaccurate. There has been a lack of information. [interjection] Well, the minister says not her, it is coming from the New Democratic caucus. Well, it is something in which no doubt, from our perspective, the member for The Maples will filter through and advise our caucus accordingly.

* (1130)

But, Mr. Chairperson, there is no doubt a lot of confusion is out there, and I do not believe for a moment that the Minister of Justice (Mrs. Vodrey) is innocent on this matter, that the Minister of Justice can be more straightforward with the answers that she has been giving in the House and, at the very least, ensure what information that she is providing us is accurate and not try to defend at all cost whatever positions she and her

government have taken on this issue in an attempt to save face. If you have done something wrong, admit that you have done something wrong, and then go on to rectify the problem.

With those few words, Mr. Chairperson, I will leave it at that.

Mr. Chairperson: The honourable member for The Maples. Order, please. Thank you. Order, please. I have recognized the honourable member for The Maples (Mr. Kowalski). I understand that, yes, we normally do rotate, but you will notice that the NDP had—I am sorry, I had seen the honourable member for The Maples at his feet first. If the honourable member for The Maples can sit down at this time, I am more than pleased to recognize the honourable member for Osborne.

Ms. Diane McGifford (Osborne): Thank you, Mr. Chair, and I thank too the honourable member for The Maples (Mr. Kowalski), who has behaved most honourably.

I am pleased to have this opportunity to put a few remarks on the record. My concern, of course, is, as the critic for the Status of Women and as the MLA for Osborne, with protecting women and children, both in my community and in the broader community. It seems to me that the minister's behaviour in all these matters, matters of protection as of late, particularly relating to the early release of inmates from Headingley, has been opaque, has been coloured by prevarication and certainly by uncertainty.

There appear to be several stages to the whole affair. I understand, of course, first there was the riot and the reasons for that. There was the settlement of that, and that itself is a murky matter. The cleanup remains a very murky matter, and the early releases is an extremely murky matter.

On Tuesday in this House, I rose and spoke to the minister from the information I then had which identified the early release of three offenders. The minister did not suggest to me that indeed there were any more than three offenders, but one would assume if she were on top of her ministry, she would have had all information, especially in this extremely serious matter.

It appears that the minister either has not done her homework or does not know what is going on or is misleading this Chamber because, by Wednesday, Mr. Chair, the number of early released offenders had increased to 11. On Thursday, I learned, not only is the number 11, but there is a possibility that eight of them were serious sex offenders, three rapists, two serious pedophiles.

We still have no clear information, we still have no answers. The minister told us yesterday she does not have the information. She told us yesterday she does not know if the Community Notification Advisory Committee has received any names, if any of the names have been sent to this committee. It seems to me that this leaves Manitobans not knowing if there are dangerous pedophiles loose in our community. The Community Notification Advisory Committee set up by this government to provide us with this information may have received these names, may not have received these names. The minister is uncertain, has not given us the information. It seems to me that the whole climate of justice in the province of Manitoba is uncertain, just like the minister, and clearly the minister has lost the confidence of this committee.

Mr. Gary Kowalski (The Maples): Mr. Chairperson, it is with great sadness that I rise—

Mr. Chairperson: Order, please. Before the honourable member for The Maples continues, could I ask all honourable members wanting to carry on their conversations to do so in the loge. I am having great difficulty hearing the honourable member.

Mr. Kowalski: As I started to say, it is with great sadness that I rise to speak to this motion today. I do not like politics. [interjection] Someone says, what am I here for? Well, I am here to present a view, to bring forward my experiences. I have been in the criminal justice system for well over two decades, first with the RCMP and then with the Winnipeg Police Services and as a probation officer. That experience in the justice system has taught me some things. The training, first of all, trains you to come forward in conflicts, bring the parties together, to lower the level of aggravation and then to find a solution. We cannot always do that here. Finding solution is not always the best way.

In police work, I have also found that it is more of an art than a science. Many times there are judgment calls made whether to arrest someone or let them go, whether to give a warning, whether to take someone in for a mental health examination or take the chance that they might commit suicide. Know what? I have made mistakes. You know, who has not made mistakes in any field or endeavour?

So in speaking to this motion, I wonder what really is the purpose. We know what the result is going to be. The government has more members so this motion is not going to pass. So why do we put these things? To put our dissatisfaction about the minister's policies on the record—well, that has a value. To get the media attention—I do not think any member in this Chamber has no guilt about trying to get media attention. No matter what side of the House we would be on, we would be doing many of the same, similar things, and there is a lot of theatrics by all members in this House.

Have I lost confidence in the Minister of Justice and Attorney General (Mrs. Vodrey)? I have not lost confidence in her intelligence, her abilities, but I have lost confidence in the direction of her policies, a direction that has taken us and has maybe—no, not maybe, has done a disservice to the justice system in Manitoba, that has tried to make the justice system seem a simplistic system, that if we lock up more people, we lock them up for longer and we keep them in jail, that it is going to make our streets safer. The justice system is a lot more complicated than that and by trying to put perception in front of reality—and I believe that there is a political purpose for that.

Advocating for inmates is not politically popular. Advocating for more dollars for corrections is not politically popular. Advocating for prisoner reform, whether it is having lunch with inmates, whether it is having inmates treated as human beings and not people who have to be locked in segregated cells with divider walls maybe is not politically popular and maybe there are many people who have been in the Corrections service for a long time who would not support any changes in the correctional system and believe that prisoners should be locked in their cells and get bread and water and get the lash once a day and should thank us for doing it, but they do not work. There are programs out there that do work. Restorative Resolutions, a project

of the John Howard Society, does work, but it is not politically popular.

So, yes, I have lost confidence in the minister's policies and the directions and what it has done to the criminal justice system and the perception of the public about the criminal justice system in Manitoba. For that reason, I will be supporting this motion.

* (1140)

Mr. Chairperson: Is the committee ready for the question? The question before the committee is the motion by the honourable member for St. Johns (Mr. Mackintosh),

THAT this committee has lost confidence in the Minister of Justice and Attorney General.

Is it the will of the committee to adopt the motion?

Voice Vote

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

Some Honourable Members: Yea.

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

Some Honourable Members: Nay.

Mr. Chairperson: In my opinion, the Nays have it. The motion has been defeated.

Formal Vote

Mr. Mackintosh: A formal vote.

Mr. Chairperson: A formal vote has been requested by two members of this section. Call in the members.

All sections in Chamber for formal vote.

Mr. Chairperson: Order, please. In this section of Committee of Supply meeting in the Chamber considering the Estimates of the Department of Justice, a motion was moved by the honourable member for St. Johns, and the motion reads,

THAT this committee has lost confidence in the Minister of Justice and Attorney General.

The motion was defeated on a voice vote, and subsequently two members requested that a formal vote on this matter be taken. The question before the committee is on the motion of the honourable member for St. Johns.

A COUNT-OUT VOTE was taken, the result being as follows: Yeas 21, Nays 28.

Mr. Chairperson: The motion is accordingly defeated.

The hour being 12:25 p.m., committee rise. Call in the Speaker.

IN SESSION

Mr. Deputy Speaker (Marcel Laurendeau): The hour being after 5:30 p.m., this House is now adjourned and stands adjourned until 1:30 p.m. this afternoon.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 23, 1996

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