

Second Session - Thirty-Ninth Legislature
of the
Legislative Assembly of Manitoba
Standing Committee
on
Social and Economic Development

Chairperson
Ms. Erna Braun
Constituency of Rossmere

Vol. LX No. 12 – 6 p.m., Thursday, September 25, 2008

ISSN 1708-6698

MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Ninth Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON SOCIAL AND ECONOMIC DEVELOPMENT

Thursday, September 25, 2008

TIME – 6 p.m.

LOCATION – Winnipeg, Manitoba

CHAIRPERSON – Ms. Erna Braun (Rossmere)

**VICE-CHAIRPERSON – Ms. Sharon Blady
(Kirkfield Park)**

ATTENDANCE – 11 QUORUM – 6

Members of the Committee present:

Hon. Messrs. Lemieux, Swan

Mses. Blady, Braun, Messrs. Dewar, Eichler,
Ms. Korzeniowski, Messrs. Maguire, Pedersen,
Saran, Mrs. Stefanson

MATTERS UNDER CONSIDERATION:

Bill 47–The CentrePort Canada Act

* * *

Clerk Assistant (Mr. Rick Yarish): Good evening. Will the Standing Committee on Social and Economic Development please come to order.

Your first item of business is the election of a Chairperson. Are there nominations for this position?

Mr. Gregory Dewar (Selkirk): I nominate Ms. Braun.

Clerk Assistant: Ms. Braun has been nominated. Are there any other nominations? Hearing none, Ms. Braun, will you please take the Chair.

Madam Chairperson: Good evening. Our next item of business is the election of a Vice-Chair. Are there any nominations?

Mr. Dewar: I nominate Ms. Blady.

Madam Chairperson: Ms. Blady has been nominated. Are there any other nominations? Hearing no other nominations, Ms. Blady is elected Vice-Chairperson.

This meeting has been called to consider Bill 47, The CentrePort Canada Act. There are no registered presenters this evening. Is there anyone in attendance who wishes to speak to this bill? Seeing none, we will proceed with clause-by-clause consideration of the bill.

During the consideration of a bill, the table of contents, the preamble, the enacting clause and the title are postponed until all other clauses have been considered in their proper order.

Also, if there is agreement from the committee, the Chair will call clauses in blocks that conform to pages, with the understanding that we will stop at any particular clause or clauses where members may have comments, questions or amendments to propose. Is that agreed? *[Agreed]*

Does the minister responsible for Bill 47 have an opening statement?

Hon. Ron Lemieux (Minister of Infrastructure and Transportation): Thank you and good evening. What I would like to do is I'll be very brief, but I really want to take the opportunity to thank a number of people that have worked very, very diligently and hard on this bill to get it right.

With that, I just want to say, the Premier (Mr. Doer) created an inland port leaders group, and this group has worked very, very hard over the summer to deliver recommendations to the Premier. The inland port leaders group involved government, many people from the private sector, business reps, transportation industry and the Manitoba Federation of Labour.

What I'd like to do is just quickly mention some of them—and I say some, because there are many more: Dave Angus, for example, with the Winnipeg Chamber of Commerce; Alice Bourgouin, the Reeve of Rosser; Jim Carr, President and CEO of the Business Council of Manitoba; Art DeFehr, President of Palliser Furniture; Bob Dolyniuk, Trucking Association; Stu Duncan, President of Destination Winnipeg; Darlene Dziewit, President of the Manitoba Federation of Labour; Sam Katz, the Mayor of the City of Winnipeg; Glen Laubenstein, also with the City of Winnipeg; Chris Lorenc, Heavy Construction Association; Art Mauro, Winnipeg Airports Authority; Barry Rempel, President and CEO of Winnipeg Airports Authority; Sean Smith, Director of Strategic Projects, CP Rail; Graham Starmer, Manitoba Chambers of Commerce; Ron Koslowsky, Canadian Manufacturers and Exporters;

Marc Lavallée, CN Rail; Jim Titsworth with Burlington Northern Santa Fe. There are many, many others that can be thanked for their hard work and recommendations that came forward as a parcel that you have before you today in legislation.

So Bill 47 is about putting together a board of directors, getting them in place so they can do their job. I want with that, I want to thank the opposition, because they realize the importance of this bill and the importance it means to Manitoba. Also, I want to thank the Leader of the Liberal Party also for your co-operation with regard to passage of this legislation as well and also to the Leader of the Official Opposition (Mr. McFadyen) and my critic for that.

With that, I just want to say thank you to everyone, and Manitoba will be a far better province after this legislation's passed and a private-sector board is put in place to go ahead with our CentrePort Canada inland port.

Madam Chairperson: We thank the minister.

Does the critic from the official opposition have an opening statement?

Mr. Larry Maguire (Arthur-Virden): Yes, I do. Thank you very much, Madam Chair.

I just wanted to as well say how important our caucus and our leader know the development of an inland port is for the future of Manitoba. I guess I could put it in another term. As was said by Mr. Blank, down at the university on Tuesday morning, Dr. Stephen Blank, a well-known North American expert on inland port developments, if you have transportation, you're probably going to be in an area where you're going to see future development. We've seen that throughout history as the Prairies and as Canada were developed, as the Prairies were developed, as North America's been developed. Historically, where roads and railroads went together, there was economic activity, commerce and development. But we've added to that, obviously shipping, but another probably since the Panama Canal was built; flight has taken place as well. So, with air travel, one of the things that was mentioned was that there are very few cities in North America that have the ability that Winnipeg has to have all of those types of transportation, modes of transportation come together in one confluence. One of the others was Fort Worth, Texas, which happens to be on the mid-continent corridor as well.

I think that this type of bill and then, of course, the entrepreneurial development, the entrepreneurial spirit, that is backing it will make it happen. Winnipeg has a great future in this, has an opportunity to be a gateway to the world. Other regions of the country, as I've said, will continue with their efforts and other provinces. We were in Halifax this summer as well, talked with some of the people there in regard to the development of the eastern ports, the conventions in Vancouver dealing with the same issues. This is not about whether it's good for just Winnipeg, Manitoba and Manitobans; it's about the development of a centre of the region for the North American continent as we can ship goods out of here all over within 36 hours.

I think it's probably one of the most important, or could be one of the most important, aspects of development for Winnipeg since the Panama Canal probably took away some of that potential about a hundred years ago in those areas. It certainly provides us with many opportunities with the railroads, the highways, the air and the shipping, with Churchill being a seaport as well. It's not just about that; it's about Prince Rupert being a major seaport that will take over some of the overflow of those container vessels that cannot be unloaded in the major cities that are there today like Los Angeles and Long Beach, in those areas. There are great terminal—that's a great terminal port on the west coast, but L.A., L.B. and Vancouver cannot take the growth of the future, I understand, that will be there.

Part of the reason for developing this is because, of course, our railroads—CN particularly runs right out of Prince Rupert; I've had the opportunity of seeing that port firsthand in my days on the Wheat Board Advisory Committee when we looked at the grain shipping that was going out of that area, and container vessels still coming through that today. We need to be able to make sure we bring as many of those through to Winnipeg as we can.

* (18:10)

The bill provides for single jurisdiction, which is very important to the development of an inland port. I believe that one of the more important aspects of it as well will be putting in a free trade zone around the CentrePort area, the 20,000 acres as are identified in the bill. Of course, it also says that that can go up or down. I think there are three important parts to it, and that is getting the board in place, giving it 90 days to be put in place. Once we pass this bill, once it gets through. We do support the bill in its present

form; there's no doubt about that. I'm going to have the Member for Lakeside (Mr. Eichler) make a couple of comments in a moment as well, if I could share a couple of moments with him on that.

I think that one of the key issues that was mentioned also the other morning was by Dr. Barry Prentice, former head of the Transport Institute at the University of Manitoba, Asper School of Business, and that is, if you don't play the game—if you don't make the moves, if you decide not to invest or take the risk to invest in this type of venture, then you're just not in the game and you're going to lose by default. I think that that's important for us all to remember, that that's why it's so important that we get the structure which Bill 47 is. Bill 47 just provides the structure for the economic activity to take place.

Clearly, from that, the entrepreneurial incentives have to be there for the businesses and the economic activity to take place within that region to go ahead and make Manitoba a have province in the future, and give it the best opportunity to become more competitive with our neighbours and known as a great distribution centre of transportation and a hub for assembly and manufacturing that it can be. It already is in many cases, but will certainly be expanded, have the opportunity to expand too.

So I just want to say that the bill provides for long-term development. It provides for investment; it's part of its goal of the new board of directors, made up nine to 15—but 11 that will be appointed nominees—from each of those 11 areas particularly. One of their first jobs will be to provide the long-term development, the investment and promotion of the port. We certainly look forward to getting this in place and allowing the bill to go through so that board can begin to develop its business plan as quickly as it possibly can, because I think time is of the essence in regard to making sure that we stay ahead of not just our Canadian neighbours, but our American neighbours as well in regard to making this happen. We've got the advantage of, as I say, the acreage in the region of the James Richardson International Airport here in Winnipeg to make it happen.

With those few words, I would begin the process of going through the bill, but I would like to maybe provide a couple of minutes, if I could, of my time to have the Member for Lakeside because, of course, he is representing the R.M. of Rosser. If he could have

an opportunity to say a few words as well, I'd pass it over to him.

Madam Chairperson: Does the committee give leave to allow Mr. Eichler to have a few words? *[Agreed]*

Mr. Ralph Eichler (Lakeside): Thank you to the committee, and thank you, Madam Chair.

I do want to put a couple things on record, and I want to thank the minister for allowing the amendment to come forward. I know that he wrote a letter to the R.M. of Rosser in regard to the appointment of first directors. I already had one drafted, but we are certainly prepared to allow the government's one to proceed—that the R.M. of Rosser be included on the first directors—as an amendment to that.

I certainly recognize the fact, and I know the minister recognizes the significant contribution that Rosser does make. It's a large part of their tax base and certainly needs to be at the table, and they are at the table. I wanted to put that on the record so that we can now proceed with the debate on this very significant bill.

Madam Chairperson: Thank you, Mr. Eichler.

Clauses 1 and 2—pass; clause 3—pass; clauses 4 and 5—pass; clauses 6 through 8—pass; clause 9—pass.

Shall clause 10 pass?

Some Honourable Members: No.

Mr. Lemieux: I, at this point, would like to make an amendment with regard to the CentrePort act in clause 10(1).

I'd like to read the amendment at this time. I move

THAT Clause 10(1) of the Bill be amended by adding the following after clause (f):

(g) the Rural Municipality of Rosser.

Madam Chairperson: It has been moved by Minister Lemieux that the CentrePort act—dispense?

Some Honourable Members: Dispense.

Madam Chairperson: Dispense. The amendment is in order. The floor is open for questions.

Seeing no questions, is the committee ready for the question?

Some Honourable Members: Question.

Madam Chairperson: Amendment—pass.

Clause 10 as amended—pass; clauses 11 through 13—pass; clauses 14 to 17—pass; clause 18—pass; clauses 19 to 21—pass.

Shall clauses 22 to 24 pass?

Some Honourable Members: Pass.

Mr. Maguire: I know it may not be as much under regulations, going into force, you have to pass the schedule at the back as well, do we? *[interjection]* Okay. Then I'll proceed.

Madam Chairperson: Clauses 22 to 24—pass.

Shall the schedule pass?

An Honourable Member: I just have a question on that.

Madam Chairperson: Mr. Maguire.

Mr. Maguire: It's been brought to my attention, and I haven't had a chance to raise this with the minister before, but I just wanted to mention that, when I look at the map of the present jurisdiction, that this follows into along Silver and perhaps some of it is east of the Winnipeg airport at the present time, there is an area in here, I believe, Madam Chair, that is presently a housing development—or not a housing development—but there are presently homes located or a housing area in that jurisdiction.

I wonder what the thought pattern is in regard to why that area was included, or is it an opportunity to purchase those homes out at a later date, perhaps, or are there any plans on moving that? I don't think it's a large area, but why was the housing area included in the boundaries that were established for this port area?

Mr. Lemieux: I guess, probably, the brief answer is that it pertains really to the traffic and the transportation plan at a later date, but right now there is no intention to disrupt those homes or the people that are there. It was all inclusive when people were taking a look at that 20,000 acres. At least that's what I've been advised.

Madam Chairperson: Mr. Maguire?

Mr. Maguire: No, that's fine.

Madam Chairperson: Schedule—pass; table of contents—pass; preamble—pass; enacting clause—pass; title—pass. Bill as amended be reported.

The hour being 6:18, what is the—Minister Lemieux.

Mr. Lemieux: I just want to make one quick comment. I just want to thank all parties. I know I did so before, but it's nice to see co-operation on such an important bill. I really would be remiss if I didn't thank Bob Silver and Robert Ziegler who were the chair. I didn't mention their names earlier, but they're the two people that took time out of their day and out of their work to chair this group of hardworking entrepreneurs that wanted to put all of this together.

On that, I just want to thank everyone, the Leader of the Liberal Party (Mr. Gerrard), the Leader of the Official Opposition (Mr. McFadyen), and everyone here today for moving this forward. Thank you.

Madam Chairperson: The hour being 6:18, what is the will of the committee?

Some Honourable Members: Rise.

Madam Chairperson: Committee rise. Thank you.

COMMITTEE ROSE AT: 6:18 p.m.

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