



First Session - Thirty-Seventh Legislature

of the

Legislative Assembly of Manitoba

Standing Committee

on

Public Utilities

and

Natural Resources

Chairperson
Bonnie Korzeniowski
Constituency of St. James



MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Seventh Legislature

Member	Constituency	Political Affiliation
AGLUGUB, Cris	The Maples	N.D.P.
ALLAN, Nancy	St. Vital	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
ASPER, Linda	Riel	N.D.P.
BARRETT, Becky, Hon.	Inkster	N.D.P.
CALDWELL, Drew, Hon.	Brandon East	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CUMMINGS, Glen	Ste. Rose	P.C.
DACQUAY, Louise	Seine River	P.C.
DERKACH, Leonard	Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary, Hon.	Concordia	N.D.P.
DRIEDGER, Myrna	Charleswood	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
FILMON, Gary	Tuxedo	P.C.
FRIESEN, Jean, Hon.	Wolseley	N.D.P.
GERRARD, Jon, Hon.	River Heights	Lib.
GILLESHAMMER, Harold	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LATHLIN, Oscar, Hon.	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
LEMIEUX, Ron, Hon.	La Verendrye	N.D.P.
LOEWEN, John	Fort Whyte	P.C.
MACKINTOSH, Gord, Hon.	St. Johns	N.D.P.
MAGUIRE, Larry	Arthur-Virden	P.C.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McGIFFORD, Diane, Hon.	Lord Roberts	N.D.P.
MIHYCHUK, MaryAnn, Hon.	Minto	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
NEVAKSHONOFF, Tom	Interlake	N.D.P.
PENNER, Jack	Emerson	P.C.
PENNER, Jim	Steinbach	P.C.
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REIMER, Jack	Southdale	P.C.
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TWEED, Mervin	Turtle Mountain	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

THE STANDING COMMITTEE ON PUBLIC UTILITIES AND NATURAL RESOURCES

Tuesday, August 1, 2000

TIME – 6:30 p.m.

LOCATION – Winnipeg, Manitoba

CHAIRPERSON – Ms. Bonnie Korzeniowski
(St. James)VICE-CHAIRPERSON – Mr. Cris Aglugub
(The Maples)

ATTENDANCE - 11 – QUORUM - 6

Members of the Committee present:

Hon. Ms. Friesen, Hon. Mr. Lathlin

Mr. Aglugub, Ms. Cerilli, Messrs.
Cummings, Dewar, Ms. Korzeniowski,
Messrs. Loewen, Maguire, Maloway, Tweed*Substitutions:*Mr. Fauschou for Mr. Tweed
Hon. Mr. Sale for Ms. Cerilli

APPEARING:

Hon. Jon Gerrard, MLA for River Heights

MATTERS UNDER DISCUSSION:

Bill 43–The Sustainable Development
Amendment and Consequential Amend-
ments Act

Bill 35–The Planning Amendment Act

Bill 48–The Rural Development Bonds
Amendment Act

Madam Chairperson: Good evening. Will the Standing Committee on Public Utilities and Natural Resources please come to order. This evening the Committee–

Committee Substitution

Mr. Glen Cummings (Ste. Rose): I would like to make, with leave of the Committee, a substitution. I move that the Member for Portage la Prairie (Mr. Fauschou) replace the Member for Turtle Mountain (Mr. Tweed).**Madam Chairperson:** Is there leave? *[Agreed]*

* * *

Madam Chairperson: This evening the Committee will consider the following bills: Bill 35, The Planning Amendment Act; Bill 43, The Sustainable Development Amendment and Consequential Amendments Act; and Bill 48, The Rural Development Bonds Amendment Act. How does the Committee wish to proceed with the consideration of these bills?**Ms. Marianne Cerilli (Radisson):** I would recommend that we complete Bill 43 first and then move to Bill 35 and then Bill 48.**Madam Chairperson:** Agreed? *[Agreed]*

Does the Committee wish to indicate how late it is willing to sit this evening? Would somebody like to go on record and propose review?

Ms. Cerilli: I think we will see how it goes tonight. Our objective here is to pass these bills on.**Mr. Cummings:** I need to amend my motion by adding that this would be effective immediately with the understanding that the same substitution will also be moved in the House to be properly recorded in the official records.**Bill 43–The Sustainable Development
Amendment and Consequential
Amendments Act****Madam Chairperson:** Does the Minister responsible for Bill 43 have an opening statement? *[interjection]* During the consideration of a bill, the preamble and the title are

postponed until all other clauses have been considered in their proper order. 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]*

Shall clauses 1 and 2(1) pass?

Mr. Glen Cummings (Ste. Rose): The section 2(1) to amend, it provides direction and guidance as to what the Round Table may do. Because the Minister is reorganizing this area in a manner more suitable to how they want it to function, I would like to know if he can tell us, not by names, but by numbers or by qualifications, how he intends to have support to the Round Table, given that this bill pretty much eliminates the Sustainable Development Coordination Unit?

Hon. Oscar Lathlin (Minister of Conservation): Madam Chairperson, in response to the Member's question, I think I have already indicated that, as part of our reorganization, as part of our integration work, we have created a new division called the Environmental Stewardship Division. Underneath that division, we will have three branches: one is the licensing approval branch; one is policy; and the third one will be the Aboriginal relations branch. The division and the three branches will be staffed by some 39 people that are moving over from the former department of environment.

Mr. Cummings: I accept the Minister's direction. It is his to give. But this seems not to provide the balance that is generally thought to be a key component of sustainable development, in other words, the relationship between environment and development. What provisions does the Minister anticipate in terms of trying to keep that balance in this unit?

* (18:40)

Mr. Lathlin: Madam Chair, probably the way that we can create that balance that the Member is referring to is—I think he knows that we are amalgamating the two former departments

together, natural resources and the environment. So, of course, the two functions will be put together, integrated. So we will have that former activity that was carried out by the Natural Resources department come together with the environmental functions. I do not see this brand-new division being perfect from day one, the day that we started up, but, rather, I see it evolving as we go along. So that is probably the best way to answer the Member's question.

Mr. Cummings: Unless the Government has some changes or revisions it intends to introduce to this bill at this point or a little further along that we are at this point unaware of, the only way we can express our concern about the direction the ministry is moving would be to vote against the clauses as they come up. I do hope the Minister will take to heart the question about the balance between environment and development because if that balance is not kept at this level, it will ultimately not be provided through overall direction to government, and the effectiveness of a cross-sectoral group of people working to provide advice to the Premier and the government of the day will become watered down, so I do not intend to pursue this any further.

The Minister, I think, recognizes the reason for my question. I would say I am not entirely satisfied that I got the answer I wanted, but I certainly would acknowledge that he is right. This can evolve, and I just hope he will take the advice of those far wiser than I who conceptualized cross-sectoral groups working to provide the best advice for development of the environment and the economy in whatever jurisdiction.

I will leave my remarks there.

Madam Chairperson: Shall clause 1 pass?

Some Honourable Members: Yes.

Some Honourable Members: No.

Voice Vote

Madam Chairperson: All those in favour of passing clause 1, say yea.

Some Honourable Members: Yea.

Madam Chairperson: All those not in favour, say nay.

Some Honourable Members: Nay.

Madam Chairperson: The Yeas have it.

An Honourable Member: On division.

Madam Chairperson: On division.

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Madam Chairperson: Clause 1—pass. Shall clause 2(1) pass?

Mr. Larry Maguire (Arthur-Virden): Just a comment on this particular clause. Madam Chair, this clause 2(f.1) looks to me like another autocratic ruling that the Minister is giving a self-serving interest to in that this is a request of the Minister to review a number of these areas again. I wonder if the Minister can give us a particular reason why they are coming forward with this particular clause.

This falls under the duties obviously of the—without getting to the fact that the Manitoba Environmental Council is being done away with here—Manitoba Round Table, which is section 4(2). There are a number of duties that the Round Table has the opportunity to fulfil here, albeit that the makeup of the Round Table is being completely changed to have five ministers on it that we find is a situation that is not going to allow for the kinds of unbiased advisory role that the Manitoba Environmental Council held.

Can the Minister give us a comment as to why he is taking personal direction on this when in fact he has the ultimate authority to make the decisions as the Minister of Conservation anyway? This clause, as I understand it, looks at the principles and guidelines that the round table members could look at and fully allows them the opportunity to bring forward to the Minister the recommendations that they have. For the Minister then to say that, well, if I do not like those recommendations this is my veto power, can the Minister explain why he is bringing this clause forward?

Mr. Lathlin: That clause in there is exactly the way it was with the mandate for the Manitoba Environmental Council. It is no different.

Mr. Maguire: Well, that is exactly my point, Madam Chair. Mr. Minister, I mean, the fact that you have done away with the Manitoba Environmental Council, I mean, it would have been fine if the Minister was requesting some of these ideas under the Council. We are very well aware that the Minister's role with the Council prior to being an independent body, its mandate was to put its recommendations to the Minister, and the Minister did not have the right to say: No, you cannot go public with these.

I suppose he could have had the right, but it was not the direction of the previous government to say that you cannot go ahead and put your thoughts forward as a Manitoba Environmental Council. Their only obligation, as I understand it, was to provide the Minister with the processes, the recommendations that they had under the Council and give him a heads-up on it and then they could go public with it. The Minister would have to deal with it whether they were favourable recommendations to him or not.

Under this, when you already have five ministers on a round table and you are trying to include some of the other people to say that they will have a say in this process, you had the ultimate authority under the Round Table anyway. So why are we putting this clause underneath the duties of the Round Table in the first place?

Mr. Lathlin: Madam Chair, my response to the Member's question is the same, and it is no different from the way it was with the Manitoba Environmental Council.

I might add, though, that you know, the Member always likes to spout off by making all these remarks, but next month will be 10 years that I have been here and most of that time I spent in the Opposition. I used to sit there, you know, and I watched your colleagues. The former minister of Natural Resources will remember. Now you sit in opposition and all of a sudden you are born-again environmentalists, conservationists.

* (18:50)

The former minister of Natural Resources talks about balance. You know, one day he talks about big business, economic development and not enough for the environment. The next day he says well, you know, you need to protect the environment at the same time. We need some balance here. That is exactly what we are trying to do here. In the former round table, I believe there were seven cabinet ministers in the Round Table. In this case, the former Manitoba Environmental Council visited and advised one minister. I mean that is the way I looked at it when I first met the Manitoba Environmental Council.

Contrary to what members opposite might think, I was quite impressed with the quality of advice that they gave, and I told them right at our first meeting that I valued their advice, but we are moving on. We are looking at sustainable development for what it is. Now we need to take a balanced approach. Rather than concentrating on economics and business, we are going to have to, at the same time, look at the protection of the environment.

I think when we say that, members on the opposite side get excited and say: Look, you are turning business away. No, we are not. Business will continue as usual. Except, from now on, we are going to have to look at the protection of the environment as the Member for River Heights (Mr. Gerrard) has been saying for two or three weeks now, asking questions in the House. Again, he is a born-again environmentalist. Yet, when he was in the federal government, his government slashed Environment Canada's budget, slashed the staff people there. So I think, rather than attacking this initiative, the members opposite, if they are true in their statements that we should take a balanced approach, that we should protect the environment at the same time, well, I challenge them to get on board and support this initiative.

Mr. Cummings: I am sure we could spend a long time here debating what the Minister just said. Because what he is proposing—he can call it an initiative if he likes—I would be the first to admit that the Manitoba Environmental Council very often provided some outspoken advice that

grated on me during the time when I sat in the Chair that the current minister is in, but we left them to operate and we took their advice. Mainly they spoke on behalf of the environment. There were people with genuine concerns who spent an awful lot of their own free time.

You know, if the Minister wants to be at all accommodating in this area, I think that he would find a great deal of good will around this table if he considered whether or not he is dead set on eliminating the Manitoba Environmental Council. He could reflect on the fact that they are not given remuneration. It is not out of order for the Opposition to raise this issue in the manner that we are. It is not a cost item to the Government. It is cost in the matter of the Minister's time, from time to time.

If the Minister truly means what he just said where it is time to bring some environmental balance to the matters at hand, then he should consider the people and the type of work that was done by the Environmental Council. I think it would be fair to characterize most of their initiatives to be on the environmental side. So there is very little to gain, and I would say a lot of contrary problems will arise for the Minister if he is not prepared to recognize the work that people, who coalesced around the Manitoba Environmental Council, did.

Putting some of them on the Round Table does not do anything. I will provide support that it provides some balance by taking them to the Round Table. But it cannot be characterized as other than the old story about being inside or outside of the tent. By bringing them inside the tent on a round table that he appoints, he effectively has them at his service to the pleasure of the Lieutenant-Governor-in-Council.

So it really is not a trade-off then in a manner of eliminating controversy. For what? For bringing them into the tent. For 10 years the previous administration could have done the same thing. We, in fact, changed the way the relationship was with the Minister's office. People like Bill Pruitt, Mr. Turnock spent hours working on issues around the environment; Peter Miller, the same. When they brought that advice up through the Environmental Council once they had informed the department and the Ministry,

they pretty much went out and spoke to the media and had a great deal of credibility in the media. That, I think, is what the Minister and this government is going to miss. They are going to miss that sometimes criticism, but the public is going to miss and the environment is going to miss people whose dedication and effort could never be questioned even if from time to time there was significant disagreement.

I think the Minister might be somewhat frustrated. So why are we digging in on behalf of what might be a handful of people, maybe 20 people, who spent hours working on the initiatives that came out of the Council? It does become a matter of principle, because it appears and the Minister denies it, but I will repeat it again until he is sick and tired of hearing it, it appears that he is shutting down his critics. I do not think we should allow that to happen and have him escape unscathed for doing that.

We can deal with this bill very quickly. It is the right and the privilege of the Government to reorganize the Sustainable Development Coordination Unit, or do away with it in any way they like. This is a group of people who voluntarily met, and they may well continue to meet without being under the auspices of government. Why would the Minister, why would the Government want to bring this much grief on his head? I would suggest that there is a fair bit of willingness on this side of the table. You heard comments earlier this morning. If the Minister were to strike a couple of these amendments that effectively eliminate the Council, then he probably has answered what has become ground zero for us.

Mr. Maguire: I guess to the Minister, I will let the Member for River Heights (Mr. Gerrard) refer to his own born-again environmentalists, as we were called by the Minister, in regard to philosophy on sustainable development and conservation in regard to our activities. If the Minister has a concern about that, we can raise our personal matters outside the House sometime in regard to our history of the kinds of the activities that we have had to deal with, particularly mine, in regard to agriculture.

* (19:00)

I take great offence to the fact that as a farmer for the last 30 years—and still am—that the Minister would not recognize that the agriculture community is very responsible in regard to its sustainability in regard to our future, because it is our future in the industry in Manitoba. I just feel that I cannot let those comments go unanswered in regard to the concerns. I understand them being concerned about listening to Manitobans in regard to the fact that they want to detract from the criticism that might have come from the Manitoba Environmental Council in the past. It has been very well pointed out that the Minister has breached the rules of The Sustainable Development Act in regard to his own rules. He talks about having met and had conversations with the committee, but the fact is that the Manitoba Environmental Council has been done away with at this particular point.

When we mentioned today in the House, and others have written him letters in regard—I do not have to tell him, he has received the letters in regard to how he breached the whole process of sustainable development when he talks about giving credence to how important he thinks sustainable development is and where it should go in the province of Manitoba, and yet comes back and says: But I will breach my own rules in regard to the process that was there in the Department that I am now running. It is my understanding that under section 9(2) of that act he was to have been required to prepare a draft set of indicators on provincial sustainability from the Round Table and that he would have received those from the Round Table and proceeded with the process of coming forward with recommendations as to how to proceed with sustainability in Manitoba.

In fact, I was surprised to get my copy of this provincial sustainability indicators in my box in the Legislature here, and it is my understanding that the Minister had never even met with the Committee. So I do not know how in the world he thinks the people in Manitoba are going to trust him when in fact you come out with a whole bunch of rules, when you talk about how open and consultative we are with the public, and this is the way that you have started off as the Minister in this responsibility. You talk about having been here 10 years. Next month I will have been here, well, we have

already been here 10 months, not 10 years, but I do not think it takes a rocket scientist to figure out that there are rules to follow in this House. I certainly do not know all of them; I will certainly admit that. But it is pretty easy to see that, when you have got an act before you and you come in as the Minister, if you want to flagrantly go against the outline that has been set up for you, that is the Minister's prerogative. Of course, the Minister has chosen to do that, and the people have responded; and because they have criticized, some of them are no longer on the Committee. It has been, in fact, cancelled.

So I guess that is why I question this particular clause (f.1). I question whether the Minister is very sincere about being able to carry on with the consultation process that has been cancelled in some other bills that we have seen. If you want to look, and I know we are dealing here with Bill 43, the process that we are going through has appeared similarly in many of the acts and many of the bills that we have had to deal with, and many of them are pointed at agriculture, and many of my colleagues represent those rural areas, so that is why we raise this. It is a question on behalf of not just the few people that worked on the Environmental Council as my colleague and former minister of this department pointed out, it is on behalf of the rest of the concerned citizens of Manitoba that are saying: Well, what is the use of participating in this process if the rules are already going to come out before the consultations take place?

I think that was the Member for Steinbach's comments today in the House in regard to how he has been out there listening to the farmers and reeves and mayors and members of the agricultural community on the Livestock Stewardship hearings going on, knowing full well that they may not have any say in regard to how the outcome of this prevails because these bills will already have been passed in the House here in the Legislative Assembly of Manitoba.

So, once again, I ask the Minister: Does he have anything to say in regard to his reaction as to why we question his integrity in regard to the request of the Minister as being part of this (f.1) clause under section 2 for "reviewing existing or proposed policy, legislation, regulations or

programs for consistency with the Principles and Guidelines" when he has already got them out?

Mr. Lathlin: I answered that question a long time ago.

Madam Chairperson: The Minister indicated he would like to respond at the end of all the speakers.

Mr. David Faurshou (Portage la Prairie): If there was a question that needed to be answered, I believe it is prudent to respond at the time the question is posed.

Madam Chairperson: The Minister has indicated he would like to withhold his response until all the speakers, and I would remind the members that the Minister is not obliged to answer questions.

Mr. Faurshou: Madam Chairperson, I was not prepared this evening to speak to this particular clause. However, I would like to state that I reject the Minister's comments outright in regard to the label that he has provided to members that sit on this side of the table.

I am very proud of the agricultural community and have farmed my entire life. I come from a heritage that is one that I am extremely proud of. My grandparents and parents have always cared for the land in a fashion that they would like to have that property carried forward generation to generation in a form that would in fact provide not only the sustainability, and so in keeping with continued prosperity of the family, but to be in harmony with nature and to provide for the wildlife that is and was and continues to find a home within that property.

Our family has led the way in setting aside acres and large tracts of property for undisturbed wildlands and wetlands. We have numerous recognitions for our family's ongoing participation in this regard by noted conservation awards and sustainable farming practices awards, as well as environmentally friendly farming practices which I am extremely proud of. Looking to the Department of Natural Resources who have stated that there is more wildlife now on the properties that we have set

aside today than there was when the Department or the Government of Manitoba first was in fact taking a counting for the beaver, the deer, the coyote, the fox, the muskrat and the list goes on.

Indeed, in regard to hunting, I know my father protested and put forward to government of the province of Manitoba a proposal that garnered for the landowner to have direction and auspices over the hunting practices on the properties owned by individuals throughout this province. The Government of Manitoba saw fit to recognize the importance that the individual property owner without question is the person that is the closest to the land and understands what that land can sustain.

So, sir, I am offended by your remarks stating that I am a born-again environmentalist. Indeed, I have been an environmentalist all my life, and that is an insult. I am also offended in respect to some of the commentary that is made in regard to some of the most innovative and creative legislation, not only in Canada and North America, but the world, to look to the future, the future generations that this land which we have inherited is there for the future and for future generations. I am certain, from your own heritage and your own upbringing, that you too appreciate the land.

An Honourable Member: I do not need your lecture.

* (19:10)

Mr. Faurschou: Well, indeed, the Minister has stated that I seem to be lecturing. However, it is information transfer that is vitally important, and for one to understand and appreciate all aspects before legislation is passed. This legislation, in fact, is one that is looking to remove a vital component within this innovative and creative legislation, a facet that provides an independent, overseeing body that provides a neutral and objective, without political bias, point of view. I think in this day and age of political correctness, we all fall prey to, it is a vital component of this entire sustainable and conservation-oriented legislation that we have in this province. I think the Minister has, in fact, been rather concerned with some of my remarks. But I truly have felt that my statements here this evening had to be

aired. Because to make a carte blanche, blanket statement in regard to members on this side of the House was totally inaccurate. I thank Madam Chairperson for this opportunity.

Mr. John Loewen (Fort Whyte): I just want to put on the record that I am appalled by the Minister's comments. But I will say I am not surprised, for a number of reasons. Firstly, the Minister does not know me well enough to make any inference to whether I am a born-again conservationist or not. The Minister should—

Madam Chairperson: Order. I would just like to take a moment and remind all members on both sides of the table to please address your questions through the Chair. One of the basic principles of our procedure is that proceedings be conducted in a free and civil discourse, and to this end members are less apt to engage in direct, heated exchanges and personal attacks when their comments are directed to the Chair rather than to another member. I respectfully ask for the co-operation of all honourable members in this matter.

Point of Order

Mr. Cummings: On the same point of order, Madam Chair.

Madam Chairperson: On a point of order, Mr. Cummings? Mr. Cummings, on a point of order.

Mr. Cummings: I would remind the Chair that I do not think it was the members on this side that were making personal remarks, and we will stick to the subject at hand.

Madam Chairperson: That was not a point of order, and I was speaking to all the members on both sides.

* * *

Mr. Loewen: I will reiterate that I am appalled at the comments I have heard tonight. I do not appreciate being attacked in such a way in this forum or any other forum. Our responsibility as opposition is to come to this committee prepared to ask, through you, questions of the Minister with regard to intentions of legislation that are being presented before us. We came prepared to

do that and to do a clause-by-clause analysis of this bill. I think it is unfortunate that we are seeing some arrogance, which I am not surprised at, because we have seen it time and time again from a minister who has breached the Act, who has responded to members of MEC with an outline of one method of moving forward and has done the exact opposite. His only response, when he is brought into question on it, is to attack the questioners as opposed to being in a position to defend his arguments. So I would hope that we can stick to the argument and that that will be the end of the personal attacks.

Madam Chairperson: Shall clause 2(1) be passed?

Mr. Cummings: The Minister said he would respond when we had finished raising issues. I would like to hear his response unless he chooses not to.

Mr. Lathlin: The accusation that MEC is being killed to eliminate criticism of government, I find that curious. I know that the Manitoba Environmental Council was consistently critical of the previous government, who simply ignored them, and they have told me so. Right from the first time that I met with the Manitoba Environmental Council, they told me about their experiences with the previous government. But I have not received particularly strong criticism at those meetings, and I have never been offended by them. I recognized and I understood, even though the members opposite do not give me enough credit to be able to recognize and understand these things, because quite often they will pipe up and say you do not know, what do you know, you do not know—you know, speaking about personal attacks.

But I have come to recognize that there are many different types of groups out there: some are informal; some are formal groups; some are statute-based. They all are in the business of advising various ministers of government, as I am sure the member for Neepawa knows because he was in the job. He knows what I am talking about. I always find that advice to be sensible, and so that is why I look forward to continuing to receive that same level and quality of advice in the Round Table and also from not just those people from the Round Table but this

box here, these boxes that I showed the members earlier, and then others. They are not all here. So I am not going to say that I do not want any advice. I mean then the members would be right. Then I would be stupid not to accept and listen to advice.

I guess the final thing that I wanted to say, Madam Chair, is I think in the Round Table where we have appointed five former Round Table members, five former MEC members, and some new members, you know, rather than just visiting with one minister, these people will have access to four, five or six ministers at every meeting whose ears they can bend. So I look at it that way, as well.

Madam Chairperson: I thank all the members for their comments. Shall clause 2(1) pass?

Some Honourable Members: Pass.

Some Honourable Members: No.

Voice Vote

Madam Chairperson: All those in favour, say yea.

Some Honourable Members: Yea.

Madam Chairperson: All those not in favour, say nay.

Some Honourable Members: Nay.

Madam Chairperson: The Yeas have it.

An Honourable Member: On division.

Madam Chairperson: On division.

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Madam Chairperson: Clause 2(1) is accordingly passed on division. Shall clauses 2(2) to 4(2) pass?

* (19:20)

Hon. Jon Gerrard (River Heights): I would like, in view of some of the comments that we heard from presenters on the Bill, just to get a clear statement from the Minister with regard to

clause 2(2) The issue was the phrase "gathering of evidence," whether it referred strictly to sort of gathering of legal evidence, as it were, to provide a case, or whether in fact the concern was it might be used more broadly to stop members of the Round Table from commenting on matters which were the subject of provisions of the Act and the regulations.

Madam Chairperson: Did you want to respond?

Mr. Lathlin: I want to respond to the Member for River Heights, and that is to say to him that this new provision of The Sustainable Development Act transfers the existing role of the MEC to conduct investigations contained in section 8.4 of The Environment Act.

Similar to the section that is being repealed, the Round Table will be able to conduct those studies and investigate on its own without having to be requested by the Government or the Minister. I think this new provision is probably more broad than the provision it is replacing. I mean, the other way we can look at it is and I have been thinking about this for a bit, is once the Round Table becomes operational, we can ask the Round Table to look at all of these issues and maybe by way of a subcommittee come up with some recommendations that might eventually lead to further legislative changes.

As I said to the Member for Ste. Rose (Mr. Cummings) earlier, I do not expect to get up tomorrow morning at seven and expect everything to be in place just the way we want it to be. You know, we have the vision, we have the goals and objectives, but as long as we have that clear in mind then tomorrow morning at seven, we can go to work towards achieving that in the final analysis. I also said to the Member for Ste. Rose that this will evolve to hopefully something that we are all looking for today.

Mr. Gerrard: Thank you.

Mr. Loewen: I have some questions for the Minister on clause 4, so if you want to proceed to there.

Madam Chairperson: Clause 2(2)—pass. Shall clause 3 pass?

Some Honourable Members: No.

Some Honourable Members: Pass.

Voice Vote

Madam Chairperson: All those in favour of passing clause 3.

Some Honourable Members: Yea.

Madam Chairperson: All those not in favour, say nay.

Some Honourable Members: Nay.

Madam Chairperson: The Yeas have it. Clause 3 is passed, on division.

* * *

Mr. Loewen: Madam Chair, in light of the presentations that we have received as a committee and in light of the information that is on the record regarding the Minister's will to have, as stated in his letter of June 15, in response to a letter from Ms. Common-Singh, in his response he indicated clearly to Ms. Common-Singh that he would be willing to allow the Round Table for Sustainable Development the full opportunity to review and consult on important matters and to, in fact, come up with recommendations, and he has reiterated his position tonight that once they are up and running, if they have amendments to acts or if they want to present information to the Government and others.

I am wondering if the Minister would be open to a friendly amendment that would see all of the amendments to clause 4 deleted at this time, with the understanding that that would leave the MEC in existence as it is today with 10 members, with 5 of those members on the Round Table, would certainly have the ability to present the views of MEC at the Round Table and discuss those fully with the ministers that have been appointed and with the 5 other members of that Round Table that are continuing—if, in fact, that group arrives at a consensus through a process that they will undertake and advises the Minister that they do not see a need for the continuation of the Manitoba Environmental

Council, that they are satisfied with how things are being handled by the Round Table, and they have the full opportunity not only to advise government but to carry on with their present role of advising the public, and they are comfortable that they maintain their right to have full and unfettered access to departmental information so that they can do the necessary scientific research and that they will not be subject to undue pressure from the Minister who in this case will be appointing them. I think the Minister must surely understand that that is no more than he advised members of the Manitoba Environmental Council, as well as members of the Round Table, including the chair of the Environmental Council, that that is what he would be willing to do.

We heard time and again from presenters from MEC that they were hopeful this government would come to the Committee, to committee stage and be open to suggestions. They are not saying that MEC needs to survive into perpetuity. What they are saying is let us take some time and make sure that we are not throwing out a very valuable asset, a very valuable resource simply at the whim of a minister, in particular, without consensus being reached by that group, without consensus being reached by the Round Table and without any consultation.

I would be interested to know if at this time the Minister would accept a friendly amendment to delete all of section 4 so that the Environmental Council and the Round Table could consult and report back to the Minister in due course when they have had a full chance to review it.

It does not cost the Government anything. All it does is insert a little time to rationalize the decision-making process and to advise the Minister on this very important issue and to provide the right type of analysis and scientific input and consensual agreement that would make this a much better process for all Manitobans going into the future.

* (19:30)

Mr. Lathlin: I appreciate the Member's comments and suggestions, but let me say this to

him. At the outset, we repeatedly indicated to members of the Committee that we were in fact looking to strengthen the Manitoba Round Table by way of retaining five members from the former MRT, by retaining five members from the former MEC, and by adding in, appointing new members to the MRT. Now, I think we can still get that accommodation that the Member is looking for from the five former members that are on the MRT now. So that new body, as I said earlier, will indeed have the opportunity to provide recommendations on changes to The Sustainable Development Act.

Mr. Loewen: First of all, we have clarification, I understand, now that this can be done simply by members opposite agreeing to vote against all clauses in section 4. So it would not require an amendment to the Bill. It would simply mean voting against those clauses, and the rest of the amendments to this bill have been passed and would carry on in force.

Again, my comment to the Minister is that, while he has appointed five former members of MEC, because it is no longer in existence, to the Round Table, we have had some of those members, in person, and in writing, inform this committee that they are not happy with that decision. So, if the Minister is truly interested in listening to those individuals, if he wants to actually give them some indication that they will be listened to when they speak at the MRT, and in fact wants to provide them with an open forum to openly discuss their views and to reach consensus; because, again, I will remind the Minister of their process. It is a process that is very familiar to those who operate on the day-to-day basis in academia. They arrive at their decisions by consensus, and they talk the issue out until they do reach consensus. You cannot have five members of a ten-member group make a decision and call it a consensus. It is simply not truth.

Again, I will just reiterate, it is simply doing what has been recommended to this committee. It does not cost the Government anything. It does not do anything, put the Minister out in terms of workload, it does not provide any extra workload to the Department, to the Minister. There is nothing, there is no need to rush

through the abolition of MEC. Simply let it go on and let them reach their own conclusion.

If at the end of the day the recommendation of the Manitoba Round Table is that the Manitoba Environmental Council provides a useful and meaningful role in terms of not only researching information but providing information to the Government and to the public, as is their current role, then so be it, and the Minister should live with that request. But I do not understand why the Minister would disenfranchise this group of dedicated environmentalists who willingly spend their own time, their own energy and quite likely face out-of-pocket expenses to promote sustainable development for the benefit of all Manitobans. What is the rush? Why disenfranchise these people? Why not allow them just to continue on with their good work and let the Manitoba Round Table sort out the issue?

I believe if the Minister takes some time to think this through, he would understand that it is in his own best interest to do this, as opposed to publicly, in some cases, possibly humiliating these people. The fact that he has not bothered to consult with them, as is indicated in their correspondence, has not allowed them or the Manitoba Round Table to reach a consensus on the issue the way he has described in his letter of June 22. So my advice to the Minister would be to allow the members opposite to vote against anything in all the amendments to Clause 4 and to empower the Manitoba Round Table to have a full and open discussion.

There is certainly an opportunity in that format for the Government to have influence over the discussion by means of the five ministers that are on the Manitoba Round Table. There are people from MEC that can speak to the need for MEC, and there are another five people who come, presumably without an agenda, who will listen to the best argument and make a reasoned decision on those arguments. Hopefully, the Minister will see the rationale in this and agree to it.

Madam Chairperson: Shall clause 4(1) pass?

Some Honourable Members: Pass.

Some Honourable Members: No.

Point of Order

Mr. Cummings: I was hoping that the Minister might respond to my colleague's proposal. It is a friendly amendment. It is not going to cost the Government any money. It is a friendly process where the people on this council can effectively eliminate themselves if they feel their role is now diminished. I would like to engage the Minister to hear if he is at all inclined to pursue this route.

Madam Chairperson: Thank you, but you do not have a point of order.

* * *

Mr. Lathlin: In response to the Member for Ste. Rose, I did give my response, and I think he was listening while the Member was engaged in another conversation. That is when I gave my response, and that response was—

Point of Order

Mr. Loewen: The Minister knows full well that I was in discussion with one of the Clerks regarding format. He does not need to try to put information on the record that I was not listening to it. I appreciate the fact that the Minister did not mention my name on the record, but the fact that he was looking directly at me at the time I do not think is proper.

Madam Chairperson: Mr. Minister, on the same point of order.

Mr. Lathlin: I am sorry if I have offended the Member. All I was merely trying to do was, the question was put to me, why is he not responding? Well, I said I responded already, and, unfortunately, during the time that the Member was perhaps engaged in another conversation, I gave my response. And I will repeat my response for him once more, and that is I do not believe that we are disenfranchising anybody. First of all, this is an initiative that was started by the former government. It was the consultation on sustainable development. Recommendations were made by that body of people appointed by the former government. We

agreed they did really good work. There are a lot of good recommendations.

* (19:40)

I might add also for the Member for Fort Whyte (Mr. Loewen) that in fact the former government had to backtrack somewhat from their original initiatives. So a compromise initiative was taken in the form of consultation on sustainable development. The report was made, many worthwhile recommendations we are carrying on with. So what I was trying to indicate to the Member for Fort Whyte was we are, in fact, by having five former MEC members into the Manitoba Round Table, by having five former MRT members and appointing new ones, I think we are going to be making use of MEC expertise from those five people that we appointed to the MRT. I mean, that is the way I look at it. So, therefore, I do not see us not going ahead with section 4, because it is a definition clause; it is no longer needed. So that is why I am saying to the Member for Fort Whyte that I appreciate his suggestion, but in this case I think we are already doing some of what he is proposing.

Madam Chairperson: On the point of order raised by Mr. Loewen, the Member does not have a point of order. A point of order should be used to draw the Chair's attention to any departure from the rules or practices of the House or to raise concerns about unparliamentary language. A point of order should not be used to ask a question, dispute the accuracy of facts, clarify remarks which have been misquoted or misunderstood, or raise a further point of order.

* * *

Mr. Loewen: Thank you, Madam Chair, and I apologize for that. I would also, at this time, like to advise the Minister, our feeling was that it would be best to deal with this through a friendly amendment, but as he is not willing to accept it, I am sure we will be bringing amendments forward on third reading for this bill.

Mr. Maguire: I just wanted to reiterate what my colleague for Fort Whyte has indicated. I guess I am somewhat frustrated, obviously, as the

people of Manitoba are, and certainly some of the members of the Council that does not exist anymore, if this bill goes through, the one that the Minister has not met with. It is very hard for them to understand I guess the situation that they are faced with. I want to get to the perspective of what people see this as, but first of all, while I am doing that I would like the Minister to consider a few things.

Number one, what is the hurry with this bill in regard to the changes? There were already bodies established that he could proceed to deal with, a number of the situations that he wanted to deal with under sustainable development. There was an act established in the mid 1990s to deal with environment under The Sustainable Development Act in Manitoba, and there was a Manitoba Environmental Council established. He may have a rush to do this and push this through. I would, No. 1, ask him: What is the hurry?

Secondly, because it appears as we have to ask all the questions before we get a reply, you already have the Round Table established and can get the wished results from this government or from the Minister himself, if that is who is pushing this, to put the bodies in place that he may wish to work with in the future. I just want to make a comment or an observation that has been passed on to me that it looks to the public like the Minister is doing away with five of the members of the Manitoba Environmental Council who were critics and who were volunteers, and received no stipend whatsoever in that regard maybe a little bit of paper once in a while, and taking the other five members and putting them on the Round Table which falls under The Sustainable Development Act, to which obviously these people receive per diems for the committee work that they do and some of the expenses that are covered, whereas the other members were certainly all on a voluntary basis. That is the perception that is out there, and the perception that the Minister is moving ahead with.

So I guess when my colleague for Fort Whyte (Mr. Loewen) calls for the Minister to consider a friendly amendment that would remove clause 4 of this bill, at least until further notification or further reasoning as to why they

want to gut The Environment Act of this particular mechanism of advisory ability, I ask him: What is the hurry to proceed with this whole process? Does he have any response as to the public perception of what he is doing with this bill?

Mr. Lathlin: Madam Chairperson, well, again I will repeat my response that I have given earlier and maybe even during Question Period this afternoon. We had looked to strengthen the Manitoba Round Table. That is why we appointed five members from the former Manitoba Environmental Council, five members from the old Manitoba Round Table, and we appointed new ones, of course. The new round table now combines the old round table and also the Manitoba Environmental Council. The roles and responsibilities of MEC have been transferred over to the Round Table. As I said earlier, that new body, once it becomes operational, will have the opportunity to provide recommendations as to how The Sustainable Development Act might be further amended to properly reflect the activities of the Round Table at the time.

Mr. Maguire: Just a final question for clarity, Madam Chair. The Minister has referred to this committee, the new round table, as having five MEC members and five old round table members, but, for clarity, this is also the same committee that he is appointing five ministers to. Is that correct?

Mr. Lathlin: That is right.

Madam Chairperson: Shall 4(1) pass?

Some Honourable Members: Pass.

Some Honourable Members: No.

Voice Vote

Madam Chairperson: All those in favour, say yea.

Some Honourable Members: Yea.

Madam Chairperson: All those not in favour, say nay.

Some Honourable Members: Nay.

Madam Chairperson: The Yeas have it.

An Honourable Member: On division.

Madam Chairperson: Clause 4(1) is passed on division.

* * *

Madam Chairperson: Shall clause 4(2) pass?

Some Honourable Members: No.

Some Honourable Members: Yes.

Voice Vote

Madam Chairperson: All those in favour, say yea.

Some Honourable Members: Yea.

Madam Chairperson: All those not in favour, say nay.

Some Honourable Members: Nay.

Madam Chairperson: The Yeas have it.

An Honourable Member: On division.

Madam Chairperson: Clause 4(2) is passed on division.

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Madam Chairperson: Shall clause 4(3) pass?

Some Honourable Members: No.

Some Honourable Members: Pass.

Voice Vote

Madam Chairperson: All those in favour, say yea.

Some Honourable Members: Yea.

Madam Chairperson: All those not in favour, say nay.

Some Honourable Members: Nay.

Madam Chairperson: The Yeas have it.

An Honourable Member: On division.

Madam Chairperson: Clause 4(3) is passed on division.

* * *

Madam Chairperson: Shall clause 4(4) pass?

Mr. Maguire: Well, just as a final comment on this, Madam Chair, this is the real kicker, sections 8 and 9 being repealed from The Environment Act. These are the clauses that allow the Minister to appoint a Manitoba Environmental Council for the advice and everything else that the Council was established to do, and I once again ask the Minister if he will consider removing section 4(4) at least and using it as a friendly amendment to proceed. It is apparent that the people that have appeared before us on this bill would certainly like to continue to play an advisory role on environmental issues in Manitoba, and I just leave it with the Minister if he would consider that again.

* (19:50)

Mr. Lathlin: Madam Chair, the main powers of the Manitoba Environment Council found in 8(4) and 8(5) of The Environment Act have been transferred to the Manitoba Round Table, as I have said repeatedly before, so we will still have those powers in the new Manitoba Round Table.

Mr. Faurchou: Madam Chairperson, in regard to earlier comments by the Minister, I just want to make a point of clarification if I can. He stated that the members of the former Manitoba Environmental Council would have the opportunity each and every meeting to, in fact, discuss the issues and raise their concerns with five ministers. In regard to the press announcement that was made yesterday by the Minister, is he stating that the by-laws now of the Manitoba Round Table on Sustainable Development have to have all five ministers at each and every meeting, otherwise they are not going to be able to meet, or is the actual amount

of Round Table on Sustainable Development going then to provide for their own quorum? I know I heard the Minister say that each and every meeting there would be five ministers there, so I just want to clarify that and make it abundantly clear that that is going to take place.

I am sorry, I am in error there. There will actually be six ministers there with the Minister of Conservation as an oversight in my earlier comments. Thank you, Madam Chairperson.

Mr. Lathlin: I have every confidence in those five former MEC members to be just as vocal, to be just as aggressive, to be just as criticizing when they sit down at that table. I have confidence that they will not back away from any minister. They have never done that in the past, and I do not think they will do that in the future.

Mr. Faurchou: The point of clarification is, in fact, with the Minister's earlier statements. Is the criterion of quorum. then, for the Manitoba Round Table for Sustainable Development to meet that all six ministers are in attendance, because the Minister's statement was that former members would have an opportunity at each and every meeting to have the opportunity to have five ministers' ears?

Mr. Lathlin: No. that has not been clarified. Common sense will have to prevail here. I am sure under the former government, those five or six ministers that were on the Round Table: Were all six of them there at every single meeting? I do not know. In our case, I do not anticipate having a full six ministers attending all the meetings all the time. So even if we have two ministers there, I think the meeting would go on.

Mr. Faurchou: In light of those comments, can I ask the Minister: Has he established, in fact, what would be a minimum requirement of ministers' attendance to consider quorum for a meeting? If there are no ministers available for the meeting, then is it pointless to convene? Have you had opportunity to discuss what terms of reference this committee convenes under?

Mr. Lathlin: Madam Chair, as soon as that first meeting is held in September, I am sure that will

probably be one of the first orders of business that the new Manitoba Round Table will want to discuss and set straight. I will leave that up to the Manitoba Round Table at their first meeting to set straight.

Mr. Cummings: I heard a groan from the Member for Radisson (Ms. Cerilli), but how quickly the worm turns. I can hear the shrill arguments that I used to receive from the Member for Radisson regarding the very item that we are eliminating here, whenever the Environmental Council criticized actions of the previous administration, whenever there was an outside body with the credibility of the MEC in the eyes of the media. There were many times this used to be raised in the House, along with the fact that the Round Table and the round table concept were absolutely useless.

So I am pleased to see that the new minister has revised his feeling and does not accept the flow of the previous opposition in being very critical of the concept of sustainable development. We should, I would have thought, have spent a lot less time on this if the Member would have considered the principle that we were trying to put forward. But, if this is the direction they intend to go, then they will reap the rewards, and I wish them well.

Madam Chairperson: Shall clause 4(4) pass?

Some Honourable Members: Yes.

Some Honourable Members: No.

Voice Vote

Madam Chairperson: All those in favour, say yea.

Some Honourable Members: Yea.

Madam Chairperson: All those opposed, please say nay.

Some Honourable Members: Nay.

Madam Chairperson: In my opinion, the Yeas have it. The motion is accordingly passed, on division.

* * *

Madam Chairperson: Shall clause 5 pass?

Some Honourable Members: Yes.

Some Honourable Members: No.

Voice Vote

Madam Chairperson: All those in favour of passing clause 5, please say yea.

Some Honourable Members: Yea.

Madam Chairperson: All those opposed, please say nay.

Some Honourable Members: Nay.

Madam Chairperson: In my opinion, the Yeas have it. The motion is accordingly passed, on division.

* * *

Madam Chairperson: Shall the preamble pass?

Mr. Loewen: Madam Chair, I just want to point out to the Minister with regard to this bill and with regard to his comments a number of times that all of the responsibilities for the Manitoba Environmental Council have been passed on to the Manitoba Round Table, and just remind him of one of the objections that we received a number of times from committee, that in fact this bill does not pass along all of the responsibilities of the Manitoba Environmental Council to the MRT. That is clearly articulated in the explanatory note to the Bill, where the wording is "some." I think that is of grave concern to the former members of the Manitoba Environmental Council, so I would just like to make sure that he clearly understands that there is a very, very significant difference, particularly to the former members of the Manitoba Environmental Council that "some" does not mean "all."

Madam Chairperson: Shall the preamble pass?

Some Honourable Members: No.

Some Honourable Members: Yes.

* (20:00)

Voice Vote

Madam Chairperson: All those in favour of passing the preamble, please say yea.

Some Honourable Members: Yea.

Madam Chairperson: All those opposed, please say nay.

Some Honourable Members: Nay.

Madam Chairperson: In my opinion, the Yeas have it. The preamble is accordingly passed, on division.

* * *

Madam Chairperson: Shall the title pass?

An Honourable Member: No.

Voice Vote

Madam Chairperson: All those in favour, say yea.

Some Honourable Members: Yea.

Madam Chairperson: All those opposed, say nay.

Some Honourable Members: Nay.

Madam Chairperson: In my opinion, the Yeas have it. The title is accordingly passed, on division.

* * *

Madam Chairperson: Shall the Bill be reported?

Voice Vote

Madam Chairperson: All those in favour, please say yea.

Some Honourable Members: Yes.

Madam Chairperson: All those opposed, please say nay.

Some Honourable Members: Nay.

Madam Chairperson: In my opinion, the Yeas have it. Bill be reported, on division.

Bill 35—The Planning Amendment Act

Madam Chairperson: Would the Minister responsible for Bill 35 please take the Chair. Does the Minister responsible for Bill 35 have an opening statement?

Hon. Jean Friesen (Minister of Intergovernmental Affairs): In introducing Bill 35, I want to respond to the criticisms that were made by members of the Opposition during debate on second reading. I want to thank all the members of the Opposition who made comments, the Member for Fort Whyte (Mr. Loewen), the Member for Emerson (Mr. Jack Penner), the Member for Lakeside (Mr. Enns), the Member for Ste. Rose (Mr. Cummings), the Member for Steinbach (Mr. Jim Penner) and the Member for River Heights (Mr. Gerrard).

Each of them indicated some general concerns with the Bill. There seemed to be a great deal of anxiety about the future of livestock expansion in the province. In the case of the Member for River Heights, there were some concerns about the process of environmental regulation.

Let me say, first of all. I was very surprised at the responses to this bill, and that it seemed to me quite unfortunate that the Opposition did not avail themselves of the opportunity for a briefing from staff. As the members know, and maybe it needs to be repeated again, on request, staff are always prepared to do this. It was a practice followed by some, but I should say not all, members of the Opposition when they were in government.

In the case of The City of Winnipeg bill, the Opposition did take the time for a briefing, and I think it was helpful in the resolution of that bill in enabling a general understanding of the legislation. In speaking about The City of Winnipeg Act, I do want to correct the record that the Member for Fort Whyte indicated in his speech. I am doing this, Madam Chair, because

his comments on Bill 35 were indeed framed in the context of his considerations on Bill 17. I understand that the Member would not have had opportunity to review the written Hansard version of the committee reports on Bill 17, so I understand why the mistakes were made, but I do want to correct them since this is the first opportunity I have had.

The Member indicated that the Province, that is, the Government, was only intending to make small "c" conservative amendments, and he was quoting me in that, which really did not meet the requests that came from the City of Winnipeg on amendments to The City of Winnipeg Act. That is not true at all. The area that we were not meeting the request of The City of Winnipeg Act in was only a very small part of it, and that dealt with the potential for a loss of property. I indicated my concern there that we would proceed cautiously on that and that we would review that after a period of time.

The Member also argued that we were not allowing the City to appoint its own appeal committee. As he remembers, we did deal with that very clearly in committee looking at the definitions of The City of Winnipeg Act, of what committee was and also indicating that the City was able to very clearly deal with the definition of its own appeal committee.

Also, he indicated that we were dictating to the City, through legislation, how and in exactly what fashion they can contact people, whereas in fact what we were doing was liberalizing, if I can use that term as opposed to conservative, the ways in which the City of Winnipeg could deal with contacting people, and we were doing it on request and in consultation with the City. I recognize it is always difficult if you do not have the written version in front of you from Hansard, but I did want to correct that since the Member was phrasing his opposition in that context. However, the Opposition was sent the spreadsheets or the side by sides, and I really am surprised at some of the misunderstandings about aspects of this bill, particularly when you look at the side-by-side material that was offered.

In my opening speech on this bill, I indicated that its intent is to support local

decision making, and this is a principle which I think is supported by both opposition parties. The Member for River Heights (Mr. Gerrard) framed his discussion in the terminology of subsidiarity, that is, of each level of government taking on the tasks for which it is best suited to decide and carry out, and Bill 35 I think clearly confirms that. Bill 35 leaves the decision about the siting of livestock facilities to the local jurisdiction, the people who must make the decisions about the local tax base, about the local development goals and the kind of life that local citizens want to choose. I draw members' attention, as we go through this bill, to the references to Council's decisions that are made throughout the Bill.

* (20:10)

We are not, as one member suggested: "Taking the decision-making power out of your hands and forcing our own decisions upon you." The decision remains in this bill in the hands of the local government, and it is support for local government that we are very strongly confirming in this bill. As members know, the AMM, of course, has indicated its support for this bill.

The Member for Emerson (Mr. Jack Penner) also believed that this was a tyrannical bill, those are his words, and that the young farmer must now ask the municipality for permission to build his barn. The Minister, he said, is now proposing that he must first ask the municipality, he must go to the municipality and ask permission. I want to indicate that, although I think the language is a bit extravagant, here is where a briefing really would have helped. Under the previous government and under the existing provisions the young farmer would also have had to have asked for permission. Under the previous government, a barn over 400 animal units had to apply for planning permission in those municipalities that have development plans. Now, the Member for Emerson might well have been talking about municipalities which do not have development plans, and indeed there are a few of those left, but as members are aware, we are working very hard to ensure that that situation changes. We have offered incentives financially and in technical assistance, and we have had some success in recent months, and again we have had the support of the AMM in

that for which I am very pleased and very grateful.

The local community, I repeat, will continue to make the final decision. This bill does not, as several members argued, take away the rights of a municipality. What it does do is to require a municipality to seek the scientific advice of a technical review committee appointed by the Province. These technical review committees, I want to underline, already exist; they existed under the previous government. They are composed of staff, generally at the regional level, with scientific expertise in the issues surrounding livestock operations. They are not, as one member anticipated, political appointments, and again the side by sides that we offered indicated very clearly the nature of the technical review committees.

The Member for River Heights (Mr. Gerrard) speculated that a single provincial committee might give greater consistency of advice. On the other hand, I would argue and I think many in rural Manitoba would agree, that it is important to have local knowledge and for people to have confidence in that understanding of local conditions. I anticipate that one single committee also would make it very difficult for us to meet the time lines that we need.

The Member for Fort Whyte (Mr. Loewen), I noticed, expressed both perspectives, a desire for timely responses and a concern that local issues might be understood, but I would reiterate that I think what we have here in Bill 35 is appropriate. It (a) is professional and non-partisan; it (b) takes into account regional issues; and (c) the need for timely responses.

Let me turn now to the second issue of the Bill, which is the issue of mandatory or required technical review committees. As many MLAs will know, many municipalities use the technical advisory committees or technical review committees already on a voluntary basis. I have listened to people over the last six months, I have noticed some dissatisfaction with the fact that not all municipalities use them and some people believe that it is, because of that, not a level playing field.

What we are looking for in this bill, Madam Chair, is consistency of standards and comparability in time lines. After consultations with the AMM, it seemed that one of the actions that the Province could take is to ensure that a similar basis of advice from agriculture, planning, conservation could be brought to bear consistently in a way which further informed debate at the local level.

I think what the Member for Steinbach (Mr. Jim Penner) regarded in his speech as ominous, and that was his word, stems again from a misreading of the Bill, and it would have again been helpful to have had a briefing on this. He read the Minister's name in many places where he believed he had not seen the Minister's name before, that the Technical Review Committee has to provide a copy of their report to the Minister. Well, I am not quite sure how to address this in a way, because this is a bill which is introducing responsibilities for the Minister, and, of course, you have to be able to monitor them and to ensure that the time lines that are required have been met. I want to emphasize that the report, although it is copied to the Minister, is addressed to council, just as it is now. Council is advised. Council will decide.

We have also required that the reports of the technical advisory committees will be made public before the normal conditional use hearing is held. I think, here again, there was a little bit of confusion amongst the Opposition. The Member for Fort Whyte (Mr. Loewen) appeared to, and it may have been an awkward sentence, but to me the Member for Fort Whyte appeared to think that it was the Technical Review Committee which holds the hearing. Let me clarify that that is not the case. It is the municipality which holds the hearing and which has always held the hearing. This is not a new kind of public hearing. It is to advise the municipality and the municipality will decide.

Again, I think we know that many of these issues are very contentious in many communities, but not all communities. Our purpose, I want to reassure members of the Opposition, is to ensure consistency and scientific advice across the deliberations in local communities, to ensure also that the public has access to the scientific reports, to ensure also that we support

and uphold the role of municipalities in making those very difficult judgments that they are required to make.

The second part of the Bill deals with ensuring that all approvals have been obtained from Conservation, from Agriculture, from Highways, et cetera, before development begins. This again ensures that there is consistency of direction across municipal jurisdictions. It is intended for greater certainty to ensure that proponents are aware that there are approvals to be required beyond the municipal decision. This protects proponents from beginning a large construction project without all the appropriate approvals secured.

I do not know if members are aware of a recent decision in the Québec Supreme Court, a very unusual one. It does not deal with an agricultural situation. It is a commercial situation, but it was one where all approvals had not been in place and a very large operation began building, and the Supreme Court required them to take it down.

What we are looking for here is greater certainty to ensure that people are aware that they must have all their approvals in place before construction begins. I think it is a protection for municipalities. I understand that municipalities have also seen it in that way, and I believe it is also an assurance, a greater certainty for the proponent. It does not alter the fact that these approvals had to be obtained. They are the same approvals that were required before. They had to be obtained under the previous government. No new approvals are required. Nothing has changed in that respect.

What has changed is that we are ensuring that the proponent has assured himself or herself and that not only the local council has approved, but that the other approvals which are and have always been required are in place. It is the kind of certainty that farmers, that the industry, and municipalities, and the public are looking for. So I was very puzzled to read comments, and to listen to comments of members opposite who regarded these proposals as ominous. In one case he argued that they were redolent of totalitarian regimes. But I think perhaps that was more the heat of the moment.

Two points were raised beyond this, and I want to respond to them. They were good points. The Member for Steinbach (Mr. Jim Penner) raised the issue of a farmer who might have had animal units of 300 which might have grown to 600, perhaps not aware of what he should have done in that case. I think that is an interesting question. Essentially it is about incremental increases. What will be required in that case is a reference back to the zoning law of the particular municipalities. There will be some differences in those. But generally speaking, I think, what we have assumed in here will take place.

I was, as I said, disappointed by the lack of understanding and the reluctance to ask for clarification in a briefing. I was also, as you can tell, struck by the extravagant language of one member, but also about some of the language of members who really took the view of the interests of rural and urban Manitoba as being diametrically opposed. I found that very unfortunate. It is a kind of rhetoric which has existed in Manitoba for many decades. But I do think it is something that we do need to get beyond. It is one of the challenges that I see for both this government and for the Department.

It is true, Madam Chair, that there have been tremendous changes in the past decade in rural Manitoba, in the conditions of the rural economy and then conditions of rural life. They are not as the Member for Lakeside (Mr. Enns) suggested, always the ones that we as Manitobans would have chosen; nor did they come at the pace with which we would necessarily have desired. He spoke of his own frustrations in trying to have a longer phase-in of some of the programs from Charlie Mayer when he was the federal minister.

* (20:20)

In Manitoba's case, obviously, many of these difficulties have been compounded by issues of flood and of disasters, agricultural disasters which have exacerbated the situation for many families. But nevertheless, at the beginning of the 21st century, for the livestock industry, not just hogs, we have an important economic opportunity. I think, it is one for all segments of the province. It is an industry which we want to see expand in a sustainable way in accordance with local wishes. That was what we

have said as a government. It is what is at the heart of this bill. So I think that we have to recognize in urban Manitoba, as well as in rural Manitoba, that we are both interdependent, and we are both going to see benefits from the expansion of the sustainable livestock industry.

So I did want to make those comments, because I think it is one of the directions that we are going. It is an important change for Manitoba. I thank the members for all of their comments. I took them very seriously, and I prepared some of the responses, which might be helpful for tonight.

Madam Chairperson: We thank the Minister. Does the critic from the Official Opposition have an opening statement?

Mr. John Loewen (Fort Whyte): I thank the Minister for her comments. She certainly clarified a number of issues which were raised during second debate in the House. I would like to respond to some of her comments, because I do feel in some respect she was maybe attempting to lecture members on this side of the table on process. I certainly appreciate the fact that her staff has been available in the past to brief me on bills as they pertain to The City of Winnipeg Act, the amendments there. They were certainly useful briefings. But the Minister is aware that they were fairly straightforward bills and required a little bit of clarification from a technical perspective. We can continue to disagree on the force or the lack of force in some of those amendments. I do not believe this is a place to raise those. We will debate those in the House, and I am perfectly happy to do so. We will take that up there.

With regard to the briefing, in this case I can assure the Minister that I have the side-by-sides, that we did review the side-by-sides in detail, and after review had some concerns and some questions that I felt it was important to get on the record so that the Minister could address to this committee. I would have gladly asked for a briefing from the Minister prior, but on previous occasions when contacting the Minister's political assistant I and my staff were told directly that the Minister does not attend briefings.

So, when I want the opinion of the Minister, I feel my avenue for that is to raise issues in the House. If the Minister would like to change the process with her political staff so that she is available for briefings, as has been requested by the Opposition, as I understand, in years gone forward, then I can assure her that on all occasions I will take advantage of that opportunity to sit down with her and discuss some of these issues. But surely she realizes from time to time that concerns that I and my colleagues have with legislation that she brings before the House require her opinion and are not necessarily satisfied by a staff briefing.

So I can assure the Minister that I understand fully that her staff is available for briefings on legislation. I appreciate the fact that I can call on her staff on these issues and get their view and their input, and I can assure her that I will continue to take advantage of that. But as of right now my understanding is that the only avenue I have to discuss these issues with the Minister is on the floor of the House, so that is what I will continue to do.

With regard to some other issues, I did raise a point in my speech in the House as we debated second reading in this bill that I was concerned about the technical review committees. I was concerned, and I can assure the Minister that I had seen the four-by-fours. I had seen the indication in there that it was presumed that the Technical Review Committee would stay the same as it is, but I again would remind the Minister this act gives broad powers not only to herself but any subsequent minister to do as she pleases or as he pleases with the technical review committees. So I am pleased that the Minister has put on the record in her own words, not words of staff, that she is in agreement and is presuming that the technical review committees will remain as is.

I appreciate that, and I think members on this side of the House do not have an argument with the scientific knowledge that is brought to bear by this staff. But I do question the advisability of including in this act a clause which gives broad powers to the Minister at any time of their choosing in the future to appoint the technical review committees as the Minister sees fit from whatever regions of the province the

Minister sees fit to appoint the technical review committees. It is quite specific in the legislation that is being proposed to this House that those committees are at the will of the Minister of the time. I do have some concern with that.

I appreciate the Minister's clarification, but I wish to advise the Minister that I still have concern. My concerns have not been allayed. I trust her words, and I believe that she will be true to her words and that the technical review committees will stay as they are, and that is fine. It is maybe something we are going to have to look at if there is a cabinet shuffle or in some other light, depending on the minister of the day. But I do have concern about those broad powers which are not defined anywhere else that the Minister has responded to.

As for the words that were put on the record by other members of the House, once again, my understanding—and I am new to this process, maybe I am wrong, but debate on second reading is for an opportunity for all members of the House, including the members of government, to raise issues and raise concerns with legislation that is brought before the House. If the Minister feels that during debate on second reading members on the opposition ranks are out of line with their comments, she has the full opportunity to provide information to members on her side of the House. They can stand up and defend—probably they would have more time and maybe with more vigour—her position on the legislation. That is what we are here for. We would be glad to do it. We did have some issues, as I have said. I am pleased that the Minister has brought some of those issues forward, but I must take some exception to the tone of some of her opening remarks implying that the members on this side of the table had not availed themselves of all the resources that were there, but I can assure her that we did, and we will continue to do so.

So, having said that, we have further questions with this bill. We will get into those questions as we give our clause-by-clause analysis. Just in closing, one of the things that really concerns me, and in particular with the Minister talking about process, we came to committee on Monday morning, a committee which I believe was called late in the afternoon on Thursday. I myself was out of town for most

of the weekend and did not find out about it until I got here on Monday morning. That is fine. That is fair game. That is what happens. That committee was scheduled to hear presentations.

My understanding from discussions that we had with the Association of Manitoba Municipalities was that they were advised by staff in her office that the committee hearing would be Tuesday, and so as a result of that, it was unfortunate that they were forced into a position where they had to rush approval of their bill and fax it in when we understood that they did in fact want to make a presentation. While the AMM, in its briefing that they faxed, is supportive, they do have concerns, and they have valid concerns. Those concerns, I believe, were echoed in the comments that—well, I should not say echoed, because the comments that were made in the House during debate on second reading were prior to any submission of a brief by the Association of Manitoba Municipalities.

So, once again, if the Minister wants to chastise the Opposition on process, then—*[interjection]* Well, the Member for Selkirk (Mr. Dewar) says they supported it, and I agree. I am not debating that. They do support it, but they have qualified their support, and they have some concerns which they raised to the Minister, and that is their time to do it. The Minister has the opportunity to take those into account, and if she believes that they warrant amendments, that is her opportunity.

* (20:30)

Also we heard from the Pork Council. The gentleman from the Pork Council who presented to committee apologized for the form of his letter because he had only found out about the committee hearings Monday morning and had to rush through a letter to get here on Monday. He admitted that. If the Minister checks Hansard, she will hear those comments. So when it comes to forum—I mean these are people that are going to be significantly impacted by this bill. If it is truly the will of this minister to have the proper input on her bills, then, speaking for myself, I would appreciate an opportunity to meet with her to clarify some of these things, and maybe we do not have to go through this back and forth

on second reading, we can just come to committee.

I am sure the Manitoba Pork Council and the Association of Manitoba Municipalities would appreciate the opportunity to have proper notification, particularly since this House is sitting through the summer at a time when many people from both organizations are on vacation, and particularly since, even if we pass this bill through the House tomorrow, it does not take effect until—sorry, wrong bill. It does come into effect upon passage, but there is no rush. I think those comments were echoed by the Manitoba Pork Council who were asking the Government to hold back on this bill, particularly in light of the consultation process that has been initiated by this government, by the Department of Conservation, departments of Agriculture and Intergovernmental Affairs.

Again, just for the Minister's information, I think she should be aware it is felt by this side of the House that this is an inappropriate time for this bill to be passed through the House, that certainly there is nothing to be lost by listening to the multitude of presenters who are contributing and have spent their time to prepare presentations to the stewardship consultation. There is nothing in here that needs to be rushed through before a proper analysis has been taken of all the presentations. Again, when it comes to forum, what message is this Minister sending to the people of Manitoba when at the same time that she has been involved with two other departments to set up a consultation process, she is intent on driving home a piece of legislation that certainly their presentations, they would like to hope, might have some ability to convince the Minister otherwise?

Just in closing, I will note that certainly one of the major concerns we have on this side of the House and I have, and others can speak for themselves, is the delay that may be caused as a result of the Technical Review Committee. I want to assure the Minister that I understand fully the final decision is with the municipality. The final decision has always been with the municipality, but the municipality also had a decision as to whether they were going to require the process to go before a technical review committee. So for the Minister to say that

she is not stripping some powers away from duly elected municipal officials, I do not think it is accurate. We can debate that point, but that does not speak to whether it is advisable to do it or not. It is a simple statement of fact that duly elected municipal officials are now being forced to go to a technical review committee in all cases.

If that is the type of policy that this government wants to follow, well, that is their option. The landscape is being changed, and I think it is our duty and our responsibility in debate on second reading to highlight, not only to the Minister, but to the people of Manitoba, exactly what changes are being proposed by legislation, at least that is my understanding of the purpose of debate on second reading. If I am wrong, I will stand to be corrected, and if the Minister wants to correct me, that is fair game.

So, having said that, we are prepared to proceed with a discussion of Bill 35. I want to assure the Minister that we have studied the four by four or the side by side. *[interjection]* New phrasing. Two by two. Slip of the tongue. I was thinking of my son's anticipated hockey camp, which is four by four, but this is side by side. In any event, we are pleased to begin discussion on a clause-by-clause analysis of this bill, and I am sure we will have some further questions for the Minister.

Ms. Friesen: I thank the critic for his comments. I did want to clarify something, and I know there has been a great deal of breath and Hansard ink expended over this, so I do not want to expend any more than is necessary, but the issue of whether the AMM was informed, et cetera, and it is an important issue for the process of this committee. I do not doubt that the Member is putting on the record what he believes and what he has been told. I should indicate that there is another side to this. As I understand it, having been told by the AMM through our staff, the AMM were informed by the staff of the Legislative Assembly on Thursday, and indeed I had checked into that. They did not pick up their messages. It is an issue of summer, and I think the Member did allude to that. So they, I think, certainly would have preferred to have been here, but they recognized what had happened, and they were prepared for us to read it into the

record and have expressed their thanks for that. I have also, through our staff, phoned the AMM to apologize for what happened, as I indicated to the Member I would do during Estimates.

On the Pork Council issue, I am speculating here. As I understand it, on Thursday the Pork Council was not a registered speaker, and in the process of the House, the normal procedures are such that those people who are registered to speak are phoned by the Clerk of the House at that time on Thursday evening when it is decided that the Bill would go ahead on Monday. The Pork Council, however, was speaking to my assistant, I think it was Friday afternoon and were aware then that this hearing would be on Monday.

Nevertheless, it is still a short time period for them and we would apologize to them too for perhaps the speed at which this is moving at this time. To the best of my understanding, the procedures that should have been followed were followed, and yes, summer is a difficult time and people perhaps are not always, well, perhaps we are moving quite quickly at this point as well. With that, I do not doubt that the Member is indicating a version which he has been informed of, and I do not doubt that but I wanted to clarify what our department had done and some of the reasons, I think, for the confusion around this issue.

Mr. Loewen: I thank the Minister for that clarification. I do think it is important, as a matter of form, that people who are affected by legislation have an opportunity to appear in person at the committee stage, and I will not dispute the information she has presented to committee on AMM. We were informed a little differently through discussions with AMM and a third party, and that is fine. I will not quibble over that, but I would remind the Minister that there was ample opportunity and we discussed it at committee to leave the option open for presenters to come on Wednesday, or I am sorry, on Tuesday morning when the Committee would next sit, and that was a motion that was defeated by the members of the Government. So, I mean, there is process and it is true that process was followed accurately. I will not debate that, but there is process and there is I think respect for people with their views, and I think in this

particular case, and through no intention of the Minister or her staff, but in this particular case, this committee could have been a little more lenient in terms of its dealing with some of the presenters that wanted to speak to the bills that were on our agenda.

Madam Chairperson: We thank the Member.

During consideration of a bill, the preamble and the title are postponed until all other clauses have been considered in their proper order. Is there agreement from the Committee to call the clauses in blocks of clauses conforming to pages, with the understanding that the Chair will stop at any clauses where members have questions or comments or wish to move amendments? [*Agreed*]

Clause 1.

Mr. David Faurichou (Portage la Prairie): Madam Chairperson, I was wondering, I know the Minister is not obligated to answer any questions in this regard, but I would like to pose a question in any event. Is this the only manner in which this intent of the Bill can be accomplished and that is sending this information to the Minister's office? It is not that I do not think the Minister has enough work to do here. It is just a matter of sending the application form to the Minister's office. Were there any other avenues of expediting this particular procedure without involving the Minister's office?

Ms. Friesen: I understand the intent of the question but I think we are a bit puzzled here because it is not quite on that section, but I mean we can answer it. Section 1 says The Planning Act.

* (20:40)

Mr. Faurichou: I realize now that I potentially jumped two clauses ahead but if the Minister—I believe the Committee would allow the liberty at this time to perhaps, if she sees fit, clarify that position or answer the question.

Ms. Friesen: As I understand the question, what the Member is asking is could the same ends have been accomplished without involving the

Minister directly. That is it? Okay. Well, I think, when you are introducing legislation which involves the province in such matters, on a province-wide basis, there has to be a responsible authority, and in most cases normally it is the Minister. So, in order to have any enforcement or knowledge of what is happening, then, in fact, you have to send it. I think the Member will look at the side by sides, and it is not this particular section. On the side by sides it indicates that, page 9 if the Member has it, and it is referring to section 53.1(7), "the minister shall refer it to the appropriate Technical Review Committee to prepare a report," for administrative efficiency, because we have recognized what a number of members also addressed in their speeches, that timeliness is an issue here for farmers or for companies which are proponents. So, for administrative efficiency, municipalities will be directed to refer the application directly to the regional director or chair of the regional Technical Review Committee with a copy to the Minister of Intergovernmental Affairs. So what we were trying to do is to make it as smooth and as seamless as possible by doing that. but, yes, in a provincial bill the responsibility rests with the Minister, so formally in the Act it is the Minister.

Madam Chairperson: Clauses 1 to 2(2)—pass. Shall clauses 2(3) to 2(7) pass?

Mr. Larry Maguire (Arthur-Virden): I had a concern in regard to the process of the councils dealing with this, and as the Minister has pointed out, obviously timing is a concern of these people in regard to the process. Councils can go ahead and hear the concerns of these individuals in regard to applications at this particular time as well at any particular time that the councils wish to sit and hear such plans come forward. I do not think that there is a great deal of concern in regard to that process at all, because, of course, that is what happens today. There is, of course, the move by this bill still to limit, if you will, or, in fact, infringe on the fact that we do have rules and regulations around livestock units, around livestock manure disposal, and that sort of thing today, and municipalities are free today to go ahead and make more strict rules under the guidelines that are there today if they so desire. In fact, they have the ability today to limit or

eliminate livestock being put into their municipalities, and they should have the ability to do that.

The concern that arises with this bill in this section is to look at the timing of a government appointing a technical review committee to hear such concerns. As I heard from many, many farmers in regard to Bill 15 with The Water Rights Act changes in Manitoba, they are very concerned about the timing of applications and the response from the Government in being able to get back to them, response to being able to say we need the Government to put resources to these kinds of bills, so that, if I make an application for drainage on the 15th of October, we are going to, with some certainty, know that I am going to get it before freeze-up.

In this case, these people may have lots of other time during the year, but I will use the example of October 15 as well, with freeze-up coming. I know from personal experience with some operations that were established in the proximity of our own farming operation that with freeze-up coming they need to be able to get these technical review committee procedures passed. It is not because they want to ram anything through, it is because they want to start putting the concrete in the ground or get the spade work going to prepare the ground for concrete.

They need to make sure that the Government is not going to or that at least it has some kind of a process set up that will allow them to be able to proceed with the construction of a particular operation, in this case, obviously livestock operations in the province of Manitoba, and be able to with some certainty know that they are not going to be held up unnecessarily due to timing situations or the fact that a particular business plan has to go to the Minister's desk to be referred back to the Technical Review Committee so that it can come back to council. The Council can post it even if the recommendations from a council going to the Technical Review Committee in the first place are not agreed to by the technical review group.

The Technical Review Committee, which is appointed by the Minister, who could have the opportunity to peruse each of these business

plans if he wishes, has that opportunity to put forth the changes to these people's business plan, that the Council may have already approved or may not have approved in the original business plan, but yet, the Technical Review Committee will force more changes upon that particular business plan. The Council, then, is behest by this bill to publish the Technical Review Committee's recommendations, even though it may meet the Council's own standards that they have set for establishment of livestock operations in their own local area.

That is a concern of why many of my colleagues, I believe, on our side of the House have had concerns with this bill, with Bill 35, in regard to establishing further bureaucratic processes when there are already rules and regulations established that allow for the control of these livestock programs in the province of Manitoba and the development of this industry.

Madam Chair, to Madam Minister, I wish to say that we have a wonderful opportunity in this province to proceed with the kind of development that will provide this province to outstrip other provinces, if you will, in economic development. We need to do everything we possibly can to do that. I have said many times in the House and I will say it here again now, and I have said it before I was elected: We need to make sure we do it right the first time. I think that the agricultural community, 99.9 percent are responsible stewards of the land and the water and the air in our communities and our province, and certainly need to be able to have the assurance that the government of the day is going to allow them to proceed with undue haste, I guess, in relation to the establishment of such operations.

If they do not see that kind of willingness on behalf of the Government to proceed with the kinds of investment that they are willing to make, and let us be fair, some of these changes that our farmers are making today are being made by farmers who are either well enough established to go ahead and have the capital to make the changes or by the farming community that does not necessarily have the capital but is still willing to proceed with the business plan to the financial institutions that are willing to risk

that their management will proceed to enhance their operations.

* (20:50)

This was forced on us by the change in the Crow benefit, obviously, and the fact that there was no compensation, virtually a one-year payout, if you will, of the Crow benefit to take care of one year's transportation costs, and then leave the farmers high and dry to fend for themselves in regard to removal of their product out of the central region of Canada that has placed us now with the highest freight costs and therefore the lowest feed grain values of anywhere in North America.

That can be the opportunity that we need in this province. But we need to make sure that we proceed or else we are giving away. Then the longer we delay, the more we give away to other provinces like Saskatchewan, like Ontario, like Alberta and like the neighbouring states to the south who are close to that central area of North America as well, North Dakota and eastern Montana, some of Minnesota, that will allow us to be able to have a growing livestock industry in this province.

Obviously, we do have people that have been willing to do that and willing to put that view forward, because corporations have come into Manitoba and invested hundreds of millions of dollars in regard to not just processing, but the development of the primary industry in this province as well. We commend them for that. We should. They are good corporate citizens. They pay tax. They look after their concerns in as environmentally friendly a manner as they possibly can and continue to abide by the rules and regulations that the Province had put in place before, or they would not have come. They knew the rules when they came. We need to use that as an opportunity to expand. When we look at some of the numbers today, or yesterday's paper, it says that Manitoba has an opportunity to—

Madam Chairperson: Excuse me a moment, Mr. Maguire. Just for clarification so I can better understand: Are you addressing all the subclauses of 2, or one in particular? From 3 till 7. I asked the question, clause 2(3) to 2(7). I am

not sure if there is one subclause you are addressing in particular or all of them.

Mr. Maguire: I will address all of them.

That is why I am making these comments. We are looking at the notice of hearing times, applications relating to livestock operations. Manitoba is now about 50:50 on income in regard to cereal grains and livestock and grain industry in this province. That is a big benefit to us, one that we should not take lightly. It has taken many, many years to get to that point. We can look at our neighbouring province of Saskatchewan. It is about 80% grain and 20% livestock. Look at the devastation of some of the problems that arise from their inconsistency of income in that province for their agriculture community based on the fact that they are so dependent on one particular sector. We have a natural advantage now in livestock production, because of our low feed grain prices that have been forced upon us. It would not hurt this province to increase the livestock numbers into the two-thirds, 70% range, because that is one of the very primary means that individual farmers, who historically have been in the grain industry in this province, have of diversifying their farm income and making sure that they and their families are going to be there in the long run.

That is why we have concerns. It is why I have concerns. It is why I am voting against some of these amendments that the government of the day is putting forward, that the Minister is putting forward. It is not because I do not recognize that there needs to be rules and regulations put in place for moving forward in this industry, and to enhance it in the long run. But I have some pretty grave concerns about the timing and the cost, in fact, of these changes. The Bill alludes to the fact that the Government will make some funds available to R.M.s for planning costs that this bill might bring upon them, which they have not had in the past, up to this time. But I speak of the cost to the farmer in the business plans, and the timing that it will take to get those back to him. There is no mention here that the Government is going to bear any of those costs or in fact help out any of the producers with business plan development even in regard to the timing of these particular processes.

So many farmers out there tell me that they feel that once they have made the decision to go ahead, which takes in most instances several years of development in their own operations to get to the point where they want to proceed, they feel that once they have made that determination and once they have the financial wherewithal in place to proceed with the decision that they have made to expand their operation or to build anew in their operation or to change direction in their operation by adding more capitalization to their particular operation, they need to be able to move forward fairly succinctly with that. As I said earlier, 99.9 percent of the farmers do know that they are sound stewards, and they do not want to impose anything upon their own neighbours that they would not like to have put forward in their own neighbourhoods.

So, with those comments, I will allow you to go back to the process here of proceeding on a clause-by-clause basis unless any other members here have comments as well.

Ms. Friesen: I want to thank the Member for Arthur-Virden for his comments. I know that he did not have the opportunity to speak at second reading. He represents a very important region of the province in agricultural terms. I respect the long experience that he has had in agriculture, and I appreciate the comments that he has put on record.

As I indicated in my opening statement, we are concerned too about timeliness. We recognize that that is an issue, and we have tried to streamline this by ensuring that things are sent directly to the people, to the TRCs, at the same time as the Minister. We recognize too that this does add additional time to the process that was there before for some municipalities, not all. Generally speaking, I wanted to advise the Member that technical review committees will be taking about the same amount of time as they took under the previous government. I am advised that the average for that is in the region of 20 to 25 days. That is an average. Some are done sooner.

As the Member indicated, there will be some instances where the task will be much easier, and there are others where it may well be more complicated. So that is an average. I should

advise the Member too that we are allocating additional staff positions in the planning area. We are endeavouring to catch up to the difficulties that we encountered in coming into office with the noticing that there had been a considerable shift within the Department and that there had been in that shift a considerable reduction in the number of planners. That is one of the reasons, I think, that we do encounter some delays in some parts of the Department's business. Nevertheless, we are doing the best we can to catch up with that.

So I recognize the Member's concerns. I am disappointed that he is going to vote against this. I think this does, as I said, offer consistency and certainty for producers as well as for local citizens and municipalities. We think that it is a good and moderate step.

Madam Chairperson: Clause 2(3) to 2(7)—pass; clause 3.

* (21:00)

Mr. Glen Cummings (Ste. Rose): On the process that the Minister has outlined here, I made some notes to myself that would appear that compressing the time frame from the time an application is presented to the municipality until it is cleared will be a challenge in terms of putting more people in the planning department. However, it is not going to answer the workload for the Technical Review Committee. As I recall, there is Water Resources, there is Agriculture, a number of different sectoral responsibilities. What commitment can the Minister make on the record other than to make best efforts to keep current on this? Are there any other initiatives in government or will she be speaking to the other departments about picking up the pace if, in fact, a backlog develops?

Ms. Friesen: I think we would always be concerned if there were a backlog developing, and we would be working with municipalities and with other departments to do the best we can to ensure that the issues of timeliness that both sides of the House have expressed concerns about are met.

Mr. Cummings: One other question in this area. I cannot see anything in this bill, but are there

any nuances relative to an operation that is growing internally and moving past the threshold numbers? It is easy enough to understand most new operations will be coming in over that threshold number, but I have had questions about what happens procedurally, and I know what I think should happen, but I wonder if the Minister can clarify that on the record.

Ms. Friesen: This was an issue that was raised by the Member for Steinbach (Mr. Jim Penner) in his speech, and I did respond to it in my introduction to this bill, but I will take some more technical advice on that.

An Honourable Member: With respect, I was listening through the monitor to your comments.

Mr. Cummings: That is twice tonight that the Minister has implied that we are not paying attention to the comments or the offers of information. In moving past, I asked her if there were any changes. The Bill does not indicate any changes. I prefaced my remark by saying that, but can the Minister put on the record what the process will be for someone moving past that threshold?

Ms. Friesen: When I spoke to the Member for Steinbach's (Mr. Jim Penner) concerns about this, I indicated that that was an important question, the incremental growth, and that in issues like that you would have to go back to the local zoning by-law, and there would probably be differences amongst those local zoning by-laws. We are assuming in this bill that it applies to new and expanded operations, but there are local by-laws which will be different on this, local zoning by-laws which would be different.

Mr. Cummings: I am not trying to ask a trick question, but that is the very point that concerns me. I was under the impression that this act would supersede; therefore, that tells me that an application will have to be made. Is that correct?

Ms. Friesen: I think, in that case, the capacity of the barn would be an issue, and again you would have to go to the local specific zoning by-law.

Mr. Cummings: I think the Minister knows what I am asking, but I do not think I am hearing what she is meaning to say, because it seems to

me that if you are measured on animal units, which is capacity and size of the barn, if you expand past the threshold of 400, does this or does this not entail a technical review committee becoming involved in order to receive a licence? Does this act not supersede the local by-law?

Ms. Friesen: Madam Chairperson, I am glad the Member used an example. It is often easier to deal with in that case. Nevertheless my response is general. If the expansion of an existing use is listed as a conditional use approval in the zoning by-law, then this will apply. There are some zoning by-laws and I think it is the majority which would require a conditional use approval. There are some, I am told, which do not so there will be differences, and it was a good point for the Member for Steinbach to raise as well.

Mr. Cummings: So can I paraphrase the Minister's answer by saying you might require a technical review committee to approve an expansion?

Ms. Friesen: No, not exactly, but it is helpful. If it is over 400 and if the by-law requires that, so there are two conditions there.

Mr. Cummings: I will pursue this with staff pursuant to the Minister's invitation earlier, but I think there is still some confusion in this area about what might happen. It does not change the intent or the positive or negative feelings about what is in this bill, so therefore I will leave it. I just want clarification in the future, for future reference and because I have also had some questions about this, but the one thing that the Minister and the Department must have to grapple with is that if there is not a conditional use approval already in place, that can be positive. It can also be negative, inasmuch as it could severely limit it, and, in my view, the only way an expansion could occur would be if it then met certain technical approvals.

This is not necessarily the forum to debate that but I raise it as a concern. This is the kind of thing I was alluding to in my comments in the Chamber, that there is probably no easy way to calm all of the concerns that are raised when you start changing the regulations in this area, and there is no perfect way of finding a system that will not create some anomalies. I guess I heard

the Minister say what I had been wanting her to say before and that is she appreciates the urgency of developing this industry. In her opening comments, she referenced to both urban and rural people having the opportunity to gain from this, so I will leave that question as is, but I would like to pursue that further so that some clarification either in policy or in additional amendments can be pursued.

* (21:10)

Ms. Friesen: Well, I would be happy for you to ask staff now. We can put it in writing. We can deal with it in briefing the staff, however you want. Certainly, what the Member for Steinbach was getting at and I think also what the Member for Ste. Rose is getting at is that if your local by-law requires you to come for a conditional-use permit if and when you expand, and if your by-law says that, and if it is over 400 animal units, then this will apply. Yes, there are circumstances under which both of those will not be the case. Does that help clarify? We can certainly clarify it further, and I can ask Mr. Sawatsky here—*[interjection]* Is there anything else?

Mr. Cummings: I appreciate what the Minister has put on the record, but that does not quite address the technicality. As I said before, the technical aspect of how this might affect certain one-off situations probably cannot be addressed specifically tonight. What the Minister just said was that if you were exceeding 400 units, well, of course, that is the gist of 53.1(1), exceeding the 400 animal units, but in growing that, it seems to me that in the majority of cases it would have to follow that a technical review would be required. Really, if the Minister is nodding her head in agreement, in the vast majority of cases a technical committee review will be required. That answer helps. Is that correct?

Ms. Friesen: Madam Chair, yes, I am advised by staff that that is the understanding that we have. I just wanted to clarify with the Member if that clarifies it for him. He talked about a one-off. Is there something there that I have not understood that the Member is asking?

Mr. Faurschou: I was just wondering, first off, to clarify, are we discussing all clauses within

section 3, that would take us a page over and down onto the fifth page?

Madam Chairperson: I think we are discussing all of clause 3, which goes to page 5.

Mr. Faurschou: Thank you for the clarification. Then I am asking questions that are pertinent to the clause and not repeating my earlier faux pas.

I would like, first off, to ask the Minister in regard to the two-kilometre reference here. When there is an involvement of a municipal boundary just on the outside of those two kilometres, I am wondering about the potential communication to the neighbouring municipality on the basis that they potentially could have repercussions or ramifications for that municipality such as traffic flow, odour, ongoing.

The reason I ask this question is that I am familiar with a situation where a municipality did give approval for a development. It was within their own borders, within their own defined area of notification, but it did not involve notifying the neighbouring municipality which would and was subsequently called upon to provide for access roads at their expense, having no knowledge of this building approval.

Ms. Friesen: Madam Chair, that is certainly an unfortunate incident that the Member raises.

In this particular amendment, what we are doing is indicating that where individuals are affected within the radius that is drawn here, that those individuals will be notified no matter what municipality they are in, so that when it crosses boundaries within that radius that the individuals will be notified. But there is also a requirement, as the Member notices, for a general newspaper advertisement which under normal circumstances in the neighbouring municipality would also apply. I should indicate that this is the situation which exists at the moment, but the Member has, of course, essentially raised that issue by raising a particular incident.

Madam Chairperson: Mr. Dewar, on House business.

Committee Substitution

Mr. Gregory Dewar (Selkirk): Madam Chair, I move with the leave of the Committee, that the Honourable Member for Fort Rouge (Mr. Sale) replace the Honourable Member for Radisson (Ms. Cerilli) as a member of the Standing Committee on Public Utilities and Natural Resources effective immediately, with the understanding that the same substitution will also be moved in the House to be properly recorded in the official records of the House.

Madam Chairperson: It is moved by Mr. Dewar—

An Honourable Member: Dispense.

Madam Chairperson: Is it the pleasure of the Committee to adopt the motion?

Some Honourable Members: Agreed.

Madam Chairperson: Motion adopted.

* * *

Ms. Friesen: Madam Chairperson, I just wanted to thank the Member for raising that. It is certainly something that we will take into consideration as we move along and look at further recommendations for the Act.

Mr. Faurschou: I would like to thank the Minister for her response in that respect. I think a clause to reflect that no decision by one jurisdiction should in fact have imposition upon a second, ramifications of expenditure and so forth.

The next question I have in regard to—I am very familiar with TRC and the very good work that they have done in the past and I am certain will continue to do into the future, as a composite between departments and expertise and experience. I would like to ask the Minister, though, if all of what is spoken of within this act will be without cost, or is there expected cost recoveries to this act in any fashion regarding any clause or recommendation?

Ms. Friesen: Madam Chairperson, the situation will remain largely as it is at the present, that the

municipality, as you know, does require fees for conditional use. The additional piece here is that technical review committees are empowered to ask for additional information, and there may be an additional cost in that to the proponent. But other than that, we are not proposing to change the existing system.

Mr. Faurschou: I know that the Minister's responses are in keeping, potentially, with the current expectations. However, the requirement for further information in regard to the continued questions that may be posed from various factions may require significant investment, and be potentially unwarranted at times. Does the Technical Review Committee continue to be expected to be able to effectively screen and sort through the frivolous versus the requirements of solid information, pertaining to a project?

* (21:20)

Ms. Friesen: Perhaps I was not clear enough on the nature of the information that the technical review committees may be requiring. It is information that will be asked for by the Technical Review Committee for its own scientific purposes. It may be information from the proponent. Perhaps more likely, it will be information from government's own sources on soil, on mapping, and the kinds of things that are applicable to each department.

Mr. Loewen: A couple of questions on this section to the Minister, but specifically with clarification to an earlier point that was raised by the Member from Ste. Rose (Mr. Cummings). My understanding of the response is that the TRC would only apply in the case where—I am referring to expansions here—the expansion was over 400 animal units, and not "or", but "and" there are by-laws in place. Is my understanding correct?

Ms. Friesen: Yes, over 400 animal units and if the by-laws are in place, which require conditional use approval for expansion. We anticipate that that is the largest number of municipalities, and I am sure members probably concur with that. I do not have a statistical number on that, but most municipalities do have by-laws which require that.

Mr. Loewen: I would like to thank the Minister for that clarification. While I appreciate the fact that most municipalities have by-laws to that effect, the corollary is that there are some that do not and that in fact if somebody decided that they wanted to circumvent this legislation, there is an option to do it if they are in a municipality that does not have conditional use by-laws in place, and presumably that could be done by someone researching and offering to purchase an existing operation and proceeding with expansion, in which case they would be able to circumvent this act entirely. That again raises concerns that there is a possibility for people to be treated differently within the provincial boundaries and that has been flagged to the Minister. I am not sure if she was aware of it before. We kind of got into this dialogue this evening, but I am just wondering if maybe the Bill should not be revisited to ensure that everybody in the province is treated equally.

Ms. Friesen: You indicated at the beginning that there are municipalities which do not have development plans. We are reducing that number, and we are putting money and staff in place to assist those who do not have development plans. So, in any case, as things stand at the moment with a certain portion, I think it is about 13 percent of municipalities at the moment which do not have development plans at all and would not have been affected by this. Then, yes, it is my desire to have consistency of treatment. The Member has made reference to that as well. Yes, it would be desirable, but at the moment there is already that. We are moving to change that.

I think, if the Member is suggesting and I am not quite sure he was, but essentially it is another aspect of what he is suggesting, whether a municipality would change its by-laws in order to create a loophole. I think in that case, obviously there would be public hearings as by-laws are changed, and there would be a public discussion of that. I am not anticipating anything like that. Yes, there are ones which do not have development plans. There are a few which might not come under the provisions of this for reasons that have been suggested. Obviously we will continue to look at this, to monitor this. There will, presumably, be some additional recommendations coming from the hearings, and we

will be looking at all of those in due course. As I said, we thought this was a moderate step that could be done. It has the support of the AMM and something that has general support at this time.

Mr. Loewen: I appreciate the Minister's clarification, but it does not alleviate my concern that we are now looking at a piece of legislation which, in my view, is flawed in that it does allow for the separate treatment. Just for clarification, I do not believe that any municipality would purposely change their by-laws to try to circumvent this. My concern is more with individual operators who might-similar to loopholes that have been tried and attempted to be closed in the amendments to The City of Winnipeg Act, we might end up with some unscrupulous operators that would take advantage of loopholes in this legislation, and all that will result in is us being back here at some point down the road to amend this amendment to take care of that situation. Again, my preference and the preference from the members opposite would be to ensure that this type of fairly obvious loophole is dealt with in this legislation, because until it is dealt with, I do not see and I did not see before, but I certainly do not see now any urgency to rush through a piece of legislation when it is recognized that it is going to have to be amended at some later point to close that loophole.

I would also like to comment that while it is true that the AMM is supportive in principle of this bill, it is important to point out that they do have concerns, and I think they have some very valid concerns. There were concerns that dovetailed with concerns that were raised by members on this side of the House during the debate on second reading. I would note to the Minister that both of the presentations to committee refer to the Livestock Stewardship consultations which are being chaired by Dr. Ed Tyrchniewicz. My apologies to him if I have butchered the pronunciation. Further to that, I guess, in reading the information from the AMM, it is a little unclear in their wording whether they are recommending that the legislation be consistent with the previous Livestock Stewardship Initiative or with the consultations. My interpretation would be that their preference is that it does end up being

consistent with the aims of the consultations that are taking place. It is unfortunate that they were not able to present in person because we could have maybe clarified that at the time.

Given that we have this loophole, and given that we have the consistency in these two presentations from very significant players in the industry, which are the Manitoba Pork Council and the AMM, I wonder if it would not be appropriate to maybe delay dealing with this bill until such a time as you and your staff have had the opportunity to deal with these two issues.

* (21:30)

Ms. Friesen: I am not quite sure what the Member is referring to by consistency in the AMM position and the Pork Council's position. Certainly the Pork Council argues that it supports the intent of Bill 35 "to enhance the role of Technical Review teams." It does have a similar concern to the Member in timing and argues for waiting for the results of the hearings chaired by Dr. Ed Tyrchniewicz. I did discuss that when the Pork Council was here. It is clearly, as I said, a judgment call. We believe that both processes are important. We think that the hearings are being very well received. I think members also supported that in the House and said that it was a good choice of chair, and we think that is also the case. It is going to take some time for their report to be made and a little further time for legislative requirements that might come from that report to also be made.

So, in the meantime, and it may well be a 12-month meantime. I cannot predict that. We thought that these were moderate first steps that could be made, and I do recognize that the Pork Council certainly wanted to enhance the role of the technical review teams, and it makes that very clear. The Association of Manitoba Municipalities begins by supporting the expansion of the livestock industry in Manitoba, as do both sides of the House. They also say that we believe that these amendments to The Planning Act and the discussion paper on the Livestock Stewardship Initiative lay the groundwork to ensure that sufficient environmental safeguards are put in place so that the livestock industry can continue to expand in Manitoba. We appreciate, they say, the

consultation the province has undertaken with our association on both these matters. We are supportive of the tone and substance of the Livestock Stewardship Initiative, and the AMM believes that the proposed amendments to The Planning Act are consistent with the aims of the Livestock Stewardship Initiative, and we offer our support for this legislation today.

They do make some comments about timing and timeliness, and they are particularly referring to not just livestock issues but to other issues that municipalities have around timeliness of responses. We are pleased that these amendments—and this refers to the second part of the Bill, not the section that we are actually discussing now—we were pleased that these amendments to The Planning Act will prohibit construction of large livestock operations before the required provincial approvals are in place. We agree that—these are not sequential statements. We agree that a review by a technical review committee should be a requirement—and I am on page 4—on all livestock operations in excess of 400 animal units and should be available as a resource to councils for applications involving less than 400 animal units, although technical review committees should not be required if less than 400 animal units are involved.

So, I think there is general support, as they say, for clear scientific information, as I would say, for the great majority of councils to enable them, as the AMM says, to make proper and informed decisions on livestock operations. It mentions on the last page, it sums up by talking about the role of locally elected municipal representatives and their support for this bill. So I am not sure that there is a consistency in timing issues between the AMM position and the Pork Council position. I think there is a difference. I think there is support in both cases for expanding and enhancing the role of technical review committees which this intends to do.

I will remind the Member that there are some municipalities still which, after many years of planning in this province under several governments, still do not have development plans. We have said that we regard planning as a very important element of provincial life, and that we have put in place the provisions for both

assistance from the Department and for financial support for those municipalities which do not have plans to develop plans.

I would also remind the Member that proponents who are—I am sure he is not intending to suggest that there are people who would seek to circumvent these, but that anybody who does apply to a local municipality does have to still fulfil environmental provisions and does have to require those appropriate licences. So, again, I put the Bill before the members as a moderate step with support from the municipalities, supports local decision making and enables, I think, the kind of informed public discussion at the local level that I am sure we all want to see.

Mr. Loewen: Well, it is obvious from the Minister's answer that she intends to proceed with this bill, and I appreciate the fact that she read into the record some of the words that were included in the AMM's report. I would, just for accuracy, also want to enter one part of the report that says that we agree that a review by a technical review committee should be a requirement on all livestock operations in excess of 400 animals, something that is not being undertaken by this bill.

In any event, there is some advice and some opportunity for the Minister and her department to improve the situation with regard to this bill, and I hope she will be open enough to take the advice of the AMM. I am sure we will all be better off for it. I think it is unfortunate that we will be ignoring the advice of the Manitoba Pork Council, which is fairly straightforward advice to table the Bill until we have had an opportunity to see the recommendations and understand fully the results of the Livestock Stewardship consultations that are underway right now. I am sure many of the people who are making presentations to the Livestock Stewardship consultations will be disappointed to learn that in the middle of those consultations we sit in this House and move forward, passing legislation which they believe they are presently being consulted on, and that is their perception. I do not know why we would not want to give them the opportunity to do that.

Another issue that is, in particular, raised by the AMM is with regard to timing. It is an issue

which was raised in the House on a number of occasions. I guess philosophically this is where maybe we differ considerably from the Minister in regard to the role of government in the lives of some people in rural Manitoba who invest their livelihood in agriculture and who want to diversify, who want to look for new opportunities. I should make clear to the Minister that with regard to sections 53.1(6) and 53.1(7), and I appreciate the fact that the Minister has indicated that she anticipates 20 to 25 days will be the length of time it takes for the Technical Review Committee to finish their report, there is no requirement in this legislation for the report to be concluded in that time frame. There is, again, no requirement in this legislation for the technical review committees to remain in place as they are, and I think that is a serious concern to some members in this House. That is why, in a number of cases, they spoke, what I would refer to, as passionately about the Bill.

* (21:40)

The Minister took exception in her opening comments with some of the language that was used and some of the words that were used, and that is her prerogative, but all the language was parliamentary, and all the language was spoken, I think, with deep belief. We should, as members of the Legislature, respect that.

I am wondering if the Minister anticipates that there will be any regulations put into place with this bill that will at least carry some weight in terms of the make-up of the Technical Review Committee and the time frame with which the Technical Review Committee will report, because without that, this bill is wide open to changes at the whim of the Minister. It is also wide open to affecting the livelihood of people in rural Manitoba who, for reasons beyond their control, might want to make an investment and might see that opportunity disappear because of the nature of the seasons and when they need to start construction and other issues that have been raised by, in particular, the Member for Arthur-Virden. (Mr. Maguire) So I am wondering if she could address those two clauses.

Mr. Vice-Chairperson in the Chair

Ms. Friesen: I think these two specific clauses the Member was addressing were 53.7 and 53.1(7)–

An Honourable Member: Page 4, 53.1(6) and 53.1(7), Appointment of Technical Review Committees and the Minister to refer application. Those two clauses under the Technical Review Committees.

Ms. Friesen: I think the Member is aware that, in this amendment, there is no provision for making regulations. That has to be specifically put in. Regulations must be made in this section. We have not done that. We can certainly monitor that as we go along and, again, look at the broader recommendations that may or may not come from the review that is there now.

The second question dealt with timing and the application of time lines. I think I have expressed, several times, my recognition of the importance of timeliness in this, in the smoothing of the path of the Technical Review Committee. That is, in the simultaneous sending of the request to both the Minister and the local review committee. We are doing what we can there. Normally, under the previous government and normally, so far as I know, under this government the average time taken has been in the region of 20 to 25 days. We certainly, I think, are committed to continue to monitor that.

Mr. Cummings: I have a feeling I am missing something here. Was there any reason why the areas that do not have development plans were, by lack of inclusion, excluded from this regulation? Is there some technicality that has led to this that I have overlooked?

Ms. Friesen: I am sure that the Member for Ste. Rose (Mr. Cummings) has not overlooked this. This is The Planning Act, and so it deals with municipalities which plan. Those municipalities which do not have plans, still a small number of them, to that extent are not covered by The Planning Act. They are however, as I indicated, covered. I am sure as the former minister for the environment knows, all applicants are covered by other environmental permits, which do have to come into play. So there certainly are some checks there.

I will repeat that we are very concerned that those municipalities which do not have plans will soon be looking very closely at adopting them, and we are putting the assistance in place to enable that to happen.

Mr. Cummings: The Planning Act may have been the only vehicle that was available to the Minister. But it seems to me there might have been other vehicles that would not have had any exclusivity in them, because of the lack of coverage, that might have been able to have been used to put this requirement in place. But nevertheless, this is the Bill that is here. Unless we can come up with a better idea, I guess we are going to end up with some, for the record, jurisdictions where there will be a possibility of them not being put through the same screening process.

I would only add that I always observed that there were less problems, and virtually no problems, in the citing of barns where there was, in fact, a plan in place. Ergo, what does this bill do? It is addressing the area where there were not as many problems in the first place. It is the ones that do not have a plan where the problems are the most evident. That, I guess, was at the back of my mind when I asked the questions earlier.

I recognize that all of the environmental regulations apply. That is probably the best safeguard that we have. In terms of a municipality proceeding to approve expansions that may or may not receive the technical review that the province is prepared to provide, that probably some of the very districts where we used to see some of the most vociferous concerns being raised, they are still going to be to some extent not fully covered by this act. It is obvious that, as the Minister said, using The Planning Act you have to be where there are plans in place. Thank you.

Ms. Friesen: I think, yes, we all see the benefits of planning. The fact that we now have 13 percent of municipalities without plans, and some of those I believe are also moving to plans, as we are here. But not that many years ago, there were perhaps twice that number of municipalities which did not have plans. Presumably, the previous government made

some inroads on that. I would like to think that we have also made some inroads, and quite quickly, on this.

We did, I am given to understand, look at other options for this, but one of the principles that we want to support is the principle of local decisions. When you are looking at the importance of local decisions, you have to deal with The Planning Act. So, if the Member has over the next few months any other suggestions, we would certainly look at them.

Mr. Maguire: Just noticing since I returned, Madam Minister, that there are a couple of questions in regard to the area that you are covering in the report right now that I would like to ask.

One is Appointment of Technical Review Committees, 53.1(6). I have been going along on this whole process with the understanding that there were going to be technical review committees established in all parts of the province. But this particular bill, this particular section says: "The minister may appoint a committee, to be known as the Technical Review Committee, for each region of the province, as the minister considers appropriate."

Can you clarify why the use of the word "may" is in there?

Ms. Friesen: The reason for leaving it as "may" is, the advice I am getting is, had it been "shall," which I guess is always the other alternative, we would have had to have been appointing them in parts of the province, Thompson, Churchill, where there may not be hog operations or livestock operations or chicken operations or whatever. So it was I think to leave that flexibility open.

I should indicate again the side-by-sides. I know that the members are not entirely satisfied by that but, as we have indicated in writing there to the members of the Opposition, the intention is that those technical review committees will continue as they have: staff appointments in the regions, local knowledge, professional application.

* (21:50)

Mr. Maguire: Thank you, Madam Minister. I was saying that it would be quite difficult to do in some of the communities that you named, but I do not know the rest of the Government's plans in regard to highways and transportation. Perhaps Churchill might not be as outrageous as we have seen in some time down the road.

Ms. Friesen: It is actually global warming-warming that concerns me, but who knows.

Mr. Maguire: I thought the Minister's comment was going to be global warming there for a moment.

To get back to the serious side of the technical review committees and just a few technical questions in regard to those, Madam Minister. What will be the makeup of those?

Ms. Friesen: The composition will be as they are now, and that is a representative of the Department of Agriculture, who is the chair, a representative of the Conservation Department. I think within Conservation two sections are represented, a section of the Environment and of Water Resources, and Intergovernmental Affairs from the planning aspect.

Mr. Maguire: Will there be any other criteria on personnel? Will they remain from those departments, or will there be other expected rule changes or regulatory changes that might change the criteria of the personnel on those committees?

Ms. Friesen: I gave an example of a committee of four, and Agriculture, again, as I said, as the chair. But there could be additional members on that from those same departments, depending upon the requisites of the particular application that is made. If there are particular specialties required within soil, for example, those can also be added. I should emphasize that has been the practice in the past.

Mr. Maguire: So is it the Minister's understanding that because these reports will come from the councils that council members are not needed on the Technical Review Committee, or are they included?

Ms. Friesen: In the past, council members have not been included on the technical review committees. What council does is request advice from the Technical Review Committee. So the technical review committees provide a written report to council, and that will remain unchanged.

Mr. Maguire: Just as a last point, 53.1(7) that the Member for Fort Whyte was asking about earlier, it is: "On receipt of an application under subsection (1.1) (livestock operation), the minister shall refer it to the appropriate Technical Review Committee."

In fact, any application, it is my understanding, over 400 animal units, the application also has to go directly to the Minister. Is that the case?

Madam Chairperson in the Chair

Ms. Friesen: The process that we anticipate, what is required in the Bill is that the municipality inform the Minister of the application. We are also indicating in the explanatory part that, for administrative efficiency, municipalities will be directed to refer the application directly to the regional director or chair of the regional TRC with a copy to the Minister of Intergovernmental Affairs. So that we expect, again, and this is for reasons of timeliness, that they will go simultaneously. But the legal requirement of the Act is that the Minister be informed.

The alternative is that the Minister is informed. The Minister then sends another letter out to the regional committee. We are trying to streamline and parallel those processes.

Mr. Loewen: I just wanted to indicate for the record as well that both the presentations from the Manitoba Pork Council and the Association of Manitoba Municipalities indicated that it was their belief, and they are both very close to this issue, that the current staff, particularly with regard to the Technical Review Committee staff, were certainly pressed for time as it is. They both felt that the introduction of this legislation would increase the workload on these individuals.

At the same time, we did not get to touch on this in the Estimates, but I do not believe there were additional staff allotted for in the Department as a result of this. I guess I would just like some comments from the Minister, first, on how this could affect the timeliness of response and/or I think, in everybody's interest, the effectiveness of the review committee to take the necessary steps to ensure their recommendations are thorough.

Ms. Friesen: We did not have the time to touch on this in Estimates. We have allocated three additional positions. We will continue to monitor this, but I did indicate also that one of the difficulties we are facing is that there has been a reduction of over 20 planning staff in the Department under the previous government. There was a shift to Economic Development; some staff were moved into that area, but overall it did mean that there were fewer planning staff. So that is something that is the place we start from. We know that is an issue, and we will be monitoring it. So I thank the Member for raising it.

Mr. Faurshou: The final question I have on this pertains to the notification of property owners in the vicinity of the planned proposal. There have been occasions that property owners are absent and away from their primary residency or address for months, on occasion. Is there some mechanism in which it will ensure that property owners are in fact notified in this particular act, so that potentially notice may not in fact be received by property owners?

Ms. Friesen: I should advise the Member that the existing provisions remain. The name on the tax roll I think is the location to which the letter is usually sent, and the advertising in the local newspaper is similar to the provisions that already exist.

* (22:00)

Mr. Faurshou: I respect the Minister's response. However, we are always looking to improve and enhance the existing procedures. I do know of occasions where property owners do take lengthy vacations. I do know of circumstances that have caused this duress emanating from not being notified. I am

wondering whether the Minister has considered this as part of this amendment act, and wondered whether or not the Minister would consider something that might prevail in this set of circumstances.

Ms. Friesen: I appreciate the point that the Member is making. It is one that I think is a constant concern for municipalities. Some of the alternatives pose considerable cost burdens on municipalities as I am told. It is not something that we did consider at this time, and I think it is something that we would certainly want to discuss with AMM and with the municipalities if we were to proceed with any changes from existing pattern in that area.

Madam Chairperson: Clause 3—pass. Shall clause 4 pass?

Mr. Loewen: Just to reiterate a point which we made over and over with regard to this bill. I would hope the Minister would maybe consider following the advice of the Manitoba Pork Council, and I think also implicit in the presentation from the Association of Manitoba Municipalities, that this bill not move forward until the final results are available from the Livestock Stewardship consultations. That would certainly be the recommendation from the members on this side of the House.

Madam Chairperson: Madam Minister, did you want to speak to something?

Ms. Friesen: Yes, just to say that I respect the position the members are taking. I respect the position that the Manitoba Pork Council is taking. I disagree with the Member that it was implicit in the AMM presentation. Nevertheless, I think it is a judgment call.

There will be some time elapsed before we are next able to look at the recommendations of the advisory committee, and we look forward to receiving those.

Madam Chairperson: Shall clause 4 pass?

Some Honourable Members: Pass.

An Honourable Member: No.

Voice Vote

Madam Chairperson: All those in favour of passing clause 4, please say yea.

Some Honourable Members: Yea.

Madam Chairperson: All those opposed, please say nay.

Some Honourable Members: Nay.

Madam Chairperson: In my opinion, the Yeas have it. The motion is accordingly passed.

* * *

Madam Chairperson: Shall the preamble pass?

Mr. Maguire: It seems like such an obvious question. The end of the first sentence in the preamble, Madam Minister, Madam Chair: "The main part of this Bill is about applications for conditional uses that relate to proposed livestock operations beyond a certain size." Is there anywhere else in the Act that you are using any other number besides 400 animal units? And why have we gone to a certain size in the preamble instead of naming 400 animal units?

Madam Chairperson: The Member is speaking to the Explanatory Note. It is the preamble beginning with "HER MAJESTY" that we are trying to pass.

Mr. Maguire: Very clearly, you are right. But can I get an answer to that question?

Ms. Friesen: The principle of the question was are we dealing with any other units other than those units over 400 animal units in this amendment, and the answer is no.

Madam Chairperson: Preamble—pass; title—pass. Bill be reported.

**Bill 48—The Rural Development Bonds
Amendment Act**

Madam Chairperson: We still have Bill 48. *[interjection]* No, it was agreed, all three tonight. Does the Minister responsible for Bill 48 have an opening statement?

Hon. Jean Friesen (Minister of Intergovernmental Affairs): No, I do not, but I do want to introduce the staff who are here to assist me with this bill. On my left is John Melymick and on my far left is Larry Martin, Assistant Deputy Minister.

Madam Chairperson: We thank the Minister. Does the critic for the Official Opposition have an opening statement?

Mr. John Loewen (Fort Whyte): As mentioned in the House, I guess, in theory, we are not opposed to the passage of this bill. There are some practical applications which we have some concerns with. I think it is maybe important for us to state for the record our view of Grow Bonds and where they have been and where we see them going, because I think that will have some importance on the application of what comes out of these amendments. Certainly I want to congratulate Mr. Melymick on his overseeing of Grow Bonds. They have changed dramatically in the last number of years, and I think certainly have changed with regard to the market that they compete in vis-à-vis other methods of financing.

If one was to look at the history of the Grow Bonds, I think they were a very, very positive program. The proof of that is the success of economic development in rural Manitoba. I think they have provided a great boon, but not without cost and not without some risk to, I guess, the taxpayers, as a result of some of the investments.

* (22:10)

My understanding is that certainly in the last few years the issuance and the monitoring has been tightened up. We see in this legislation that further steps are being taken to tighten up the Province's ability to make move for assignment of security and appointing receivers and what not, which I think, from a security point of view, on the face, certainly looks good and looks positive. As is stated in the Explanatory Note, it puts a government in a better position to respond.

I think it is important though to understand that it also changes the nature, maybe, of the

bonds from what they once were, which was I believe more of a vehicle for entrepreneurs to use, and possibly maybe fell more into the category of venture capital.

I believe now, in my view, and I think in the view of other venture capitalists, other funds both in the city and outside of the city, that the nature of Grow Bonds has now taken on the form where it is more of a replacement for the Business Development Bank. As opposed to being venture capital, these bonds carry the type of security, and in most cases, from my understanding, they compete with the banks and, in some cases, replace the banks. I guess I could throw out Acrylon as maybe an example of that where the Grow Bonds did actually replace the banks.

There is room for that, and I think there is a need for that. Particularly in provinces like Manitoba, we have seen a move in the banking industry to move their centralized functions out of Winnipeg in the last number of years. Certainly, we have seen bankers move to Calgary and decision-making powers move to Toronto.

My only concern is if the nature of Grow Bonds is changing to reflect a different status, a different type of loan, a different competition level within the financial services industry that it is imperative that it is realized within government and it is realized at the public level that these are different finances.

I guess my suggestion would be that at some point the Minister look at this legislation and determine, if that is the case, then maybe one of the prerequisites for issuing a Grow Bond would be a situation where a company has been turned down by a bank, because presumably that would be the normal method of financing, and one compares sort of the interest rates on Grow Bonds and the fact that the nature of the security that is required I think will be evident, that more and more Grow Bonds do either compete with banks or replace banks. As I said, it is needed. We are getting squeezed in Manitoba and in the city of Winnipeg by the banks in terms of some of their decisions not to advance capital when there is probably enough security for them to do so. I think it is the result of some of the decision-

making powers moving out of Winnipeg. Having said that, I think we are prepared certainly to go through this piece of legislation.

I guess my only other comment, and I think I mentioned it in the House—well, I know I mentioned it in the House in debate on second reading—was a couple of concerns, one that the focus of the bonds would move to the city of Winnipeg and away from rural Manitoba. I think it is imperative that we receive assurance that will not happen. I know it is not the intention, but in fact I think everyone would agree that the path of least resistance likely lies in the city, which is the hub of the economic activity and where there are more situations where companies would seek this type of financing, just by the nature of the population in Manitoba.

As I said, it would be unfortunate if we sort of look back three years from now and realize that we have lost the momentum in rural Manitoba because of a shift in the focus of Grow Bonds and a shift in the focus of the Department to spend a great deal of energy on helping people in rural Manitoba successfully expand and start their businesses.

The other concern I do have is not so much with the wording in the legislation. I would not argue that the Province needs to be in a position where they can realize on their security and where we do not want to have situations where the bondholders are paying themselves interest on a situation where the businesses are heading down the tubes as opposed to repaying the debt, the principal to the Province of Manitoba.

But sometimes in the application of this we can run into a situation where the covenants regarding those securities up front can be strong enough to discourage business from starting up or expanding. We see that in everyday course with the banks with their requests for personal guarantees and personal securities. Again, I believe that is the business the banks are in. If that is how they choose to do their business, that is up to them, but if there is an entrepreneur or someone expanding, a business person who is interested in that type of financing, that is where they should go. There is competition in the marketplace, and if they are turned down for any of those reasons by the banks then their next

approach would be to the Department. As I stated before, in that situation, the Grow Bonds might act as a replacement more for the Business Development Bank, which traditionally was in that sort of lender of last resort category. I think it is safe to say that they have also withdrawn from that market and now I think more and more see themselves as competing directly with the banks on that front as well.

In the implementation of the legislation, I would urge the Department to study carefully the type of security assignment and the form of the security assignment that they are going to emplace. I know it is a direction of the Bill, again, the path of least resistance is to demand as much security as possible. I am sure the administration realizes that they can force a business person into a situation where they decide not to expand simply because the security assignment is too onerous. I would hope that we do not end up in that situation. So with those brief comments, we are certainly prepared to proceed.

Madam Chairperson: We thank the Member. During the consideration of a bill, the preamble and title are postponed until all other clauses have been considered in their proper order. 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.

Shall clauses 1, 2 and 3(1) pass?

Mr. David Faurichou (Portage la Prairie): Just in regard to the changes from rural to community, and obviously widening the scope of the legislation, enabling businesses within Winnipeg, does it though expand exponentially the number of businesses that are eligible for this with a greater amount of dollars available from the government guarantee?

* (22:20)

Ms. Friesen: I appreciate the concerns that the previous member made reference to about the concerns about not taking away from rural Manitoba. I did try to allay some of those

concerns in my opening statement on this. I think that is partly what the Member is asking here.

The specific question that he is asking, of course, if you are opening it to the city of Winnipeg. Yes, there are more eligible businesses, but we have \$13 million in addition available in the provisions for this. Should the need arise, then one can always return to Treasury Board for both rural and urban Manitoba for additional requests.

Mr. Faurichou: I thank the Minister for her response, and I appreciate her answer to the question.

Now this other question that I have in regard to the competing areas where one can source investment monies, that being the Crocus and ENSIS Fund, both are eligible for a tax credit and are RRSP eligible. Could the Minister clarify The Rural Development Bonds Act, or now The Community Development Bonds Act, is there consideration in this regard as to similar status, where if one is investing that it be at the very least considered eligible for RRSP contributions, even though one would not perhaps consider it for a tax credit position, the other two competing funds?

Ms. Friesen: Currently, rural Grow Bonds are eligible for RRSP application. We do not anticipate presenting any changes in that.

Mr. Loewen: Just a follow-up question to the Minister: Has there been any instruction to staff in terms of how much or what proportion will be directed towards or allowed to be used to finance businesses in the city of Winnipeg? Is the Minister suggesting that there be a \$13-million limit, or is it completely at the discretion of the staff as to where they place the money?

Ms. Friesen: The Member is looking for any consideration of specific proportionate allocations to rural and urban Manitoba, and we have not considered that at this time. What we are looking for in both rural Manitoba and urban Manitoba is good proposals, viable proposals that the Province should be supporting. The Member also asked what instructions I had given. I was smiling at that one because my

instructions are be cautious, be prudent, due diligence, all the things that I think both sides of the House would support.

Mr. Loewen: Just for the record, and again it just heightens my concern about the path of least resistance which will no doubt be in the city of Winnipeg. I mean, I am absolutely convinced that that will be where most of the opportunities will be presented. With regard to proceeding with caution, again I disagree wholeheartedly with the Minister on that. These are not funds that are destined, I think, to be cautious investments. If that was the case, then I think we would advise Grow Bond operations—or I would advise Grow Bond operations—to put their money in Province of Manitoba bonds and collect their coupons. That is a cautious investment.

In many cases, investments of this nature are made on knowledge of management and belief in people, belief that people have an idea that might look good on paper, might seem a little bit offbeat, but really what investors in this type—and I have personally invested in a number of these operations. I think what most investors would agree is that they look to the strengths of management, and they look not only for people that have a passion for their business but for people who will drive that passion to success.

I believe that in the case of venture capital they are probably looking at a success rate of 2 in 10. They are looking for the big hits. I am not suggesting that this should be totally venture capital, but, again, while I appreciate the fact that the Government is standing behind the principle in these cases—and there is some risk to the people of Manitoba—again when one looks at sort of where some of the money gets spent for economic development, where it comes from, people are investing in high-risk situations.

The Government should understand that with a lot of investments, if they were cautious, they would go to the bank because that is where cautious money comes from. If it is to drive the diversification of our economy, if it is to help entrepreneurs and in particular, young entrepreneurs to move ahead and create businesses that we can watch grow, they are going to be risky ventures.

So I would hope that maybe the Minister would reconsider her cautious approach and maybe look at allowing her staff to have the latitude to treat this money as one would primarily venture capital for the benefit of our economy, at the same time understanding that there are inherent risks in that, but I believe in this case risks that are worth taking.

Ms. Friesen: I want to respond on two issues. I know that the members have concerns about the service to rural Manitoba. I want to reassure them that rural Manitoba will receive the same service, that we are retaining the Altona office for all of Manitoba. The office for Grow Bonds will be in rural Manitoba, and I think that is an important signifier.

I think maybe the Member for Fort Whyte and I have perhaps a different use of semantics. I recognize what he is saying about the nature of these kinds of investments. My advice is as a minister to staff, to be cautious in your stewardship of provincial funds. I am sure that most members would also agree with that. So the indication is not the nature of the investment but it is the nature of due diligence and prudence, and that was really all I wanted to convey.

* (22:30)

Madam Chairperson: Clauses 1, 2, 3(1)—pass; clauses 3(2), 3(3), and 4(1)—pass. Shall clauses 4(2), 5(1), 5(2), 6 and 7 pass?

Mr. Loewen: Just for clarification, we can pass up to 12(6), if it is the desire. I am not sure if I have phrased that right, but 12(6).

I have some questions on 12.1 that I would like to address.

An Honourable Member: Clause 7 is what you are talking about.

Mr. Loewen: Sorry, clause 7, yes.

Madam Chairperson: Clauses 4(2), 5(1), 5(2)—pass; clause 6—pass. Shall clause 7 pass?

Mr. Loewen: This is the area where we get into the security issues and the assignability of securities. I am wondering if the Minister could

advise us if it is anticipated that there will be a change in the method of securing funds. I guess what I am trying to figure out is, in the application of these, will the Province be asking corporations to get personal security where maybe before they did not, that type of information?

Ms. Friesen: This section of the Act is not changing existing practice, but what it is doing is putting into legislation an existing practice which the previous government had adopted, which they believed that they could adopt under the legislation that then existed. This, I guess one would say, is for greater certainty.

Yes, personal guarantees are taken, were taken under the previous system, under the previous government.

Mr. Loewen: Just for clarification, just to ensure, it is not so much in the clauses themselves that I have concern, but, as I mentioned in my opening remarks, the application of it. The Minister is confirming that it will be pretty much business as usual. We could expect that?

Ms. Friesen: Yes, that is my understanding, that there is no change in that.

Madam Chairperson: Shall clause 7 pass?

Mr. Faurchou: I would like to ask the question whether it is deemed applicable or not: Is the actual investment limitation as far as by individual into a project that is under this Grow Bond—I believe it is \$5,000 that is the limitation of investment, or is that limitation of guarantee?

Ms. Friesen: We are checking on one element of this. These amounts are not covered in the Act. I believe that they are part of the regulations, and the Act proposes or the amendment here proposes no changes in that. So what you had and what you have is a minimum of \$100 or \$50,000 maximum or 10 percent of the bond, whichever is the lesser. We are checking on where the regulation is.

I was wrong. It is not in regulation. It is in the Act, and I have the section here. Also, I should indicate there are no changes. It is section 20(2). What it says is that: "Subject to subsection

3—[interjection] I could read that one if you want—but: "Subject to subsection 3, no person or member of a group of associated persons shall hold rural development bonds of any bond corporation in an amount exceeding

"(a) \$50,000.; or

"(b) 10% of the amount of the rural development bonds approved by the review committee for issue and distribution by the bond corporation;

"whichever is the lesser."

* (22:40)

Mr. Faurchou: Just in regard to that section, I was wondering whether there was consideration by the Minister and the Minister's department to recognize the inflationary consideration as to what a dollar buys today versus when the Act was proclaimed, that a change of the eligibility for investment and security amounts was considered.

Ms. Friesen: I understand the proposal the Member is making and will certainly take that under consideration. The Bill was created in 1991, and there has been some inflation since then. However, I am advised that over half of the Grow Bonds that are given are for amounts of up to half a million dollars so that in fact the maximum of \$50,000 does not kick in that often. So there are other considerations involved there, but it is over 10 years.

Mr. Larry Maguire (Arthur-Virden): Just a straightforward question in regard to the amount of dollars that have been spent on the rural development bond process, say, annually over the last few years, or is there a particular number for 1998 or '99?

Ms. Friesen: With the exception of the most recent Grow Bond in Crystal City, what I can tell the members is that there have been 25 Grow Bonds with a provincial investment of \$13 million, which has levered an additional \$18 million and a total of approximately 790 jobs.

Madam Chairperson: Clause 7—pass. Shall clauses 8, 9 and 10 pass?

Mr. Loewen: I have no objection to 8 and 9 passing. I have a brief question on clause 10.

Madam Chairperson: Clauses 8 and 9—pass. Shall clause 10 pass?

Mr. Loewen: Just a comment for the Minister and her staff, again, it will come down to the application of this, but it certainly does give the Province some broad-ranging powers in terms of when they can step in. It refers, I guess, to clause 11 as well, with regard to the appointment of a receiver manager, and clause 11 deals with the appointment of an agent. But I think, in particular, in clause 10(c), where they can appoint a receiver, where I believe there is about to become liable an application, could cause some concerns for businesses.

I certainly appreciate that, if an operation is in receivership, the Government would want to step in possibly and replace the receiver if they are the major debtor, but to tell business that if the province believes they are about to be petitioned into receivership might be considered by some to be a little heavy-handed going in. Again, as long as it is applied in such a fashion that it does not discourage businesses from expanding or starting up, my concerns would be alleviated. I do not imagine it is the intent to do that, but I throw that out as a word of caution.

Ms. Friesen: I do not know if this will help clarify it for the Member, but the intent here is for the receiver to be the receiver in the place of the bond corporation, not for the eligible businesses. Does that help? Is it clear enough?

Mr. Loewen: Well, yes, I mean, I appreciate that, and I understand what it is going to. I am just thinking of people who are looking at an investment. This can sometimes be the straw that broke the camel's back. You know, as long as it is applied in an even manner and maybe there is room for some negotiation, I think it is fair. I mean, I can see myself objecting to the Government stepping in in that situation if I made the investment in the bond company; no objection if it is done after receivership is declared. So, again, it is not a huge issue but something I think that is worthy of consideration.

Madam Chairperson: Clause 10—pass. Shall clauses 11, 12, 13 and 14 pass?

Mr. Faurschou: Madam Chairperson, I will say that the Portage la Prairie constituency has benefited from this program in the past, although we have tested the durability of this program on a number of occasions. I would like, though, to propose a couple of thoughts at this time in regard to appointment of agent as it pertains to investment of public dollars. As regards the agent that is considered to be appointed by the Department, should this occasion arise, it is paramount that the qualifications, experience, and related understanding by the individual or individuals that are considered for this position be without question of the highest priority. One can consider department staff for assisting; however, as experience will bear out, persons that have industry, business background are ones that, even if a greater dollar is commanded by these individuals, are well worth the investment over the long haul. So I leave that for the Minister's consideration because I truly believe that is an investment that will bear fruit for the public-sector monies that are invested in this regard. I cannot stress this point more strongly.

* (22:50)

Ms. Friesen: I thank the Member for his advice.

Mr. Loewen: And just a couple of further comments, to note for the record, the concerns I expressed around clause 10 also apply to clause 11. I think under clause 12 it would be appropriate to point out that is the area that is also referring to striking out "rural" and substituting "community." It is also important to understand that the decisions need to be made by staff on this. They are the experts. They know how, as the Minister mentioned, to proceed in a manner that handles due diligence properly and that certainly looks after the best interests of the people of Manitoba.

I hope the Minister is aware that with these types of programs there comes the inevitable pressure from politicians to deal with issues that are raised to them by their constituents, and again I just like to ensure that the Minister takes into account the fact that the worst, I think, possible application of this act and of Grow

Bonds is to satisfy the needs of—I should not say needs—possibly needs and demands of politicians. This should not be a program that is used to fund businesses based on political requests. It should be an independent program that operates with the guidance and advice and knowledge that is brought to it by paid staff, and I think possibly it can be argued by some that, in the early introduction of this program before the consequences were fully understood, there was maybe a little bit more political influence than there should have been. I think that has been cleaned up.

Just a note for the Minister, it is important that the staff have the freedom to make the final decision on it.

Ms. Friesen: I appreciate the frankness of that advice. I will take it in that spirit, and also say that I think we have a very professional staff who have dealt with this program now for a long time. We are looking with interest at what response there will be in the city of Winnipeg. I think the staff also have a very strong awareness of the importance of this to rural Manitoba, and will certainly be maintaining that focus.

Madam Chairperson: Clauses 11, 12, 13 and 14—pass; preamble—pass; title—pass. Bill be reported.

That concludes the business before the Committee. Committee rise.

COMMITTEE ROSE AT: 10:54 p.m.