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DEBATES
and
PROCEEDINGS
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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Ninth Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, October 11, 2007

The House met at 10 a.m.

PRAYER

ORDERS OF THE DAY

GOVERNMENT BUSINESS

House Business

Hon. Dave Chomiak (Government House Leader): Would you please call the Committee of Supply with the understanding that this afternoon and tomorrow morning the House will also be sitting in the Committee of Supply?

Mr. Speaker: The House will now resolve into Committee of Supply.

Madam Deputy Speaker and the Chairs, please proceed to the respective rooms you will be doing, and also with the understanding that this afternoon and tomorrow morning the House will also be sitting in the Committee of Supply.

The honourable official opposition—we've already resolved into Committee of Supply.

COMMITTEE OF SUPPLY (Concurrent Sections)

FAMILY SERVICES AND HOUSING

Madam Chairperson (Marilyn Brick): Will the Committee of Supply please come to order. This section of the Committee of Supply will now resume consideration of the Estimates for the Department of Family Services and Housing. As had been previously agreed, questioning for this department will proceed in a global manner. The floor is now open for questions.

Mr. David Faurschou (Portage la Prairie): I do appreciate the opportunity to participate in the committee of Estimates as they pertain to Child and Family Services department.

In Portage la Prairie there was an announcement made by Child and Family Services about three years ago now as it pertained to Manitoba Developmental Centre. In the press release there was an indication that it would be an ongoing 10-year project for redevelopment of that facility, and the redevelopment would lend itself to the basics of community living within a structure supported by institutional

supports. Everyone that was present at the announcement was ecstatic that the quality of life issues, which had been so long not addressed, were finally going to be addressed.

* (10:10)

Now, I'd like to ask the minister, because there has been a change in responsibilities within the Executive Council. As the minister reflected upon his appointment that fresh eyes were going to take a look at the expenditure and the redevelopment of the Manitoba Developmental Centre.

It's now been a little more than a year since that took place, and I'm asking the minister, as I asked the Minister of Government Services earlier, that indicated there had been, basically, just maintenance and upgrade addressed to building code requirements, but no real initiatives of redevelopment had taken place over the last year.

So I'd like to ask the minister about the progress, as it pertained to the 10-year \$40-million redevelopment at Manitoba Development Centre.

Hon. Gord Mackintosh (Minister of Family Services and Housing): There was one preliminary matter to put on the record. Yesterday, I was asked about out-of-province travel and had referred to the '06-07 report. I wanted to add, because I don't think the question was only about '06-07, but just several weeks ago, as well, I attended at St. Paul for briefings and research on child protection, the differential response model in Minnesota, and state and national responses to child sexual assault, parent training. There was one meeting on affordable housing approaches and funding models for investments in early childhood education. I just wanted that to go on the record.

When we are looking at the issue of the Manitoba Development Centre, we're looking at the envelope of investments for persons with intellectual disabilities, which is a remarkable budget line to see. When you look at the Estimates, I think, particularly, since 1999, there's been an increase of about 184 percent in the community living and in that area, 184 percent. It's one of the biggest increases anywhere in government. I think the increase is about \$112 million since 1999.

With that new investment, we've been able to support about 1,300 more Manitobans in the community. I understand there are about 4,700 now, and with the increases this year, the department advises that we may be able to have about another 160 with supported living in the community. But there are a number of pressures at play here, and it's important to have just a brief dialogue on that one.

First of all, the wages have gone up about 32 percent since 1999. There are continuing to be wage pressures in this area. It's a sector that is now becoming more organized and, certainly, there's been enhanced recognition of the importance of providing services in this area, so there's an additional 2 percent provided for funding salaries this fiscal year. As well, there's \$3 million for a fund to raise the lowest salaries in the sector. That's one of the trends.

There's another pressure and that is the demands from families, particularly older parents, and concerns then about their family members' future and an urging that government accommodate more and more independent living for those family members.

The third issue, and the third pressure that the member talks about, is pressures to deinstitutionalize people from places like MDC most notably. That movement is not cheap, of course, as the whole budget line attests to. When it comes to MDC, this year, it was originally planned that there would be about as few as 10 discharges. The department is working to double the number to 20 in this fiscal year, and there are plans in place for some of those residents already. Some have moved out, I understand, already this fiscal year; five have already moved out.

The other challenge that we're looking at, recognizing that it is an overall government policy objective to support community living, and that is to work towards a plan in the next fiscal year so that we can halt admissions to MDC. We recognize that that is very challenging because there are many complex needs usually that arise for individuals who are now being admitted to MDC. So plans are afoot to try and devise a strategy and accommodate those individuals, although not many in number, but with high-level needs.

Just historically, and the member is probably aware of this as anyone, but we know that there were about 1,100 residents in the '80s at MDC. By March 31st of '99, the number was about 482. My understanding is that at the end of last fiscal year, end of '06-07, the number was about 330, 331,

something in that range. A decrease of about 30 percent, I think, since '99.

So that is addressing part of the pressure and part of the policy of the government, but it's also important to recognize the importance of MDC and the continuum of services for persons with disabilities. The member has heard me, and I've had face-to-face conversations with him, that we are confirming our commitment to make safety enhancements at MDC and to continue services at MDC into the future as part of the spectrum of services for persons with mental disabilities. I have heard very loud and clear from people, for example, the Linden's, that the member will know from Portage la Prairie, of the very deep concern of some parents, in particular, about the continuing role of MDC in providing some of the services in Manitoba. So that's the lay of the land overall.

The safety enhancements, I understand, are continuing. My understanding from the department is that there is engineering and architectural and costing work that is ongoing. Meanwhile, there are cottage improvements. I understand one cottage has been finished, and I understand that another one is now being renovated and being redesigned. We're going to carefully proceed with the safety enhancements then, and we will be giving a very close look at the engineering and architectural reports as we receive them.

So that's where it's at right now. I might also say that I am interested in two other approaches here. I would like to see, as we continue to devolve residents to supported independent living in the community, that Portage la Prairie and that area continue to provide the services. It's a hub of excellence in services. There's a great deal of expertise and caring. We think that there may be some innovative options at hand that we can encourage developments in that area for community living for residents coming from MDC. So that's something that we will consider.

The last point I wanted to make was that, given the situation that I just outlined and the pressures, the budget line increase, it raises a question as to whether that kind of increase is sustainable in the longer term and whether Manitoba, in fact, is employing models for independent living that are as diverse as meets the need of Manitobans and the models that we have currently used, and whether they tend to be more on sort of a group-home model,

whether that should continue to be the foundation of what we rely on.

* (10:20)

So we're going to look in a longer term way at supported living and have continued dialogue with stakeholders including the expertise at MDC and St. Amant, for example. In fact, there's been an offer from St. Amant to participate in any discussions about other models and how MDC fits within the continuum of services. Of course, as well, it's always important to listen to the voices of families and residents and consider their wishes and needs.

Mr. Faurschou: Just briefly, Mr. Minister, I do believe that there is a win-win scenario. We can have the community living lifestyles supported by the institutional amenities that already exist. We could discuss that at greater length, and I'd appreciate the opportunity, because I do believe that quality of life issues are indeed at the forefront of what we should be aiming for, for all persons that are afflicted with mental disabilities.

Also, too, we could also look at how our Province addresses those that have been affected through either disease or accident, brain dysfunction, that affords them reduced abilities. Potentially, Portage la Prairie and MDC may very well be able to be looked upon as, indeed, a centre of excellence for those persons afflicted with mental disabilities.

So I hope the minister will have an open mind to this because I truly believe that the concentration of the health-care professionals in this field are already in Portage la Prairie, and we should continue to draw upon their experience and their expertise to the benefit all those affected by brain dysfunction.

Mr. Mackintosh: I neglected to introduce Wes Henderson, who is the director of Supported Living and who has been charged with developing longer term approaches and options for consideration of government.

Just on that, I appreciate the member's remarks in that regard. I visited MDC and it was remarkable to see that caring, loving community and the expertise that exists there and, as well, to see the range of services that are now being provided in Portage la Prairie area.

I think there is a lot to be said for the considerations he put on the table and I can assure the member that we'll give consideration to his ideas. I know, too, that in the times of a shrinking

institutional population there will be concerns by those who have been employed and who have settled in the area because of their role in MDC. So we are mindful of that and we will proceed with that advice under consideration.

Mr. Stuart Briese (Ste. Rose): I know the department has been subject to literally hundreds of recommendations in the last year, and I don't think we have time to go through them recommendation by recommendation.

So what I would ask, though, is: What are the time lines on completing them in their entirety, and do you plan to issue any kind of status report regarding these recommendations? I'd like to know, briefly, what stage they're at right now.

Mr. Mackintosh: Joining us at the table is Carolyn Loeppky. She's the ADM for—Child Protection? *[interjection]* Child and Family. Also joining us is Tammy Mattern, the director of Strategic Initiatives.

Last fall, the Province was presented with reports on child welfare that together comprised about 289 recommendations. The recommendations came from, notably, the Children's Advocate and the Ombudsman as well as other outside independent reviewers. I think it was remarkable, I think it's unique in the history of the province that the Ombudsman and Children's Advocate had worked together on looking for ways to improve government services of any kind, let alone child welfare.

I think it's been recognized that over the last two or three decades in particular, there have been considerable challenges in the provision of child protection services, and I would say not just in Manitoba but across the continent, which raises all kinds of challenging questions for communities.

But here in Manitoba we, of course, have not been immune to these challenges. They have, in large part, related to differing approaches to child protection, in changing best practices, challenges in the area of human resources of attraction and retention of workers to the area, which I think more recently has been compounded with the general challenge of the attraction and retention of workers generally.

There have also been issues of funding that I think have been too long recognized but, as well, an increase in the number of children coming into care and, notably in Canada and disproportionately in Manitoba, a reduction in federal funding for child welfare services on reserve and, indeed, the

development then of a two-tiered child welfare system in this province and other provinces, particularly with large First Nations' populations.

So, as a result of those challenges, we see recommendations that certainly vindicate the need for that kind of systemic review of what's been happening in the area of child welfare.

As a result of the receipt of those recommendations, and the government has accepted them as a blueprint for action, an initiative called Changes for Children was launched with the four child welfare authorities in Manitoba so that they would be addressed in a systematic way. The recommendations have been prioritized and grouped. We had some outside co-chairs, Dr. Catherine Cook and Reg Toews, help to put together the action plan in terms of how it would be organized and where the priorities would be. As a result of that there have been, I think, about 20 working groups put together in 20 different areas, I should say. An emphasis was put initially on enhancing foster resources, also an emphasis on enhancing foster rates, an emphasis on enhancing the role of the Children's Advocate and the Ombudsman in case of what are called section 10 child deaths. That is where parents or guardians have received services within the last year.

An emphasis most notably, I think, on workload relief, and that was in fact one of the earliest areas where funding flowed in addition to the foster care rates that started as phase 2 last year.

Mr. Doug Martindale, Acting Chairperson, in the Chair

The information management system as well: It's called CFSIS has been identified as an area for priority, and the re-engineering has begun there and the training for workers.

* (10:30)

The area of child welfare on reserve has two components to it: The need for more robust support on reserve because it's important to know that the resources on reserve are federally funded. As well, they need to address what has been called Jordan's Principle, the need to develop a mechanism so that when there are jurisdictional disputes as between the Province and federal government that there is an immediate flow of funding so that children are not harmed, and then a dispute resolution process so that the proper jurisdiction will be responsible for payment.

On that, discussions began with the leadership, the Grand Chief of the Assembly, Grand Chief of the Northern Authority, and the Southern Authority was represented as well. At meetings, we had asked to meet with Minister Prentice, but we did get a meeting with Rod Bruinooge, who represented the federal minister. We are now cautiously optimistic that we will move toward a bilateral, or I should say trilateral, arrangement in Manitoba and a conclusion of Jordan's Principle model. Having said that, it has taken, in our view, too long for federal representation to be appointed, but there is a working group now in place, I understand, and there is a development now of some options.

There are also efforts to enhance the intake functions, the establishment of what's called ANCR, the All Nations Coordinated Response unit, that's under the authority of the Southern Authority, but it deals with largely Winnipeg calls, and as well there are designated intake offices across the province. So there has been the allocation of additional staff for that, and as well, the development of a new computerized telephone system, more effective operations.

The development of foster resources has been critical, and we began a campaign called the Circle of Care to raise awareness of the importance of fostering and asking Manitobans to consider becoming foster parents, and that has certainly been a successful campaign. I might just add that in this year's budget the member will see that this is supported in the current fiscal year by a 25 percent increase on the budget line, or \$48.5 million in allocations. So what we are seeing is a very significant and systemic overhaul in the child welfare system that is underway, in addition of course to the devolution process that began a number of years ago. But I'll just end my remarks and I hope I'm addressing where the member wanted me to go.

I'll just end with the observation that, with all of these changes unfolding—and I know that about 70 percent, I understand, of the recommendations have been addressed or are now underway, based on the priorities established collectively—that the real transformation in the child welfare system is going to be the move to what, in the child welfare, child protection systems in North America is called differential response.

I mentioned about my briefings in that regard. But differential response, I guess it's a social work term, but it really means a formalized triaging of

concerns or complaints that come into the intake offices according to the level of risk, and there would be two streams. One is the traditional and dominant, at least today, stream of protection. In other words, an investigation as to whether there's abuse, and then the appropriate decisions or responses, to one that both comprises a protection stream and a family support or family intervention stream, and that's going to be quite a change.

Mr. Briese: I think you ran over an awful lot of my questions and one—[interjection]—the answer and I'll move on with this—[interjection] Yes, I know.

I would like to know the status of the Child and Family Services standards manual. The on-line manual isn't complete yet. It was recommended over a year ago and I would hope that it's going to be completed soon.

Mr. Mackintosh: I'm advised that the standards, particularly around case management have been prioritized and there have been changes made there. There are several modules that have been concluded and there are several more, ones that relate to what are called foundational standards, in other words the province-wide basic standards of practice that are being developed jointly with the authorities.

So that work is ongoing, but it is ongoing and it is a prioritized activity.

Mr. Briese: What's the expectation for completion on it?

Mr. Mackintosh: With the caveat that new standards can also be expected to be developed based on the recognition of different needs, but the updates on case management have already been updated. We understand that the standing committee has developed the process on concluding the outstanding ones. We understand that there are currently five that are under review. We expect that we'll go to another set then. All of this we anticipate to be completed within the three-year time frame of the Changes for Children initiative. The objective is to conclude this within the announced time line of Changes for Children.

Another example of a standard, though, that has been concluded and developed on a prioritized basis is the hotel use minimization standard. That now is a basic standard that was developed as a result of some intensive work across all of the authorities in the Child Protection branch.

Hon. Jon Gerrard (River Heights): Under the minister and his government there's been a rather extraordinary increase in the number of children in care. Can the minister give an explanation for that?

* (10:40)

Mr. Mackintosh: Across, I understand, most jurisdictions in Canada there has been that trend. I understand that that trend may well be experienced outside of Canada as well. There have been some studies done and, indeed, there have been some publications in journals like *Child Welfare* that have tried to explain that trend.

I think some of the more obvious explanations are, first of all, is there a heightened awareness of child abuse and the duty to report, particularly among professionals? I'll say that it's important—and we will be tending to this—it's important to remind all Manitobans that it's not a responsibility that should be left only to nurses and doctors and teachers and child-care workers. It's all of our legal duty to report. So that's one.

No. 2, there has developed, I think, a recognition that a child in need of protection may comprise as well, a child who is exposed to domestic violence. One study does link that awareness to increases in the caseload. That was a study done on the Ontario system.

One has to acknowledge that another reason may be increased incidence of abuse. I think that would be what someone would conclude when they first look at the numbers. That would be a tragedy absolutely if that indeed is the case, but I would suspect that that is part of the rationale and I think that has been generally accepted that that could be the case, particularly in some communities.

Another explanation in Manitoba may be that with the devolution of child welfare, there is more local provision of service and awareness of more accessible, culturally-developed child welfare services. There may be more a sense of ease of communicating with the child welfare authority. Particularly, for example, Aboriginal Manitobans may well feel more comfortable in contacting Aboriginal-controlled agencies. That is speculation, but I'm just trying to answer the question as fully as I can.

I will add some other explanations that have been offered. Our enhanced investigation protocols. In other words, better identification tools of child abuse. Also, it has been speculated that the

publication of reviews and concerns around child maltreatment and the child welfare system may enhance awareness of the incidence of child abuse in the population and therefore, more reporting. It also may have an impact, though, on the behaviour of child welfare workers when the system is under scrutiny, that there may be more risk-averse approaches.

So those are speculations. I think I've offered maybe five or six or seven explanations that have been talked about out there. I don't own any of them. Those are ones that have been offered as explanations. I'll just add this as a footnote: we have seen a reduction in children in care in two places. First of all, in Minnesota with the development of the differential response model, which I, for one, have been introduced to, that has resulted in a decrease in child apprehensions. In fact, the study there is very heartening with the potential of the introduction of a prevention stream.

Second of all, in Alberta, there was a significant reduction in children in care when they began to—by the way, both Minnesota and Alberta carefully phased in their differential response models. So we are going to take that advice here and phase in. That'll be happening in the new year. But, in Alberta, they phased it in; it's still a ways from being fully implemented, but they did see a fairly significant reduction in the number of children in care until very recently. The deputy minister there has advised that it's the population pressures, the economic boom that they are seeing there, the influx of people which comprise, I guess, at-risk populations, that has seen an increase again in the number of children in care. So they're saying that the differential response still seems to be an underlying reason for reduction, but there is this upswing now, so we'll be very interested to see how that continues.

So that's my understanding of the lay of the land on the trends and reasons that have been offered from time to time.

Mr. Gerrard: I think it needs to be added clearly that the toxic approach of the NDP over the last eight years to the health of children is a major contributor here, and that's been well documented in a report on the first six years which talked about the six lost years with regard to approaches to health of children. I think that, clearly, what you're saying with regard to Minnesota suggests that your record here is quite behind other jurisdictions, and things that we've been calling for for a long time and not been implemented.

But let me move on to Jordan's Principle. As I understand it, as of today, the process for implementing Jordan's Principle is not in place. Is that correct?

Mr. Mackintosh: First I just want to—I just find it astounding. The minister wants to get partisan on this one. I will have to remind the member that, sitting around a table, he made a decision in '95 to cut child welfare funding on reserves. I wonder if he told the people in Peguis and Fisher River, Jackhead, that that's what he was doing.

That cut made in 1995 has had a profound impact, disproportionately in Manitoba. Manitoba First Nations children have suffered more as a result of that cut than any other province and, as of 2005, the Wende report reports that there had been about \$25 million lost to First Nations children on reserve as a result of that decision. We now have a two-tiered child welfare system in this province because of that. It is just so wrong and it has not been addressed since that decision was made in 1995, and the member should know, of course, of the tremendous efforts of people like Grand Chief Fontaine who have now prioritized this as a national crisis and tragedy. So I have to put that on the record.

Now when the member says, well, what's happening in Minnesota, that must say we're behind. Manitoba will be the second jurisdiction in Canada to introduce differential response. We are not behind. We are going to be pioneers with the development of our differential response model, no less so than Minnesota. Minnesota very carefully phased it in, going by counties which delivered child welfare in that state, and they've only just recently gone state-wide, so there are not a lot of jurisdictions in North America that have experience with differential response, but we are going to learn very carefully from them. But we, as well, will be pioneers in this important development.

On the third question about Jordan's Principle: Jordan's Principle, without a dispute resolution process, is just code for offloading and a breach of the fiduciary obligation of the federal government to First Nations people. A principle has to have an enforcement mechanism; otherwise, there is no way to resolve the dispute. There is no mechanism in place, and everyone recognizes that, so that is what is key on going forward.

* (10:50)

The Province accepts, endorses and is committed to working with the federal government to conclude a Jordan's Principle model in Manitoba that I think will be, hopefully, the first in this country. We certainly are going to make our best efforts, as we have with the grand chiefs, to bring the federal government to the table, and now with the working group beginning its work, we're going to work like crazy to ensure that we can deliver that.

It's important that we make that effort, and while we can lament that it hasn't happened earlier and that children have fallen between the cracks in the past, at least now we have engaged the federal government in a process that will move us ahead. I don't know if there's anywhere else in Canada, actually, that now has a bilateral or trilateral process in place to conclude a Jordan's Principle model.

Mr. Gerrard: I thank the minister for making clear that there is not in Manitoba yet a process for implementing Jordan's Principle. Certainly, it's a principle that I've been arguing hard for, and I'm glad that the minister and his government endorse it, but I'm disappointed we don't yet have the implementation approach. I would, of course, remind the minister that he and his government have been in charge for eight years, and it's under those eight years that there's been an extraordinary increase in the number of children in care.

Let me now ask a question about a situation in Norway House. As I understand it, from talking with Councillor Muswagon in Norway House, who has the responsibility for child and family services, that there are currently, I believe, it is 37 children who they are funding on a very temporary basis to keep these children in home. They have been told—and I'm not sure whether this is provincial or federal instructions, but I think that the funding, as the minister has indicated, has been traditionally primarily federal in this respect—that they will not receive funding for these children in their own homes, to support them in their own homes. They are being told that the only way we're going to support these children as they need to be supported—they're special needs kids, I believe, by and large, and some of them need fairly sophisticated supports—is if these children are brought into care.

Clearly, it seems very wrong to have to break up families to bring children into care in order to give them basic support which they should be getting as special needs kids. I'm sure that I'll receive a rant and a rave against the federal government but, clearly,

there is a provincial responsibility in terms of managing child and family services, and I would ask the minister to what extent he has met with the federal minister or advocated on behalf of the children in Norway House and what he is ready to do about this situation which is appalling.

Mr. Mackintosh: One of the reasons that we need Jordan's Principle in this province is because of the decision in '95 that the member participated in. The development of the two-tiered response to vulnerable children is propelling us to conclude an arrangement that hopefully the federal government will work with us on.

In terms of the situation at Norway House, I think the member should make it clear as to whether it is his view that the provincial governments in Canada should be responsible for medical services on reserve.

Mr. Gerrard: I think, Mr. Minister—and I would say this and I would ask the minister and that's why I asked the question the way I did—that there clearly is a responsibility of the provincial government to all citizens in this province. There is a responsibility to be a very, very strong advocate with respect to children and with respect to children in care and with respect to Jordan's Principle at the federal level. The approach with Jordan's Principle has been there now—and I think I asked this when the minister was the Member for Fort Rouge, Tim Sale. He said, well, the provincial government accepts Jordan's Principle, and that was a year or two ago, maybe two years ago now.

I would suggest to the minister that is his responsibility as minister to all children in this province to make sure whether the service is delivered or funded provincially or federally, that it is being done with the consideration of children first.

I would ask again: What has the minister done in terms of directly advocating with respect to the situation in Norway House with the federal government or taking action in any other way?

Mr. Chairperson: Perhaps, for the record, you should say, the former Member for Fort Rouge, Mr. Tim Sale.

Mr. Mackintosh: This is a doozy. I then interpret what the member is saying as advocating for provincial governments to now take over responsibility for medical services on reserve. That is an astounding position, especially for someone who has served in the federal government, a government that

has a fiduciary obligation to provide medical services to First Nations people living on reserve. The member is advocating then for the abdication of the fiduciary obligation of the federal government to perform that role. That's what he is saying.

If he wants to correct the record, he can try and do so now, but I have taken that from his remarks. That would be quite a development for that abdication to be advocated. The First Nations people of Canada have made it clear that it is the responsibility of the federal government to provide those services. If the member wants to take a different position, not only will that be a very significant, if not interesting, new financial challenge for provincial governments in Canada, but it goes to undermine one of the whole basic principles of the relationship with First Nations people in Canada.

Mr. Gerrard: The minister is going to extraordinary lengths to distort my remarks. He really can't understand English very well, obviously.

My question to the minister, and he still has not answered this: What has the minister done to advocate for—I did not say spend money for; I said advocate for—the children in Norway House, just like I would hope that the minister would advocate for any other child in this province? Whether it is a provincial or federal responsibility for funding, there is a responsibility for the minister and his department to advocate for children.

Mr. Mackintosh: The remarks, then, of the member are perhaps becoming increasingly cryptic, but we'll take them at their face value.

In terms of Norway House, I have had a recent discussion, specifically, with the chief of Norway House on the need for the federal government to recognize its responsibility. We understand that the program that has been in place and has been extended with federal funds is one that has been proven to provide a benefit to the community generally, but specifically to the 30-plus children who have received benefits with that initiative.

I have extended my wholehearted endorsement and offered a robust role for myself, and indeed our government, in raising this issue with the federal government and putting the necessary pressures on the points that might end in a positive response from the federal government so that this matter can be addressed in a long-term way.

We see the model that Norway House, with this leadership, has developed as providing a pilot for the

country as a whole. We think that the federal government would be well served by supporting the continuation of this initiative and showing other jurisdictions in Manitoba and beyond what can happen when the federal government does accept its responsibilities.

* (11:00)

I can tell the member that, as a result of that conversation with the chief, there will be strategy concluded, assuming that the band and council endorse this approach, to advocate specifically for the support by the federal government for this initiative. As well, the Province is certainly very keen to provide any technical, other supports, advice for this initiative, recognizing that we know exactly where the funding responsibility is. This is not about Jordan's Principle. This is about providing services on reserve, period.

Mr. Gerrard: Just one last comment and a very brief question that the minister can answer yes or no. The minister was in Ottawa, I know, just before the session began. Did the minister, on any occasion in Ottawa, raise this: Yes or no?

Mr. Mackintosh: Unfortunately, the federal Minister of Indian Affairs, Jim Prentice at the time, declined to meet with me. I met with Minister Solberg on areas of our respective jurisdictions. The issue of funding on reserve is one that has to be addressed with Minister Strahl. I am very keen to conclude a strategy with Norway House to get a message across very loud and clear.

Mr. Gerrard: Thank you. I take that as a no.

Ms. Sharon Blady, Acting Chairperson, in the Chair

Mr. Briese: I'd like to question: What are the reporting requirements for the four child and family service authorities, and are they required to submit annual reports and audit reports? If there are annual reports, I would like to ask for copies of them.

Mr. Mackintosh: There are two reporting pieces. One is the annual reports from the four authorities and the audited financial statements. We have those available, I understand, for '05-06. For '06-07, we have all but the Southern Authority which has just concluded its annual AGM, which is the approving body for those reports.

Mr. Briese: So those will be available to us.

Mr. Mackintosh: Yes, those are public, and we'll make those available to the member.

Mr. Briese: I'm going to go a step further than that. The agencies that are under those authorities, that those authorities are in charge of, what are their reporting requirements? Does that become part of the report of those four authorities?

Mr. Mackintosh: The agencies report to the authorities, so the annual report does not contain the annual reports of the individual agencies.

Mr. Briese: Are those reports from those agencies current to the authorities?

Mr. Mackintosh: My understanding is that the '05-06 audited financial statements are available and the '06-07s are in progress. Might I add that the fiscal years differ as between the Province and federal government. As the member knows, the agencies that receive federal funding then have a June end year timeline, and so those are in process.

Mr. Briese: Just in follow-up to that, you talked about the ones that receive federal financing. Are some of those agencies a combination? Is there a combination of federal and provincial funding and, if so, I guess the follow-up question would be: Are some of them strictly federal?

Mr. Mackintosh: I can get the number of agencies that have both federal and provincial funding, but clearly they would be the agencies that serve families and children on reserve. But there isn't any agency that receives only federal money in Manitoba to our knowledge—with one exception, I understand. That is OCN's agency, which in the first year there is a belief that they may have operated only on reserve with federal money then.

Mr. Briese: How is the funding disbursed to the four authorities, and how is the funding disbursed from the four authorities to those agencies?

Mr. Mackintosh: The provincial money flows to agencies based on a funding formula through the authorities. It's the authorities then that distribute the money, the provincial dollars, to the agencies. However, with the federal government, the dollars flow directly to the agencies. The federal government does not recognize, if you will, or does not use the authorities as a distributing point.

Mr. Doug Martindale, Acting Chairperson, in the Chair

Mr. Briese: What I'm trying to establish here is where the accountability of those agencies—who are they accountable to? What is the minister's input into

the chain of command, and who in the system is directly accountable to the minister?

Mr. Mackintosh: Under the devolution legislation in Manitoba, the arrangement of the scheme of the legislation was agency accountability to the authorities, the four authorities, and then authority accountability to the Child Protection branch, and then through the minister to the Legislature.

For the federal government, it's my understanding that the accountability is directly from agencies to INAC, which would then be to the minister and then to the Canadian government and Parliament.

* (11:10)

Mr. Briese: How is the accountability enforced provincially? How do you make sure that they're meeting all the guidelines that are put there? How are you ensuring that each agency and each authority is accountable directly to your department?

Mr. Mackintosh: We can identify about six mechanisms that are in place. The first, of course, are the audited financial statements and that's just an obvious. The other is the contribution agreements with the authorities. As well, the development and conclusion of a quality assurance review process that is starting this fall. Notably that includes spending, spending patterns. The other mechanism is joint reviews of agencies with the authorities and the branch. The next are the foundational standards that are in place across the province. Finally, and this is a more recent development, that is the relatively new Agency Accountability and Support Unit, and the capacity there is now being doubled. I think the remaining positions are in the process of being filled now. I mean, that's very current in terms of that action. That is to ensure greater accountability and reviews of financial reporting with authorities. So those are—I think there was about six of them there.

Mr. Briese: You mentioned quality assurance that you're starting this fall. Could you expand just a little bit on that process? Is that ongoing? Is it going to be a one-time? How do you perceive it working?

Mr. Mackintosh: The quality assurance mechanism has been recognized as a best practice. So it's a new permanent role for that function, and it will be done on a regular basis. The idea is to have quality assurances done on a rotational basis with the authorities, so, you know, anywhere from, say, three to five years. That's a fair description.

The other use of quality assurance is by the authorities themselves of their agencies, and this year we provided \$250,000 for the authorities to do those.

Mr. Briese: I'm going to ask one more question and maybe a follow-up, and then I'm going to turn it over to the Member for Morris (Mrs. Taillieu) for a few questions.

One of the things that's crossed my mind especially the last couple of weeks is, if an individual calls the minister's office with a CFS-related concern, how is that dealt with?

Mr. Mackintosh: The staff in the outer office have a long experience, of course, dealing with these kinds of matters whether it's child welfare, child care, disabilities issues, welfare issues, housing issues. So there's obviously quite a volume of communications, I think 80 to 100 or something like that every week, something in that range. It really is a call on a case-by-case basis in terms of what the individuals are asking for. It's hard to get into hypotheticals because they can be as varied as the number of calls that come in. But the staff do as best a job that they can to ensure that the person gets a timely response to the question from the person that can best provide the response.

Some examples are, if it's a call about allegations that a child is in need of protection, for example, then the call—if there hasn't been a report yet, then the caller would most likely be referred to ANCR, or if they're outside of Winnipeg to a designated intake agency. There are contact numbers available for the staff to make that referral.

If it's concerns about an agency, then sort of the logical referral would be then to the authority. That's where the agency is accountable to. If it's a concern about an authority, then the call may well go to the Child Protection branch, and I know there's a designated staffperson there that is the contact link for my office for the callers. If it's a more complex ongoing matter, it may be referred to Jenny or Karen, something that requires more monitoring or sorting out what the issues are. There may be multiple issues that cross different departments or different divisions within our own department.

So that's an explanation as to how that—probably it is the same as—maybe the same people worked there even under the former minister. I don't know how long some of them have been there, but I think that has been the process that has generally been followed.

* (11:20)

Mr. Briese: Ultimately, the responsibility rests with the minister. What I'm trying to get at here is: How serious does a situation have to be before it's actually brought to the minister's attention? Are you briefed on all these situations or just on the more serious ones? You are the responsible authority for the department and, ultimately, the buck stops in your desk.

Mr. Mackintosh: I know that that question weighs heavy on the staff that do receive the intake in terms of, you know, what issues should be brought to a minister. That's the same for every minister's office in this building. It's often a tough call, but clearly matters, though, of policy direction are issues that are more likely to be referred to a minister, letters about overall funding.

Sometimes, too, letters are referred to the department for a draft response and then come back to me for signature, and in that way I see a fair number of matters, like when there's written correspondence. But again, it's just a case-by-case analysis as to what is of such high end, you know, policy-related concern that should be referred to the minister. It's a tough call and one that, I think, the staff have to be commended on trying to deal with each and every day.

Mrs. Mavis Taillieu (Morris): Mr. Acting Chairperson, just a few questions. I know that, we all know that child abuse is a very serious, serious issue, and we all take it very seriously. We know that there are a number of people working in child protection that also take it very seriously and are working very hard to mitigate these situations.

I would like to ask the minister, and I know that this will be very difficult because it's a difficult concept, but as to how one defines child abuse. Is there a standard—I don't want to say definition—but application of what constitutes child abuse throughout the province of Manitoba? Is every child taken into care assessed against this standard or assessed as not to be taken into care or to be taken into care, or are there subjective situations where people in the process of apprehending children make these kinds of decisions?

I'm wondering if there is a standard application or a guideline or whatever you could call it that would be applied evenly to every single case in Manitoba.

Mr. Mackintosh: I think the best way to start to answer the question is by referring to the governing legislation that is the fundamental of the whole system. There are, in The Child and Family Services Act, sections that guide the practice in this province. For example, the definition of child abuse, as I recall, specifically or explicitly says that this is not only about physical abuse, but it also embraces sexual and emotional abuse. So that's the start there. I don't have that handy here, but I think that's generally what the broad definition is.

Then section 17 does set out the components or the considerations as to what comprises a child in need of protection, and that's a further refinement. The standards of practice, the risk assessments and professional judgment all combine then to lead to a decision in concert with the training and experience of child protection workers. I think the role of professional judgment is one, though, that is always at play necessarily. Of course, then, for children who are apprehended, there is court supervision process in places and there's a part 3 of the act under child protection. So that's sort of the framework that's in place.

I know in Minnesota when they looked at differential response, they spent a lot of time looking at the continuum of child maltreatment from what has usually been described as starting with neglect, and moving to abuse and very serious—well, I think all abuse is serious, you could argue—but there is that continuum there. As part of the development of differential response, there is a need to look at how child protection workers or intake workers triage the allegations, because even in the family protection side there still has to be a risk assessment when there is a visit with the family. But, for example, in Minnesota, where they have recognized the need to differentiate along the continuum, the neglect end of the continuum, of child maltreatment, has been the realm of differential response. That's where the family support, or in Minnesota they call it the family enhancement stream, has been focussed.

Mrs. Taillieu: Certainly, recognize professional judgment in the cases where children may or may not need to be apprehended, recognize that working in child welfare is a very demanding job and one that has taken its toll on a lot of people, I'm afraid.

Also recognizing, from what I've heard from social workers themselves, is it takes a long time for people to develop the ability to have these judgments and be professional in their judgment. I've been made

aware as well that there are so many people working in the child welfare system that are new, brand new, and are placed in a position of having to make these judgments and often have to call on supervisors. It seems to be quite hard for some people to handle, as it's explained to me by experienced people that have worked in the child welfare system, that it does take some time to be able to handle these cases sensitively and the way that they need to be handled.

* (11:30)

Unfortunately, we have, through a lot of chaotic upheaval in the system, a number of people that may not have the level of expertise or experience that would be desired that they have. I'm wondering if the minister can say—I know that there's been a number of announcements that he's made in regard to the amounts of monies that's been put into the child welfare system and the number of people and new hires and what not, but I'd really like to know, specifically, how many new positions for social workers in the province were created, how many of those have been filled, the education qualifications of the people that have filled those positions and—that for now.

Mr. Mackintosh: Just a bit of a follow to the previous question, it's also important to remember that these supervisors in the child protection system have a very vital role so that front-line workers aren't on their own when it comes to making difficult decisions. Of course, all of that is based on the new intake module that was designed and is now in place to guide workers through safety assessments, the risk assessments and the response times.

On the more recent question, as a result of the Changes for Children initiative, up to 150 new positions have been approved to be phased in over the three years of the initiative. It was prioritized in the first year that there be 64 positions to help with workload relief and most recently another 10 for the designated intake agencies for a total of 74 positions that have already been approved. Of the 64, I'm advised that the majority of those have been filled, and it is the expectation that the other positions are concluding their competition processes. Of the further 10, the positions have now been approved, and so the hirings will begin now, and we can anticipate that will conclude over the next couple of months presumably. So we're at 74 now nearing the end of year one of the three-year initiative.

The other positions, it is planned, will be mostly if not wholly dedicated to the differential response or

prevention model under Changes for Children. There may be some decisions that there are some other allocations there, but the plan and the consensus was that the remaining 70-some positions are for prevention.

In terms of the breakdown of the 64 new positions, the northern First Nations authority has six; southern, 14.5; Métis, 5; general, 22.5; foster care and hotel minimization, 16; for a total of 64. Twenty-nine are front-line social workers; the others are a variety of other workers. By the way, it should be remembered that the external reviews put a real focus on the need for administrative support for front-line workers and, as I said at the time, to allow workers out of the coffee room and into the living room. There are included in that even some supervisors where it was demonstrated that that could provide front-line relief by way of supports for the front-line workers providing advice and case processing.

So, when the member asked about the range of education, it will depend on the functions that the authorities eventually concluded were important for workload relief for their respective agencies.

As well, the enhancements to CFSIS, the Information Management System is going to help with workload relief so you can't separate workload relief. Workload relief is not only about the new positions. It's also about how information is managed, and so the re-engineering project has begun now. The RFP is underway now for the re-engineering of that, but there's been a lot of work to design how to phase in the re-engineering of the whole CFSIS infrastructure.

The member accurately points out that experience is valued in the system, and recognizing the different education, it's a key part of the system that those kind of skills be paired with the responsibilities of workers. There's no doubt, and I recently read an article about the very serious need for child protection workers across North America, and that is a pressure. It's not unique to the sector. It's one that many sectors are feeling the pressures on.

I think those were the questions.

Mrs. Taillieu: The minister indicated 16 positions for foster care hotel minimization. Could you explain that?

Mr. Mackintosh: The hotel-use minimization strategy was—first of all, there was the development of three teams of workers to make sure that foster

beds in particular—sometimes emergency placement beds were being utilized, making sure that they didn't sit vacant while children were in hotels. So the development of those resources and the timely use of them was really an underpinning of what we had to do to make a change to this culture of hotel uses developed over several years.

* (11:40)

The other functions were the development of alternative placement options because it's important that there be a variety because of the different needs of children in care. Finally, there was deployment involving agencies to develop more foster beds under the Circle of Care campaign. My understanding, the last count, I don't know the latest, was we were up to 493 new foster beds, which has exceeded our target, and those are in the process of being licensed and the beds being filled.

We also recognize, as we've been working on this, the need to continue to better develop fostering-home capacity for large sibling groups and for specialized care, children with unique and special needs. So that is going to be the particular focus now, heading into the second year. That's with a view to reducing the need for emergency shelter beds which disproportionately, I understand, have been used by large sibling groups, and we really want to reduce that. So that's the next wave, and that's not easy, you know, to find homes with the capacity to deal with large sibling groups.

Mrs. Taillieu: So these 16 new positions, these foster care hotel-minimization positions, are these administrative positions? Located where? Are they front-line positions, or are they administrative positions within the minister's office, or are they actually care-giving positions? What are they classified as? Where are they located, and whom do they report to?

Mr. Mackintosh: Yes, these positions report to the authorities. They've been distributed among the authorities. I'm advised that of that number, 14 are social workers, and there are two administrator positions that would be working with them.

The reason for that qualification is their direct work on case planning. It really was an identified need that provides not only better placements, but it all impacts on workloads; it all impacts on the long-term ability to have permanency.

Madam Chairperson in the Chair

There's another little piece I was going to add with the distribution of positions for workload relief. For example, in the general authority, it was decided that there needed to be specialized protection workers for new communities like, for example, well, specifically, from African nations, the refugee communities in Winnipeg, and so a new specialized unit was put in place there to deal with the unique needs of that population. I think it was a good practice that I think will provide a leading-edge service for some very vulnerable children.

Mrs. Taillieu: Just to further elaborate on these 16 foster care hotel-minimization positions, are the duties then front line or are they administrative? By that I mean, do they work behind a desk, or do they work in homes with families?

Mr. Mackintosh: I think it is fair to characterize this as indeed front-line work. In doing the critical work of home studies, of licensing, and then the key area of placement of children, that is one of the essences of the whole child protection system. That's working in partnership with agencies. If the member is looking to see if these are people that are sitting behind computers just doing policy work and so on, they're not. They're doing child protection work.

Mrs. Taillieu: Are these people employed by agencies or are they deployed by the Department of Family Services?

Mr. Mackintosh: In year one, the plan was to have them employed by the authorities, and in the course of year two, was to deploy them then to the agencies. These are permanent additions because the hotel-minimization strategy has to be a permanent one. I know there have been attempts at hotel use reductions in the past, but you can't do that without an accompanying complement to make sure that the placements are found and filled. You know, the beds are filled. You can't have a foster care recruitment strategy without then doing the home studies and the licensing.

These are permanent additions to the child protection system in Manitoba. It's been a remarkable effort to think that this began just last November and where we are today is a real change. I think it's a significantly better service for children.

There still are issues to work out. The new foundational standard for hotel use minimization is being constantly looked at and reviewed, and we've had input from people on the front line, in particular, around the issue of sibling groups. It's important that

we be nimble in ensuring that sibling groups be kept together. We've recognized the importance of that over the last number of years, so there's been clarification there.

The authority said, when they concluded the foundational standard, that the standard would be, again, looked at at six months. It began August 1. We're going to be careful about that. Again, though, the big challenge is making sure that we put in place more diverse options, and that we make sure that we have a greater range of foster placements in Manitoba.

I would be remiss if I didn't put on the record right now that we asked Manitobans to open their hearts and their homes to children, vulnerable children, and we've seen how they've come through. This is really tremendous. We had hoped that we would get a response from all across the province, and I understand that that has been the case.

Mrs. Taillieu: Can the minister indicate, at this present time, how many emergency placement beds there are in Manitoba for children in care?

* (11:50)

Mr. Mackintosh: Unlike for foster beds, the number of shelter placements has not seen significant growth, but I'm advised that, as of August, in Winnipeg there were 278; outside of Winnipeg, in approximately that period of time, but I don't have an exact date, 48.

Mr. Briese: I have some questions that I think are going to be quite lengthy and I was looking at the clock, too. One that I haven't asked yet: Nearly a year ago, the Child Advocate stressed the need for a risk assessment tool and, as far as I'm aware, there is no risk assessment tool in place at this time. I would like to know when there will be some action taken on that and when it will be put in place. There should be, in my view, a standardized risk assessment tool that's used across all agencies.

Mr. Mackintosh: Earlier we talked about the intake module and its important role in now guiding workers through safety assessments, risk assessments and response times. There is a significant debate across the continent, probably beyond, on the, shall we say, desire or an interest in finding the magic mathematical formulas for knowing when a child is in need of protection. But it's been found, I understand, that human behaviour and the unpredictability of human behaviours cause a lot of challenges for the development of that.

Risk assessment is done each and every day, each and every moment of a child protection worker's career based on, of course, the intake module, competency-based training module. The practice and experience, education of workers—it's interesting that a valiant effort in Canada to develop a, shall we say, an objective-style risk management tool—it was in Ontario when they took a risk assessment model from the state of New York. Perhaps, unfortunately, they took it before New York's model had been rigorously tested by social scientists. Ontario implemented this. I recently read a report which, by the way, was after the external reviews, it was a report just published in 2007. I don't have it with me, but I know one of the measures of it was the views of the protection workers of this risk assessment instrument. The workers were saying across the board that not only was it unhelpful, but it just took a lot of time and didn't provide, in their view, any accurate measure at all of risk.

So we've seen testing and evaluation of these tools. We've got a conclusion by social scientists that there's, at best, mixed results to some of these. They often lack the ability to bring in the context; the scope is often too narrow. There's inconsistent application across age groups. There are some very serious problems with this. I understand Ontario has been trying to respond to that very serious conclusion in that study. So, for most jurisdictions, it's an ongoing, continuous process of risk assessment. It's not an activity that only occurs at a certain point in time. It happens right through the continuum of care as part of the obligations and the whole *raison d'être* for the child protection system.

Now, we come to this. The introduction of differential response in Manitoba will certainly challenge us with the need to look to see if there are any enhancements that we can make to our risk assessment process that has been in place in Manitoba. We'll of course be really interested in seeing how we can enhance training and the tools to provide risk assessment. So the standing committee, which is comprised of the authorities and the child protection branch, is I understand, launching or is in the process of studying the best practices in the jurisdictions, particularly where they have moved to differential response. I don't know if Minnesota will be—*[interjection]* Minnesota will be one of them, where they have put considerable efforts into this effort.

So the answer is that there will be enhancements in this area, but it is also with the serious consideration of what the lesson from Ontario recently was, and that is that instruments that some people thought was the salvation, would make jobs easy and objective, has not been fulfilled. So the member knows that there are so many factors at play. How we can predict what's going to happen to a child tomorrow has so far eluded social sciences and child protection systems in North America and I'm sure beyond.

Mr. Briese: Where my concern is here is around, as you've mentioned already, there have been quite a number of new child care workers put in place and there's always turnover so there are always new ones coming into the system.

What are the criteria, what are the written—what guidelines are they given that are consistent throughout various jurisdictions? Is there a written guideline that they adhere to, that they follow? That's what I would picture a risk assessment tool to be, or partially be.

Mr. Mackintosh: This is the role, of course, of the standards that are in place. The new intake module, it is also, of course, part of the important role of supervisors and their role in this assessment. Further, the training infrastructure that's in place and that is being enhanced under Changes for Children is very important to the development and the maintenance of good clinical skills and risk assessment.

Madam Chairperson: The time being 12 noon, I am interrupting the proceedings.

The Committee of Supply will resume sitting this afternoon, following the conclusion of Routine Proceedings.

WATER STEWARDSHIP

* (10:00)

Mr. Chairperson (Rob Altemeyer): Will the Committee of Supply please come to order. This section of the Committee of Supply will now resume consideration of the Estimates for the Department of Water Stewardship.

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

Hon. Christine Melnick (Minister of Water Stewardship): I'd like to introduce Dwight Williamson, who has come to the table. He is the

director of Water Science and Management in the Ecological Services division of the Department of Water Stewardship.

I wanted to respond. I had undertaken to get some information for the Member for Tuxedo (Mrs. Stefanson) yesterday. You were asking about science and studies that we had used, so I'll read some remarks into the record. Then I actually have a list of studies which I'll table for you.

Removal of both nitrogen and phosphorus was recommended by the Clean Environment Commission for Winnipeg. That's the CEC commission report of 2003, (a), and for Brandon, Clean Environment Commission 2003, (b), following public hearings which included scientific representation.

Scientific studies conducted in the 1970s at the experimental lakes area by federal scientists from the Freshwater Institute demonstrated that nitrogen increased algal biomass by the same amount as phosphorus. This was Findlay and Kasian in 1987. Phosphorus had a greater effect on blue-green algae, but algae problems in Lake Winnipeg and elsewhere in Manitoba involve both blue-greens plus other forms of algae such as diatoms and greens. The most common type of algae in Lake Winnipeg that clogs fishers' nets is not blue-green, but diatoms and greens.

*(10:10)

A scientific review of over 60 studies where nitrogen and phosphorus was experimentally added to the lakes showed that the addition of both nitrogen and phosphorus together had a greater effect in stimulating algal blooms than the addition of either one by itself, Elser, et al, 1990. These same studies could find no general pattern on the effect of the addition of only phosphorus or only nitrogen on algal blooms.

Scientific studies conducted in the Assiniboine River in Manitoba show that nitrogen is limiting at low flows and therefore the most important nutrient. That's Cooley and Schneider-Viera, 2003. This Manitoba study is consistent with studies conducted by Scrimgeour and Chambers in 2000 in western and northern prairie rivers in which it was concluded that nitrogen limitation is more frequent than once believed and is more frequent in streams than in lakes. This is particularly the case for types of algae attached to the stream bed, Dodds et al, 2002, and is consistent with work conducted in Minnesota:

Heiskary and Markus, 2001. Dodds and Paul, 2007 reported that, because of the widespread importance of nitrogen, control of phosphorus alone in sewage treatment facilities, while it may be easier to regulate, is not necessarily the whole problem.

Scientific studies conducted in Manitoba demonstrate that both nitrogen and phosphorus have increased in most streams over the past 30 years, at least within central and southern Manitoba, Jones and Armstrong, 2001, and in Lake Winnipeg. These findings are consistent with a new study released in late 2006 by the U.S. Environmental Protection Agency that found nitrogen to be the most pervasive pollutant in streams throughout the United States, and that's U.S. EPA, 2006. The U.S. Environmental Protection Agency surveyed over a million kilometres of streams across the United States.

A recent study of prairie lakes and streams downstream of Regina, Saskatchewan, found that nitrogen was an important contributor to the eutrophication of the Qu'Appelle Lake and concluded that nitrogen should be controlled at municipal waste water treatment facilities in Regina. That's Leavitt et al, 2006.

Ammonia, one of the forms of nitrogen toxic to fish needs to be controlled at the City of Winnipeg's waste water treatment facilities. The incremental cost to shift from partial nitrogen treatment, ammonia control, to full nitrogen treatment is marginal at one of the City's facilities and may represent an incremental cost of about 20 percent at others.

Control of phosphorus alone by the use of cheaper chemical precipitation is not environmentally sustainable over the long term. It requires the continual use of either iron or aluminum salt which must be mined outside of Manitoba, processed and shipped to Manitoba.

Use of chemical precipitation binds phosphorus tightly to sledge particles, making it unavailable as a fertilizer when applied to agricultural lands. If waste water sludge generated by chemical means to remove phosphorus is not acceptable by the agricultural sector for application to land, it will need to be disposed in landfill sites where it generates greenhouse gases, and that's found in Leonard, M.D. Webber Environmental Consultant, 2003, and the Brown and Leonard was 2004.

Biological nutrient removal to reduce nitrogen and phosphorus is already practised in at least 10 waste water treatment facilities in western Canada,

including many such as Calgary and Edmonton, which are in the Lake Winnipeg watershed, Oldman and Rabinowitz, 2002.

Manitoba is asking no more of the major treatment facilities in Manitoba than what is already widely practised in western Canada, and I'll table for the member a list of some of the studies that I spoke of specifically in my remarks. There are several others. There's approximately 15 to 20 studies listed as references.

Mrs. Heather Stefanson (Tuxedo): I thank the minister for that answer, sort of a continuation of the end of yesterday. So I am happy to have that information.

With respect to the waste water treatment upgrade in the city of Winnipeg, as I understand it, we're looking at a fairly major project in terms of the cost associated with it, and if the minister could just confirm: Is it around about \$1.3 billion? Who came up with that figure? Is that the City? Is that in dispute right now that that's going to be roughly the cost?

Ms. Melnick: The numbers that you quoted are the numbers from the City. It has been their numbers that they've developed. We do know that they are reviewing those numbers. I think it's important to recognize that this includes all of the upgrades. These are projected costs over 25 years. When we talk about the biological nutrient removals, or the BNRs, as many folks refer to them, we're talking about just over 50 percent of what the City is quoting as the entire upgrading cost. The other activities included in their costs would be ammonia control, disinfection control, mitigation of combined sewage overflows and other elements related to the upgrading.

Mrs. Stefanson: And these upgrades are as a result of what the Clean Environment Commission, and I guess the provincial government, has told the City that they need to do in terms of meeting requirements?

Ms. Melnick: The majority of these upgrades would be directly related to recommendations from the CEC.

Mrs. Stefanson: Are those recommendations that are made—I'm just wondering about how the process works. So the Clean Environment Commission makes recommendations to the provincial government, and the provincial government goes forward and mandates the City to upgrade its waste water

treatment facility. Can the minister just go through the process and how that works?

* (10:20)

Ms. Melnick: The CEC is under the Minister of Conservation (Mr. Struthers), and that question would be most appropriately put to him.

Mrs. Stefanson: Okay. I'm wondering if the minister could indicate how much—obviously, this is a very serious issue with respect to the effects on Lake Winnipeg, and I think we all recognize that. I think it's about 5 percent—the city of Winnipeg, I think, represents about 5 percent to 6 percent of the phosphorus issue in Lake Winnipeg. You know, certainly, there's a need and a want to deal with that issue.

Could the minister indicate how much the provincial government is willing to put toward the upgrading of the facility?

Ms. Melnick: Yes, that question would be better put to the Minister of Infrastructure and trade. There are various programs that fall under his bailiwick.

Mrs. Stefanson: Okay. I'm wondering if the minister could indicate how does that work in terms of, yes, it's an infrastructure issue, and it's mandated, I guess, out of the Department of Conservation. What is the Department of Water Stewardship's role in this?

Ms. Melnick: The Department of Water Stewardship would provide scientific advice on how to best protect the environment.

Mrs. Stefanson: So was it the advice of the Department of Water Stewardship then, or was it the Clean Environment Commission, I guess, who advised that these upgrades take place?

Ms. Melnick: Again, I'll go back to my question from a few questions ago, which was providing the scientific advice on how to best protect the environment. In this case, it was the science around what level of nutrients would be acceptable to be moving through the waste water treatment plants, but we didn't impose any restrictions. We simply provided the scientific advice on that, yes.

Mrs. Stefanson: I wonder if the minister can indicate whether or not there has been a study done that would indicate the amount of phosphorus loading into Lake Winnipeg. The amount of phosphorus entering, I guess, the south basin, versus what's draining at the north end of the lake. Has there been any studies?

Ms. Melnick: Just help me understand your question: what's coming into the south, loading into the south and leaving from the north?

An Honourable Member: Right.

Ms. Melnick: Okay. Yes, there are studies. They are ongoing. Certainly, there is more to be done, so I'll go back to our announcement of funding for science and the various partners that we have in that.

We know that the flow in from the south and out through the Nelson River is showing that there's approximately 70 percent more of the nutrients being redeemed within Lake Winnipeg than there was about 30 years ago. So part of what we have to study is: Why is more staying in the lake? How do we move it through, but again also focus on all the point sources and cut back?

So we go to the water quality management zones, the buffer zones along the lake. We go to waste water treatment. We go to the cosmetic fertilizers, to the household cleaning products, all the points that we know are 1 percent, 5 percent, 6 percent, whatever, are adding up to loading the lake to the point where we're seeing the sort of blue-green algal blooms that we've seen in the past number of years.

* (10:30)

Mrs. Stefanson: Well, I guess what's interesting to me is that it's the retention of phosphorus which is more than it was 30 years ago, if I am understanding what the minister is saying. If that's the case, I think it was about 30 years ago, and maybe add a few years onto that, 35 years ago that the causeway was built. I know that has sort of become an issue of late, that there could be sort of an issue surrounding the causeway with respect to retention of phosphorus in the lake. I'm wondering if there has been any indication, or if the minister could indicate to us today if she would be willing to support research around the impact of the causeway.

Ms. Melnick: Yes. We'll be looking at studying all aspects of the lake, as was recommended by the Lake Winnipeg Stewardship Board in its final report which was released February 14, 2007. They identified that the need to study all areas of the lake, and the need to apply pure science to the lake is very important, particularly looking at potentially altered circulation patterns in the lake. So it would be the causeway that would have to be studied, as well as several other aspects.

Again, that's why we're focussing on science where, for the first time ever, we have a federal-provincial science committee with representation from not only the federal government, the provincial government, the Prairie Provinces Water Board—I say acronyms so frequently I forget the real words. So government and non-government expertise who have been charged with studying aspects of the lake that we know need to be studied. Certainly, other aspects will come up. But we're moving forward with steps that we know will be effective, but through this study we'll learn other steps that will be effective in helping the lake.

Mrs. Stefanson: When will there be a specific study with respect to the causeway?

Ms. Melnick: Work has already begun with the fed-prov committee that I was just referring to earlier. So it will be part of a large study, and there will be expertise brought in to look at circulation patterns around that area. Again, we'll look at the lake as a whole, which is what I think we need to do. It's fine to look at a part here and there, but we need the holistic view to really understand the inter-connectivity of not only the causeway but other changes, and then we need to put that together to find out, again, what will be the most effective ways to help our lake which is currently under stress.

Mrs. Stefanson: When can we expect this study to be complete?

Ms. Melnick: I think to do a thorough job and to really put some of the pieces together, we would have to do a comprehensive study, which would take, I believe, at least a couple of years to really find results. One of the things that we do know is that the main water quality problem in Lake Winnipeg is the fact that it's receiving greater and greater nutrient loads each year. That is not affected by the circulation pattern around the causeway or anywhere else. The causeway would be part of the greater study, but again we need to look at nutrient loading and continuing to take effective steps to reduce that.

This problem with the lake started maybe 30, 40 years ago. I know there were studies done as far back as 1929 on Lake Winnipeg. So it's been a lake that's been heavily watched. But the current pattern that we're seeing is one that will take time to halt the current trend and then slowly but surely reverse it. So, while this is a long-term project, I think the steps that we're implementing, the water quality management zones; the best management practices with the producers; the legislation that we'll be

bringing in on the household cleaning products; the work that we'll be doing around cosmetic fertilizers; working with our neighbours for, hopefully, inter-jurisdictional co-operation. This is going to take time, but we are, in the meantime, taking steps that we know will be effective.

Mrs. Stefanson: Just to clarify, I'm certainly not saying that we shouldn't be looking at ways to reduce nutrient loading. That's not what I'm saying at all. I think we obviously need to be looking at any way we can to reduce, in particular, I think, phosphorus in the system.

I find it somewhat intriguing though that this issue of the causeway has come up and obviously studies need to be done. Studies take a little bit of time. I'm wondering if the minister can just indicate whether or not, if the causeway is found to be a fairly significant factor to the nutrient retention in Lake Winnipeg, is her government willing to take action with the potential removal of the causeway.

Ms. Melnick: I think we need to see what the science says. Guessing at this point may not be helpful. We need to rely on the experts, give them the time they need to study. We've provided a lot of the finances that we believe will be helpful to do, the quality of work that needs to be done, and we'll await the results of that.

Mrs. Stefanson: Going back to the legislation that I gather the minister is going to be bringing forward this session with respect to banning of phosphorus in dishwashing detergent, yesterday we spoke in Estimates regarding various legislation that has come forward in the United States. The minister indicated yesterday that, with respect to that legislation, there were issues around restaurants and hospitals. Those areas were perhaps either left out of the legislation or would be phased in at a later date. What is the reason for that? Was there a reason given with respect to that in the legislation in the States?

*(10:40)

Ms. Melnick: The question of exemptions is something we're watching very carefully. We're watching what other jurisdictions are doing. We're also working with the CCSPA, which is the professional organization of the industry here in Canada. I believe they would have a counter-organization in the States.

When we're talking about medical facilities, when we're talking about restaurants where there is a heightened need for sanitation, other jurisdictions are

currently exempting them. We understand the other jurisdictions are saying that there would be no risk to make the change to phosphate-free household cleaning products in a normal household, but where sanitation is of the utmost importance like in a hospital, other jurisdictions are telling us they're exempting them.

Mrs. Stefanson: Well, I guess my concern with that is, if there is an issue with sanitation health risk here, is this something we should be moving forward with if there are health risks?

Ms. Melnick: Well, again, I think there are heightened health risks in a facility such as a hospital. So I think it is prudent to make sure that where there might be some concern, where there might be some further development necessary, that that be respected. Again, we're looking at what's happening in other jurisdictions and watching very carefully for what they're doing.

Mrs. Stefanson: With respect to the 1 percent load on Lake Winnipeg, as I understand, this represents about 1 percent; I think we talked about this yesterday, but I can't recall exactly if we were able to determine what percentage of the loading would be as a result of restaurants and hospitals.

What percentage of that 1 percent?

Ms. Melnick: I don't have an exact number for you calculated, but it would be minimal.

Mrs. Stefanson: Well, I'm not sure that it would be minimal because, in terms of restaurants and hospitals, these are the places that are mostly using the dishwashing detergents with phosphorus. It's pretty significant, it's a fairly large industry, I would think, and as well as the number of hospitals and so on in Manitoba, I would think it would be a fairly significant part of the 1 percent.

If we're really going to make a difference here, we should probably be looking at it across the board. But if there are health risks, I mean, what's the difference between health risks in your own home and health risks at hospitals? If there are potential health risks here, why would you do this?

Ms. Melnick: Again, I'll go back to my answer of a few moments ago that we must be prudent in moving forward with this. That's why we're taking our time to get the legislation right. We had the public consultations; we spoke to Manitobans; we're reviewing their response. But Manitobans are saying

to us: Yes, let's get on with moving forward on what we can do to help the lake.

I'll also reiterate in facilities where there's a heightened need for sanitation such as hospitals, such as restaurants, we're looking at what other jurisdictions are doing. We're working with the association of the industry.

We are also looking at what would be the risk in a normal household. We don't feel that in a normal household there would be the risk, the same sanitation needs as in a hospital. So we're taking our time. We're looking at all the angles. We're looking at what other jurisdictions are doing. We're working with the industry. We want to make sure that we are getting this right; that we are balancing between what Manitobans are wanting us to do, which is to move forward on saving our lake. They want to play a role in this. But we're also balancing it with what the needs would be in a normal household, in a hospital, in a restaurant, and we want to make sure that we are balancing the needs of the people of Manitoba with the steps that we're taking to save the lake.

So, again, we talk about steps that we're taking to save the lake; we talk about the water quality management buffer zones; we talk about inter-jurisdictional co-operation; we talk about sewage treatment; we talk about septic fields; we talk about how cottagers relate to the lake; we talk about the loading that comes in and goes out. All of these are points. They're all very important points. There's 1 percent loading here; there's 5 percent or 6 percent loading there. We have to look at all of that. We have to balance all of that and take the steps that we believe will be truly helpful in quality of life and quality of water and in saving our lake.

Mrs. Stefanson: I want to reduce the amount of phosphorus in our lake as well, absolutely, and certainly that's why I'm very much in favour of anything we can do to do that. My concern here as a mother with two young children at home and their friends are coming over for lunch now, I mean, obviously we don't necessarily have to wash in a dishwasher, but if you're looking at sort of, you know, maybe some of the average households out there, if they're concerned at all about sanitation and they're going to the grocery store to pick up their dishwashing detergent, I think they're going to go for the one that's more sanitary. I'd be concerned about children getting sick. If that's the case, you know, and you're bringing in a ban. I mean, how do you

police that? How do you say to the mum or dad that goes out to go grocery shopping, you know, how do you say that, no, you can't choose the one that's maybe more sanitary for your family?

Ms. Melnick: Well, again, I'll go back to Lake Erie some 30 years ago where there was recognition of two main point sources into the lake: one was waste water management treatment plants and the other was laundry detergent containing phosphates. There was a lot of co-operation. There was a lot of concern. There was good science around that, and in the end, phosphates were removed for the most part from laundry detergents. We're all sitting here in clean clothes.

Again, in a normal situation we would have—I'm sure you recognize—I understand where you're going on your questioning, but I'm sure you recognize the difference between a hospital situation and a normal household.

So we, again, are going through a lot of the similar processes where we are hearing people say, Manitobans are saying clearly to us, clean up the lake. They agreed with our water agenda; they've agreed with the steps that we've taken so far. They came out to the consultations on the household cleaning products. They are recognizing that they can do more; we can all do more. This is one way we can do more.

I don't think this is going to be a big policing exercise. I think there will be voluntary decision-making on this. Again, we're looking at the science. We're looking at what's happening in other jurisdictions. We're looking at Lake Erie of 30 years ago, Lake Erie of today. And I think we'll continue to consult with Manitobans, continue to work with Manitobans. Again, I go to the balance, the balance between a normal household versus a hospital where heightened sanitation is of the utmost importance and look to work with the industry on this as well.

* (10:50)

Mrs. Stefanson: Well, what I want to see happen, and I think what Manitobans want to see happen is that, if there is a program brought forward, it is effective. My concern in all of this would be if you're going to sort of apply it one place and not another. I'm just questioning how you know, if there are exemptions here and there and this sort of thing, how effective will it really be on Lake Winnipeg if you've got all these exemptions out there. Is that part of the

plan to look at exempting the restaurants and hospitals from having to go this route?

Ms. Melnick: This is why we're taking the time to get it right. This is why we're looking at what's happening in other jurisdictions. This is why we're working with the industry, very welcome partners who came forward of their own volition to say they voluntarily want to reduce the amount of phosphates in their dishwashing products by the year 2010. We're working within the department, within the province, internationally to make sure that we get it right for both Manitobans and for our water.

Mrs. Stefanson: With respect to this and I don't want to hang on to this too much longer. I've got a couple of issues around it. Are there studies out there right now that would indicate what we could replace phosphorus with, within these detergents or whatever, something that is more environmentally friendly? If that is the case, what is that and where are we at in terms of an industry moving forward on that?

Ms. Melnick: Again, we don't have the studies with us right now, but I can undertake to get those for you as I did yesterday.

Mrs. Stefanson: Has the minister been in consultation with the Restaurant Association and various hospitals? Were they part of the discussions that took place around Manitoba, the consultations?

Ms. Melnick: Throughout the public open houses that we had, they did not identify themselves as an association, but we will be discussing with them as we'll be discussing with all the stakeholders as we move forward.

Mrs. Stefanson: The minister has indicated that legislation will be brought forward within the session, I believe.

Ms. Melnick: After the Throne Speech.

Mrs. Stefanson: When will these consultations take place with respect to the industry? I'm just a little surprised, I guess, that they haven't taken place already when the minister's indicated that she's got a plan in place and that legislation's going to be coming forward. At what point do you sort of include these very significant components as part of the consultation process?

Ms. Melnick: Again, I'll go back to taking the time to get it right. We had public consultations. There was a good response from Manitobans. We are in an ongoing consultation working with the industry. We

will be working with the association for restaurant and bar owners. We'll be working with all the stakeholders.

So, again, this is where we're not rushing into something. We're looking at who the stakeholders are. We're looking at other jurisdictions, working with the industry that produces the products. This is something that we're very committed to, that we really want to get right, and so we will be working with all the stakeholders.

Mrs. Stefanson: How many public consultations were there across Manitoba and, with respect to this issue, how many in Winnipeg as well? What was the turnout at these consultations? How many people showed up?

Ms. Melnick: I'll just read into the record the open houses that took place: Dauphin, September 4; Brandon, September 5; Lac du Bonnet, September 6; Thompson, September 10; Winnipeg, September 11 and 12. Over 200 people came to the consultations, and we've had e-mails and comments of at least a hundred more.

Mrs. Stefanson: What was the process of these consultations? Were people allowed to give presentations of concern at the consultations?

Ms. Melnick: The open houses were advertised in advance locally. There was background material provided for folks. They got in touch with us to let them know exactly what it was that we were going to be consulting on and what our plans were. Additional information was provided at the open house. There was knowledgeable staff at each and every open house, and folks were encouraged to make presentations, to give discussion, ask any questions that they had. Then they were invited to either provide their comments there or they were also given the opening of providing comments by e-mail or written letter, however they wanted to communicate.

Mrs. Stefanson: I'm a little concerned about the lack of turnout to what I think is an issue of concern to many Manitobans, and I know in particular, in the city of Winnipeg. What kind of notice was given? The minister indicated that there was notice in the local papers. Was there any other kind of notice or was that it? How much time was given with respect to when it was put in the paper and when the actual meetings took place?

* (11:00)

Ms. Melnick: The events were well publicized. There were notices published at least twice in local

communities. The 200 people coming out to consultation is actually a relatively good turnout. The main message was, get on with it. I think one of the reasons that more people didn't come out is that they agree with what we're doing. They agree with our agenda on water.

The main message from the folks who either came out or who communicated with us after was, let's get on with it. Let's move forward with it, and that's exactly what we're going to be doing.

Mrs. Stefanson: Well, you know, I would beg to differ about why people didn't show up. I mean, I think it's because they weren't aware of them and there probably wasn't enough time given. As I understand, some of the consultations were taking place during the day, which is very difficult for people who are working to make it out to these meetings. I think if the minister really wants to consult the public on this issue, that there should have been more notice that was given with respect to these meetings and more emphasis placed on real consultation in the public with respect to this.

I agree that the public probably wants to move forward with some of these issues, there's no question, but if there's going to be a consultation process, let's make it a real one. I don't believe that this was very indicative of a real consultation process, and I don't think that there's anything we should be afraid of when we're discussing issues of the environment, how we can be more environmentally friendly when it comes to various things we can do around our households to help out.

I think people are looking for information. They want to help. They want to be a part of this process and I think it's unfortunate that I don't really believe they were given an opportunity to come out and truly be a part of the process.

As I understand, one of the meetings in Winnipeg, there were maybe about 20 people that showed up, or 25 people that showed up, and they sort of were walking in and were looking for a presentation. They were handed a leaflet and that was the end of the meeting. Forgive me for being just a little bit critical. I don't know why you'd be afraid of making a real—if you're going to say you're going to consult, then really consult.

I just don't believe that that was a real consultation process, and I would hope that in the future when we're looking at consulting the public on issues related to how we make our environment a

cleaner, safer place to live, that more notice is given, that people are really made aware of the fact that they can come out and truly be a part of this process. I think a lot of it is quite frankly an education process as well. We need to teach people how to make our environment a safer, cleaner place to live. I think people want to be a part of that, there's no question, but we need to truly give them the opportunity to be a part of the process.

I'd ask the minister with respect to this legislation, at what point—obviously we're looking at probably, I guess, if it's going to be after the Throne Speech, it will be late November that legislation will be introduced with respect to the phosphorus-banning on dishwashing detergent. I'm wondering what other consultations will take place between now and when that legislation is introduced as part of this minister's consultation process.

Ms. Melnick: Well, again, I'll go back to the fact that we had an education program throughout the summer that was made available to Manitobans in print, via the radio and also on TV.

I want to correct the member where she was talking about afternoon-only open houses. That is—*[interjection]* Well, okay. So, to let you know that we had afternoon and evening. We wanted to make sure that shift workers would be able to partake if they would like. There was local notice given one month in advance and then two weeks in advance. A lot of MLAs sent out notice as well. There was a general press release. I think, also, I just want to point out that, having over 200 people come and talk, having over 100 people respond to us via e-mail or via phone call, via comment of, perhaps, through a written letter is a response that is positive. We haven't had complaints about the public consultation.

So the main message, again, that I want to go back to, is that the people of Manitoba are telling us they want us to move forward and that's what we're doing. I would encourage the Member for Tuxedo (Mrs. Stefanson) to get in touch with her federal party, the Minister of the Environment, and encourage the federal government to be a part of this as well. The most effective strategy that we can have here is a Canada-wide strategy, is a national strategy. In the last Throne Speech the current federal government talked about their water strategy for Canada. I would encourage her to talk to Minister Baird about being a part of the phosphate reduction in dishwasher detergents across the country.

Again, I'll go back to one of my points in my opening statement, is that, when someone puts dishwashing soap in their dishwasher in Edmonton, it makes its way into Lake Winnipeg, and so we need interjurisdictional support. We need interjurisdictional co-operation, but we need the federal government to really be a player at the table.

The federal Throne Speech is, I believe, coming down on the 16th of October, next week, and I'm very hopeful that the federal minister—that in the Throne Speech there will be a commitment that the federal Minister of the Environment will, in fact, be joining the partnerships that we've formed with Québec and with the industry and that we're forming with jurisdictions in the States to be part of what could be a very effective North American-wide ban that we could really move forward very quickly. So I hope the Member for Tuxedo would undertake to do that.

Mr. Cliff Graydon (Emerson): Madam Minister, I would just like to go back a little bit and just maybe understand a little more thoroughly that the dishwashing detergent, I believe you stated, makes up 1 percent of the phosphate in the lake. Is that so?

Ms. Melnick: Yes, 1 percent of the phosphate loading.

Mr. Graydon: In your opening statement you had indicated that science was the base, the basis for these, this type of an estimate.

Can you explain to me just what that 1 percent actually means? Does that mean then that—I don't really understand parts per million, but I probably understand milligrams per litre. Could you make me understand what this 1 percent really means?

Ms. Melnick: Well, you'll be happy with the first part of my answer. Parts per million is the same as milligrams per litre, but I have more information to give you.

* (11:10)

We estimate on an annual basis what the load is into the lake, and then we average that and we look at—of the hundreds of tonnes of phosphorus that go into Lake Winnipeg on an annual basis, what percent comes from household cleaning products? That's where we get the 1 percent load that you referred to earlier.

Mr. Graydon: Thank you for that answer.

When we talk about the south basin and the north basin or the many entrances to the lake, and you mentioned as well that a national policy was what you favoured more than a provincial policy, can we then identify what comes from other sources other than the south basin entrance to the lake?

Ms. Melnick: Yes. All of this is laid out in the final report of the Lake Winnipeg Stewardship Board, and I'd be happy to get a hard copy for you if you'd like, or you could access it on the Water Stewardship Web site.

Mr. Graydon: Thank you, Madam Minister.

When we talk about the dishwasher detergent, and we talk about phosphate—and I fully agree that we need to limit the amount of the phosphate in the lake—can you maybe enlighten me on what types of phosphate there are?

Ms. Melnick: Well, I think I have an answer for you. Let me know if it's what you are looking for.

Fifty percent of the load of phosphorus into the lake is natural. That comes through elemental phosphorus. That can be found in manure, waste water, household cleaning products, and then there are synthetic fertilizers. So those would be the four big hits for phosphorus loading into the lake.

Mr. Blaine Pedersen (Carman): Madam Minister, if I can just switch gears a little bit, I just have one particular question for you, and it's in regard to the community of Lavenham. They have a community well in their community and it serves 20 families. The water has been tested, is deemed safe. However, under new regulations, they've been told that the water must be treated.

The issue is not the cost of the treatment. They're quite willing to do the treatment of it, but it's the monitoring and the testing of the water. They've been in consultation with their local municipality, the municipality of South Norfolk, but it is a significant cost in terms of having someone actually to be trained and also to do the testing. Their alternative is to hook up to the rural water system that's coming through by Rossendale, close by, but the cost is \$10,000 per household, and that becomes a very significant cost for each household.

So the question is: Just what is the status of the situation in Lavenham? Will the community be forced to hook up to rural water, or can they continue to use their own community well? Is there any available training and, particularly, financial

assistance for training and for monitoring the community well?

Ms. Melnick: There are actually a number of questions in there, so I'll go through what I have, and if I've missed something just let me know.

The situation in Lavenham is that we're looking at basic bacteriological testing. We do have a well-testing program that we pay 70 percent of. In times of concern of contamination, we would pay 100 percent. This was a program that was wiped out during the 1990s that we've brought back. So that's one of the options for them. Currently, the folks there are looking at what options are available to them. This would be one.

You also asked about training programs. There is an operator certification training program of—are there three levels? There are four levels. I think what they're considering right now is through Red River College, who has actually partnered with the Department of Conservation. They're looking at an operator certification level 1 training program. But I don't think—I don't know, they haven't quite made up their minds exactly what they're doing. They're just, like I say, exploring their options right now. But, certainly, we're working with them and we will continue to work with them.

Mr. Pedersen: Madam Minister, the water quality is not an issue here. The water has been tested, from what I understand, has been tested and is deemed safe. But are the regulations now that they cannot use a community well unless it is treated?

Ms. Melnick: What we're working with them on is a preventative program where there would be regular testing. This is a requirement of drinking water systems throughout the province. It only makes sense that if you're testing on a regular basis, if something happens you're hopefully going to catch it before there's any negative effect on the community or even on an individual household. So that's what we're working with them on.

Hon. Jon Gerrard (River Heights): My first question for the Minister of Water Stewardship concerns the situation of the problem of erosion along the Winnipeg River. This is close to the outlet into Lake Winnipeg.

I initially asked about this to the Minister of Northern and Aboriginal Affairs (Mr. Lathlin), and he told me that the lead minister on this file was the Minister of Conservation (Mr. Struthers). I then asked the Minister of Conservation in Estimates and

he said he was not the lead minister, and he referred me initially to the Minister responsible for Hydro and then to yourself. I had the opportunity to ask the Minister of Finance (Mr. Selinger), who's also the minister of Hydro, in Estimates whether he was the lead minister on this file and he said no.

So my question to you, after searching around and asking several other ministers, are you the lead minister on the file dealing with this problem of erosion in the area of Sagkeeng First Nation along the Winnipeg River near the outlet to Lake Winnipeg?

* (11:20)

Ms. Melnick: On the question asked by the Member for River Heights, we are, in fact, the department which would provide advice on erosion. We have the Shoreline Erosion Technical Committee which is currently dealing with Lake Winnipeg, but we are looking at expanding the mandate. Local people from the department have, in fact, been in contact with the people from Sagkeeng, so there is discussion ongoing there.

Mr. Gerrard: I would ask the minister whether she's been to Sagkeeng and I would ask the minister what her plans are in terms of dealing with the erosion.

Ms. Melnick: I have not been to Sagkeeng. I have not received any communication from the Sagkeeng people, but the department has been working with them and I will let the department do their job.

Mr. Gerrard: Well, the situation is quite severe there and has been for some time. There has been a considerable extent of erosion. Put simply, for example, Mary Courchene's house where originally the river was so far out that you couldn't even see the river standing at the house. Over a period of years, that riverbank has eroded back and back, and last year, in one night, the riverbank eroded back some 15 metres and undercut the house. The foundations of the house are now a crumpled mess hanging over the bank and, of course, Mr. Courchene has had to build another house further back.

At that rate, if it were to continue, the bank will shortly threaten his new house. The bank may threaten a major road in Sagkeeng. The bank may threaten the school. It would seem to me rather important that the minister should know what's happening and that the minister should have an action plan. So I would ask the minister, can she table an action plan?

Ms. Melnick: The member, I know, is well aware of the jurisdictional issues, of jurisdictional boundaries. I believe you're talking about property that is on reserve. I'm wondering if the member, if he was really concerned about this issue, if he's taken this to INAC, if he's taken this to the federal level, which is the appropriate authority to deal with it.

Mr. Gerrard: It seems to me that it is the minister's responsibility to have a plan that may involve partnerships with the First Nations community. It may involve partnerships with the federal government. It may involve working relationships among various ministers, but it seems to me, that's an important area to have a plan. I would hope that the minister would be able to table an action plan agreed to by all parties in the very near future.

Let me move on, seeing as how the minister at this point doesn't have a plan, to talk a little bit about erosion along Lake Winnipeg. When you have erosion, whether it's of the shoreline of the lake or whether it is of the river, the erosion takes into the lake particles of dirt. Those particles of dirt have phosphorus on them, and it's well known that erosion contributes to phosphorus in Lake Winnipeg.

Can the minister tell the Legislature, tell the committee in Estimates, what proportion of the phosphorus in Lake Winnipeg comes from erosion?

Ms. Melnick: That percentage would be included in the natural background and undefined sources, which is a total of 17 percent of the total sources or 35 percent of the Manitoba sources. That information is available, again, in the Lake Winnipeg Stewardship Board final report.

Mr. Gerrard: I thank the minister, and I hope the minister can give an estimated proportion of 17 percent which is related to erosion. I think it's interesting, and I would like to get a little bit of clarification here. Not all erosion is natural in the sense that some of it, clearly, has had a considerable influence from human activities, whether it's on Lake Winnipeg or whether it is on the Red River, which will increase erosion, or the Assiniboine River, and so on.

Just to make sure I'm correct, the minister is categorizing all erosion, whether it is man-made or whether it is natural. It would have historically been to that extent before much human activity which would have affected erosion that that would still be classed as natural background. Is that correct?

Ms. Melnick: Approximately 50 percent of the nutrient loading is naturally occurring. Erosion is a natural phenomenon. So, when we look at natural background and undefined sources, we look at a total of 17 percent from the total sources and 35 percent from Manitoba.

* (11:30)

Natural erosion can be exacerbated by human involvement, which is why we're working very closely with the agricultural sector around best management practices, around buffer zones, around erosion control. We have the riparian tax credit that is a joint initiative between Water Stewardship and the Department of Finance which works with producers to make sure that they are taking care of the riparian areas by planting trees, by taking other measures to control erosion, to control flow-off from the agricultural lands.

So, while we're looking at what is natural, we're also looking at ways to work with our land and make sure that the flow is minimized as it can be. Again, this is a long-term project. Since 1999, Lake Winnipeg has been taken very seriously by our government. We've worked very closely with the producers. We're working with the urban and built-up areas around other ways to protect Lake Winnipeg and to halt the current trend and eventually see a reversal of the trend, and we'll continue to do that.

There are multi sources. There are multi points of those sources and, again, we need an overall comprehensive plan that would include interjurisdictional co-operation.

Mr. Gerrard: Since this is clearly a significant contributor in terms of phosphorus load, as the minister has indicated, it would be important to have an effective plan. I raised earlier on, for example, the problems of severe erosion in the Sagkeeng area, and the minister and her government I know have embarked over the last couple of years with a major, I think it was \$8-million or \$15-million diking program. I had the opportunity to examine one of those dikes just recently, and instead of preventing erosion at that site, the dike was approximately half completely eroded away. It almost seems like, in that instance, the erosion was accelerated not decreased.

So I look forward to when the minister brings forward an effective plan related to erosion on Lake Winnipeg and would look forward to some more detailed breakdown. I also think it's pretty clear that

there is a contribution of man-made activities here. One instance which has been implicated is the building of the Hecla Island causeway some years ago. I wonder if the minister would comment on what her department is doing with regard to investigating whether the Hecla Island causeway has contributed to either erosion on Lake Winnipeg or to the problem of algal blooms on Lake Winnipeg.

Ms. Melnick: When we talk about the shoreline along Lake Winnipeg it's—perhaps, the member doesn't know about the Shoreline Erosion Technical Committee. This is a committee that has proceeded in three areas: implementing shoreline erosion control demonstration projects; working with municipalities to develop a local permitting system for shoreline protection works; and developing minimum design criteria and reviewing erosion-control designs submitted by landowners to the municipalities and forwarded to the committee.

The committee consists of membership from representatives from Manitoba Conservation, Water Stewardship, Manitoba Hydro, Department of Fisheries and Oceans, federal department, and a geotechnical engineer as a committee chair.

Often times, the Member for River Heights (Mr. Gerrard) tries to create a shock factor in the way that he poses questions. He's just talked about a dike that he was made aware of that there's concerns over. I wonder if the Member for River Heights encouraged the individual to get in touch with the department. Did the member contact us to let us know that there may be a problem? Time after time, questions are posed in a way that I think is quite irresponsible. Rather than seeing that there might be a problem and taking some action on it, he kind of stores it up and then tries to present it in a rather fantastic way in a situation like this. So I would encourage him, if he does have real concerns, to be more responsible with his concerns around issues that are important, and to contact myself if there are concerns around issues in my department, to contact other ministers, rather than letting what he considers to be a serious situation lie until a situation like this. So I would hope him to be a little more responsible with the knowledge he claims to gather along the way.

On the issue of the causeway, I have already answered that question. The Member for River Heights was not in the room, so I'll go through some of the points that I made earlier, which is that a couple of months ago we announced close to a million dollars for scientific study, specifically on

Lake Winnipeg. For the first time ever, we have been able to bring the federal government to the table. That didn't happen during the time when the Member for River Heights sat in Cabinet in the federal government. We do have federal representation on the science committee. They have already embarked on a study of Lake Winnipeg. A study of the causeway will be part of that. The Member for River Heights may not know that nutrient loading is not contributed to by the causeway and that we are moving forward with again water quality management zones, dealing with phosphates and household cleaning materials, working on water sewage treatment plants, all the multi-source points that I've talked about, including the technical committee on erosion control. So that's our commitment to look at the causeway, but also to focus on nutrient loading.

Mr. Chairperson: Just before I recognize the next speaker, I just want to remind all honourable members that it's not regularly acceptable in debate to refer or allude to the absence or presence of members.

Mr. Gerrard: My follow-up to the minister, I mean, her comments are, in this case, totally wrong and a little bit outrageous. The reason that I was approached with regard to the Hecla Island causeway is that her government had been approached and, in particular, one of the senior ministers in her government who is an MLA from near there, the MLA for Gimli (Mr. Bjornson), on a number of occasions with regard to this, and his concerns were totally dismissed. It was only when he had totally exhausted normal approaches for reaching the minister's government that he would have expected to have a response that he came to me and asked for help. I have been involved in having a look at the situation. Now, I would point out that the question that I asked was in regard to algal blooms, and that was for two reasons: one is that the marsh there, when the water was flowing back and forth, seems to have functioned as something of a filter, removing algal blooms. Interestingly enough, with the flow of that water back and forth through the marsh, the marsh worked a little bit like a sieve, and there were, on occasion, huge clumps, mounds, waist-high at times, of algal blooms which were deposited or sieved out of the lake by the marsh.

So it's not clear to what extent, at this point from the information that I have, whether or not that was a significant contributor to the removing algal blooms from the lake. My hunch is that if it was it was only a small proportion.

But the minister spoke specifically with regard to phosphorus loading. As the minister is fully aware, that erosion is a significant contributor, somewhere as high as 17 percent. I mean, we don't know what proportion of that 17 percent is erosion, but, that being the case, to the extent which the Hecla Island causeway is contributing to erosion, if it does, it could be contributing to phosphorus loading. I don't know what proportion of that 17 percent could be contributed, but what I do know is that the minister should at least have a careful look at the situation before, as it were, dismissing things. That, I think, is where we are at the moment, that we need better scientific knowledge.

* (11:40)

Now, I would ask the minister to move on to another subject and that is there is a study, Deerwood project, South Tobacco Creek Project. Can the minister indicate to what extent her department has involvement in that project, understanding, you know, water and phosphorus as it comes off the land and originates and gets into the waterways?

Ms. Melnick: Again, in an attempt to save face, the Member for River Heights distorted my comments. I was referring to the dike that he was made aware of, that was of concern, that he did not contact me about; rather, brought it here to the table. Also, the recent fish kill that he observed, which he never contacted me about; rather, released a press release, which is the way he likes to do things instead of being responsible around issues that come to him. So I'm glad I have the response to set the record straight on that.

When we talk about the South Tobacco Creek project, our department has been very supportive. We also are one of the partners in this. Funding has been made available to the South Tobacco Creek project within the Pembina Valley conservation district, which receives provincial funding. The Pembina Valley Conservation District works co-operatively on a project-by-project basis. So they are the ones who would be working directly with the folks from South Tobacco Creek.

We provide, through the Water Quality Management section, support in kind with staff. We have increased the number of conservation districts. We've doubled from nine to 18 since 1999. We've increased the budget considerably during that time as well. This is a project that is multi-disciplinary and involves various agencies such as the University of Manitoba, Deerwood Soil and Water Management

Association—who, by the way, is the project administrator—Environment Canada, Fisheries and Oceans, Manitoba Agriculture, Food and Rural Initiatives. Again, as I say, we are a supporter in kind as well as financially.

Mr. Gerrard: Let me just correct one thing, and that is with regard to the fish kill. I immediately wrote to the Premier (Mr. Doer) because it was not clear which department was primarily responsible. I think that the Premier apparently referred it to Conservation. I got a letter back from Conservation. So the minister should check with the Premier's office.

You know, it was not a failure on my part; it is lack of clarification within her own government as to where the responsibility lies. It is unfortunate that there is this overlap of responsibility. The letter that I got back was hopelessly inadequate from the Department of Conservation.

So let me ask the minister: Has the minister got some information with regard to the carp which died and with regard to the level of algal toxins which were in the water or in the carp to know whether there was any relationship between the algal blooms and the carp die-off?

Ms. Melnick: Yes, I'd like to introduce Joe O'Connor, the director of the Fisheries branch for the Department of Water Stewardship, and I would venture to guess that the Member for River Heights issued his press release before sending a letter to the Premier, so that's the ongoing.

So, in regard to the fish kill, it was limited to carp and a few other species. This is not uncommon in the summer in Manitoba where fish can migrate into an area that has a high water temperature and a low level of oxygen. These are inshore bays that they can move into. This would stress the fish. The department has looked into the events. They have determined it was, in fact, a natural event and was not due to any man-made causes or chemicals.

Mr. Gerrard: I would correct the minister, once again. The letter to the Premier went first, and this is normal practice. I think that the minister is going out of her way to suggest that I'm not working fully in a way that's appropriate in getting to the bottom of things. There are clearly a lot of things that need to be got to the bottom of.

Now, the death of carp, in talking with fishermen and other individuals on Lake Winnipeg, a die-off, which is primarily carp, is quite unusual.

Part of the reason for that is that the carp are very low-oxygen tolerant compared to other species. It's very difficult to kill carp. They survive much better than almost any other species in terms of low oxygen, and that was part of the reason for wondering about this particular episode.

Can the minister report specific levels and measurements of toxins, algal toxins, in the area, in the water, or in the fish at this time?

Ms. Melnick: Well, the Member for River Heights might know that carp is an inshore-dwelling fish. So, to have it along the inshore is, in fact, not unusual. I had also mentioned, if the member was listening, that there were other species found in this area. They were various sizes and ages. They were in various stages of deterioration. So that tells us that that was not a lightning strike, that was not an event that happened to wipe out a number all at one time. The water was sampled in the area and, again, as I have already stated, the department has determined that this fish kill was due to no man-made causes or chemicals.

Mr. Gerrard: The minister's answer is a little bit confusing in terms of I asked about algal toxins and she's talking about man-made chemicals. I would not have ordinarily put algal toxins as man-made chemicals; they come from algae. This is an interesting situation, and I would hope that the minister would be able to provide the levels of algal toxins measured in the carp and in the water and to be able to show us what they were. That would seem to be important. Carp is an interesting fish in one context in that it's not particularly the most desirable fish and, certainly, in the Delta Marsh, people are trying to get rid of carp. If it turned out that there was an algal toxin that could selectively kill carp, people in Delta Marsh would use it.

But it is important to know what the facts are, and the part of the facts which are important is what were the levels of algal toxins in the water and in the fish. Will the minister table that information, please.

* (11:50)

Ms. Melnick: The water sample showed no occurrence of algal toxins in the water. The fish, by the time the department was able to get there because they had not been notified directly through the minister's office by the Member for River Heights, they were in a state of decay that we couldn't determine that.

I'm not sure if I just heard the Member for River Heights suggesting that we actually inject algal toxins into the Delta Marsh.

Mr. Gerrard: What I feel is important to know is what the basis for the carp die-off was, and, certainly, from the point of view of the carp die-off, to know where it came from. I think it's disappointing that the fish themselves were not able to be examined and tested, and I think that that fact will leave some uncertainty with respect to the cause, the ultimate cause, of this carp die-off.

Clearly, before actually using an algal toxin under any circumstances whatsoever, it would need to be something that would have to be very, very thoroughly investigated, but very often some interesting findings can come from carefully investigated matters from a scientific basis.

Let me ask about Killarney Lake. I had some discussions with the Minister of Agriculture (Ms. Wowchuk). The Minister of Agriculture has some involvement with the situation on the South Tobacco Creek as well, as the minister herself has pointed out. It seems to me that Killarney Lake is an interesting lake which could be used as a model because it has a very significant problem with algal growth. I was down there in early September. The shores were pea-soup green and looked pretty ugly from an algal perspective.

Clearly, they're having economic impacts on tourism and quality-of-life impacts and the ability of people to use and swim in parts of the lake, and so on. It's been an ongoing issue there for quite some time. The sources of phosphorus, there has been some work and some measurement of phosphorus, but clearly the situation is not resolved in terms of precisely what are the critical inputs causing the problem and what needs to be changed.

So I would ask the minister whether she would work co-operatively with the Minister of Agriculture and the people in the Killarney area in trying to see what could be done to establish a model lake and watershed study to try and determine the critical inputs of the phosphorus and to reduce them and be able to reduce the algal blooms in Killarney Lake as a significant step in establishing how one could make changes on the larger Lake Winnipeg basin.

Ms. Melnick: Just one last word on the fish kill, we trust the experts in the department. We know that they do fine work. The Department of Water Stewardship contains many, many very talented and

committed people with tremendous expertise, and as their minister I very much appreciate all that they do. It's important that the Member for River Heights, when he sees something of concern, makes sure that I'm aware or the minister is aware and that he not play his politics, as he does on a continual basis.

On the subject of Killarney Lake, we have been involved with Killarney Lake for quite a while. We have worked and continue to work with MAFRI and the local communities. There are initiatives involved that deal with the controlling of nutrient contributions in the upper watershed of Long River. The Killarney Lake Water Quality Committee was established in 1996. One of the stakeholder groups is the Turtle Mountain Conservation District who, again, we fund and work closely with, providing not only monies, but in-kind support.

In 1999 there was a series of gated culverts constructed which allowed flows from the nutrient-rich Long River to be diverted from entering Killarney Lake during times when nutrients tend to be in abundance, but, again, if we go to the Lake Winnipeg stewardship for a final report, we see that there are new suggestions of ways to deal with run-off, which we'll be working on. The Sustainable Innovations Fund through the Minister of Conservation (Mr. Struthers) has been supportive of this particular project. We are working co-operatively on water quality monitoring in Long Lake, Long River and Killarney Lake, including regular monitoring for algae. A survey has been conducted to determine the level of compliance with applicable regulations. I think our water quality management zones will be very effective in this area. There's also a public education and awareness campaign on quality issues, talking about pesticides for outlook control.

So we have been involved. We will continue to be involved, and we will continue to work with our colleagues in government as well.

Mr. Gerrard: I know that the minister has many people in her department who are working very hard, but the facts are the facts and, if you don't have the measurements of algal toxin levels in the fish themselves, then you don't have an unequivocal answer in terms of the die-off of the carp. Certainly, in this case, I alerted the Premier as soon as I was aware of the problem, and will continue to raise these types of issues with the government, including the minister.

Let me move quickly in the last little moment before I correct one thing. That is that the phosphorus from dishwash detergent, household phosphorus dishwash detergent contributes, probably, about 1 percent, but the commercial dishwashing detergent use contributes probably almost another 1 percent, perhaps 0.9 percent. So, if you add the two, in terms of dishwash detergent, you'd probably get close to 2 percent. At least that's what has been suggested to me.

Now, the Kississing Lake is in the north. It has got a major problem with toxic metal contamination, wipe-out of invertebrates for many, many kilometres along the shore. I'm presuming that the minister is the lead minister in this water problem in Kississing Lake. Can the minister confirm that and tell me what her plans are to clean up Kississing Lake?

Ms. Melnick: Yes, the Kississing Lake is a legacy mine issue. The lead department is the Department of STEM and we are working with them on remediation issues, but they are the ones who are leading.

Mr. Gerrard: What is the minister's plan in terms of the Kississing Lake itself, which has had considerable damage as a result of the toxic metals?

Mr. Chairperson: The time being 12 noon, I am interrupting the proceedings.

The Committee of Supply will resume sitting this afternoon following the conclusion of Routine Proceedings.

EDUCATION, CITIZENSHIP AND YOUTH

* (10:00)

Madam Chairperson (Bonnie Korzeniowski): This section of the Committee of Supply has been dealing with the Estimates of the Department of Education, Citizenship and Youth.

Would the minister's staff please enter the Chamber.

We are on page 72 of the Estimates book. The floor is open for questions.

Mr. Peter Dyck (Pembina): I guess it's good to be on the first in the morning.

I know the minister and I were talking about some questions that I might be asking, and I don't think that anyone would be too surprised if I would ask about the housing and the spaces for the students in Garden Valley School Division.

So, just sort of as a preamble to it, the Garden Valley School Division has the distinction of being the fastest growing division in Manitoba. From 2000 to 2004, 90 students per year were added on the average, which would be 3 percent to the student enrolment. In '05 to '07, it's been an average 174 students per year, which is a 5 percent increase. Of course, the predictions for the coming years, the next five years, are that these numbers will continue. I guess, just to confirm that, the '05, rather, sorry, the '06 census numbers were sent out which, of course, is for the constituency of Pembina, but that was even at an all-time high, and that incorporates some areas that are not growing nearly at the pace that Garden Valley School Division is, and the increase there was at 12.5 percent.

When you look at the breakdown of the population there, it certainly substantiates the fact that there is growth in all sectors. It's not that it's become a community where people who are retiring are moving into. In fact, it almost shows the opposite. It's got younger families moving in. To confirm the numbers out there, you know, in five years, Boundary Trails Health Centre had over 600 births this past year. So we certainly have growth there.

The other statistic that I thought would be important to put on the record is that certainly the births are there and this is coupled with immigration on top of it. I know that the minister and the government likes to—brag may not be the right word, but they do use the term and they reference the area as being an area where certain immigration is moving towards. To add to that, it looks as though there are 500 families earmarked through immigration for the area in the coming year.

So, now that I have sort of laid the groundwork for the problems that we have, I'm going to also indicate that—I'm not sure if the minister or his department had the amended August 21, '07, five-year capital plan from the Garden Valley School Division. I think it needs to be amended again because, since this was submitted, I have been told that an added 100 students have enrolled as of September in the school division.

So right now we've got just under a thousand students in huts, and although the huts may be nice, I think the minister is also well aware that these huts don't bring with them facilities for gym and also for washroom facilities. So I am told, and in fact I have got very good sources to this, that they stagger the

recess so that the washrooms are not used at the same time because it just creates overcrowding.

I guess I would ask the minister what he sees are the plans through the capitals branch in the next year and two years, please.

* (10:10)

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): Thank you for the question, and I appreciate the problem of growth. That is a problem that many areas of rural Manitoba wish they had. Yes, we do like to credit the Provincial Nominee Program and the work that my colleague the Minister of Immigration (Ms. Allan) has been doing in that regard with respect to the success of the program. I also know that there is a lot that is driven locally through the industry and innovation in the community, so it's very complementary that our Nominee Program can assist in that regard with respect to the growth that we're seeing of the industry and the booming economy in your section of the province.

The five-year capital plan, you mentioned it and where I see it in one or two years, but given the statistics that you have presented and the statistics that have been presented to the Public Schools Finance Board, we do have to think in terms of a five-year plan as the member was certainly in attendance when the Emerald Centennial School was opened. That was a wonderful celebration in the community. I do recognize that when that project was approved, there were 700 students in the high-quality relocatables or huts, as we used to call them. When the project was opened and the school was at capacity, we had 800 students in high-quality relocatables. So it is an issue to see the exciting development and the rate of growth in the area.

With some of the changes that we've made with the Public Schools Finance Board and the three-year funding announcement, it allows for better planning in terms of knowing what the budgets are that the PSFB will work with over the course of three years, and of course we are entering into the third year of that three-year announcement. Some of the other changes that we are making at the PSFB will assist in expediting a lot of the projects that will be in demand in the next five years, and we are continuing to work on improvements at the PSFB to do so, including some more in-house support.

So how we manage growth is a good problem to have and it is a challenge. I do commend you for

your advocacy for your community because, as we were discussing prior to being called to order, I was anticipating this question.

We have almost doubled the amount of capital funds in our tenure in office and, as we come to conclusion on the three-year plan, we certainly are assessing need and looking at what that will mean for our capital programs, planning for the next three years. But the way the PSFB works, as the member knows, is to continue to consult with the local school boards, assess the need, go through their capital plans and to approve the projects on that basis. Your community definitely has demonstrated that need, and that's why there was a brand-new school built. That's why we'll have to consider what are the next steps in terms of capital, whether there are additions, renovations or additional buildings. And I would suspect that the capital plan that is presented, there will be some action on that five-year plan.

Mr. Dyck: I thank the minister for those comments. I guess I would just ask one quick question here and then I've got others. Does the minister have the amended five-year plan sent out August 21? Do you have that one?

Mr. Bjornson: I have not seen it, but I will check with PSFB, and I would suspect they have the amended plan.

Mr. Dyck: Okay, if you don't, I would be able to give it to you. I do have it here, but I do think that they sent it to your department. I guess just further to that, and I can appreciate the fact that there has to be planning, I would submit though, that there is an urgency to the needs for continued capital instruction just in order to be able to accommodate the numbers of students that are out there. With winter approaching, you know, it just makes it very, very awkward for young children to be going outside and dressing, and of course going to washrooms and going to the gym. I know that the minister is aware of this, that, whereas the relocatables, as he's indicated, are modern and the design is nice, it's certainly, I would hope it would be simply a temporary measure in order to accommodate the needs of our students there.

Just to add to this, if we look at the history, and I know that when schools are planned, they do look at history and rightfully so. You would not want to be planning and building a school in a community that it looks as though down the road is going to be decreasing in population. Ours, I think, is certainly different. We have demonstrated that fact over the

years that there is continuous growth. Again, to substantiate that, in the last few years, we've had on the average 30 new businesses opening up a year, and of course these are requiring employees. For the last number of years, on any given date, we've got opportunities for an extra 200 people, of course if they would have the right credentials, to get employment within the community.

So I believe it demonstrates the fact that this community will continue to grow. I know that the projections that have been done with the City of Winkler and the surrounding area is that within the next few years—we're right now at a population of 9,000 people—it looks as though the growth will be substantial and will be at 13,000 within a few years.

So I would hope that the department and the minister would look at this favourably and try to, you know, fast track a school. I also know that from when the decision's made to build a school until you actually get into it usually is about five years, although I think Emerado was a little faster. I know that was fast tracked and it was certainly appreciated, but I know that we can also drag our heels if we want to. Again, I would submit that it would be good if we could fast track some of the new buildings there.

Then, just in addition to that, when the minister does receive the plan, the revision is that at one point in time they were looking at addition to the high school. I believe right now, because of the growth that's taking place, some of the analysis that has been taking place across the country regards to the numbers in schools, especially a high school, it looks as though when you get to that 900 to 1,000 student population in a high school, it's good to build another one. I believe that this is the recommendation of the board right now that they're looking at building a new facility.

So, with that, I'll just leave it and allow the minister to make some comments.

* (10:20)

Mr. Bjornson: Well, and again I thank you for the question. I thank you also for recognizing that Emerado was fast tracked. It does indicate that we are willing to respond to emergent needs as it is certainly an urgent need when you consider the growth in the community.

As mentioned in my previous answer, we are looking at ways to expedite the process for all capital delivery. We are looking at ways that we can do that, whether it's a replacement school, whether it's a

new school, whether it's major renovations, we are looking at ways to speed up the process. That's one of the realities of a growing capital plan. Though I hadn't seen the actual submission from the school division, I had also heard that there was a suggestion that they would be considering looking at another high school. So I was actually aware of that and, of course, that was connected to some of the statistics the member had shared that I had been privy to with respect to the anticipated growth.

The member can be assured that the Public Schools Finance Board will continue to monitor the growth and the need as they do with all school divisions. We do have a number of other challenges where we've had to—you mentioned some schools being announced taking five years. We've had to give precedence to schools that have been full of mould. There were two or three that I recall in my tenure in the last four years that took precedence because of health concerns.

There are some other issues around the capital planning and the capital program that would take precedence, but recognizing the growth and the need in the community, it has been something that I have been advised that there are going to be some significant demands. We'll continue to work with the PSFB to see how we can best address those demands.

I thank you for your question, and I applaud your advocacy on behalf of your community.

Mr. Dyck: Okay, I have one further question, and that is—now I just sort of heard this via the grapevine, but right now, so far, the department has been looking at five-year plans that they want school divisions to submit. But I was told they're wanting it condensed now sort of into a *Coles Notes* form. Is that correct? And looking, more urgently at two years. Again, I'm just wanting to confirm with the minister that this is right because I know that the school divisions I've been in touch with are well aware over the years it's always been a five-year plan. I was given the understanding that that has changed so I'm just wondering if the minister would comment on that.

Mr. Bjornson: I will check. I know what I have seen in the past was some of the top five priorities that have been identified, or the top three priorities that have been identified by a school division. There's No. 1 priority: (a), (b), (c), and (d). I've seen that submitted. We do have to look at what are the most important projects for the schools, and I will check to

see if there have been any changes in the expectations around the submissions with respect to what are the priorities.

Mr. Dyck: I thank the minister for the answer. I guess all I would say is that, especially in a division where there is growth of this nature taking place, that they spend a lot of time putting these things together. As long as there's consistency, I don't think anyone would argue as long as they know the direction that the minister and the department are heading. They would simply appreciate that. I said I would ask the question simply to make sure that they don't go about duplicating the work that they had already done in the submissions that they brought to the department. That was the reason for that question.

My final question is simply this, and I guess it's more of a comment. I know the minister has responded to that, but again as I say, there is an urgency out there. We've got a lot of students in huts, and this is not only in one school within the area, it's numerous schools.

The other thing to add to it is that they're really running out of space for the huts on some of the schoolyards. They were never designed for that so space is an issue and the infrastructure that's involved with it. With that, if the minister wants to make a comment, it's fine. I do appreciate though the fact that he's looking at trying to fast-track some of the schools within the area.

Mr. Bjornson: Thank you for the question. Again, it is a reflection of the need and not just the schools but the schoolyards are designed to accommodate a certain number of students. As such, that is part of the discussion with the Public Schools Finance Board in terms of urgency and need.

I would like to share with the member opposite that since we've made the changes to the structure of the PSFB board and changed some of the procedures, having met with the Manitoba Association of School Trustees, having met with the Manitoba Association of Business Officials, having met with the Manitoba Association of School Superintendents; without asking, I believe all three of these organizations have offered the information that they feel that there have been very appropriate changes, and they feel that the changes are working very well. They like what they see, and they do feel that we've moved in the right direction in that regard.

So I look forward to the continued good work of the PSFB, and I look forward to meeting you

once again, hopefully at an opening of another school in the not-too-distant future because we do certainly recognize the growth.

Mr. David Faurshou (Portage la Prairie): I would like to ask the minister a couple of questions as it pertains to the recent merger of high schools in the Portage la Prairie School Division. I know the minister made note of it in a press interview about the Portage la Prairie School Division making the move to merge, but also that it was the Portage la Prairie School Division and the local taxpayer base that was essentially paying for the move of facilities and capital expenditure to accommodate the now merged high school with over 1,100 students.

I want to ask the minister, though, that if we are truly to put forward a course offering that will address the future needs of our province, we have to put the capital dollars in place and make them available to school divisions to provide the courses that are so necessary for our communities and our communities' future. And I would like to ask the minister if his plans are to support this type of endeavour and to encourage the school divisions to look at the needs of their communities and to provide for the course offerings necessary to address those needs?

Mr. Bjornson: Thank you for the question. I've just asked for someone from PSFB to join us at the table to look at if the member should have some very specific questions with respect to infrastructure needs.

But what I would suggest to the member is that I would hope that this is what school divisions are doing all the time. That is my expectation, that they would be assessing the needs of the community, that they would be looking at what would be the appropriate courses, that they would be looking at what partnerships they could forge with industry if there is an industry that is planning long-term for local human resources to support their needs. I would hope that these types of dialogue are ongoing.

We did introduce a technical vocational initiative that included among other things demonstration projects but also the acquisition of equipment for the purpose of technical vocational training. I would have to check and see if indeed Portage had received any of that equipment through that grant program. It also provided support for training for teachers on that equipment, if I'm not mistaken. But again this is something that I would hope there's ongoing dialogue at the local level to

assess what are the best programs to be offered that would suit the communities' needs.

Mr. Faurshou: I do appreciate the minister's response, but it is vitally necessary that we look into the future for our province's benefit. The City of Portage la Prairie did recently a labour-needs study that was enlightening, to say the least, of the deficiencies in various professionally trained bodies. The school division without question is willing to work towards filling our communities' needs.

* (10:30)

But the automotive mechanical training program, that was a very costly investment for the local taxpayers to bear by themselves. It's been identified that the welding metallurgy program that is up to Grade 8 now, but not in the high schools, definitely needs to be carried on. There is a need for early childhood educators program, home care professionals programming. So there are a lot of identified needs, but each one of the programs which I mentioned will require a significant capital investment.

Further to that, now that the Public Schools Finance official has joined your table, Mr. Minister, I believe that there is significant confusion and misunderstanding between the school divisions now and the Public Schools Finance Board as to acquisition or disposition of properties.

I will state very specifically that within the two-block area where the new Portage Collegiate merged facilities exist, there are two homes that remain on those blocks that should, by my assessment and to most persons' assessment, be purchased by the Portage la Prairie School Division for future needs and expansion of the high school. They're not even a stone's throw off the back door of the woodworking and craft shop. But my understanding from the Portage la Prairie school officials is that the Public Schools Finance Board denied their request to acquire the home that just came up for sale this past spring because it would be considered land speculation or could be considered land speculation.

In my own way of thinking, and coming from a school board background, it is wrong-headed. The home should have been acquired by the Portage School Division for future consideration of expansion of facilities to the Portage Collegiate.

Mr. Bjornson: Madam Chair, evidently, the school division is looking at the acquisition of the property, but I understand that they haven't submitted a

formal proposal to the Public Schools Finance Board in that regard.

Also, the member talked about some grey area. I'm not sure what his words were, I could be paraphrasing, but kind of a grey area in terms of acquisition and disposition of property. But that is something that the member should know. We have since tightened up the guidelines to provide more transparency, a requirement to have school divisions including in their five-year capital plan reports their assets and inventory of land holdings, et cetera, et cetera. So we've actually cleaned up that process in terms of acquisition and disposition.

As a matter of process, though they've expressed interest somewhat informally to the PSFB, they haven't actually proposed a formal acquisition for those properties. That is one of the jobs that the school division has, certainly, is to anticipate need to acquire property for that purpose. Until such time as the PSFB has that submission, that is currently the status.

One more thing, if I may, when the member is talking about matching programs to the needs of industry, I know through my colleague, the Minister of Immigration (Ms. Allan), there have been a lot of studies done to that effect, some tied into the Nominee Program for high-demand labour. Certainly we are aware of the need for more emphasis on trades and vocational education. We're allowing students more flexibility in their choices to take more ownership of their education and allow for more apprenticeship positions and things of that nature. We're promoting that every which way we can.

Only, I believe, about three weeks ago, we held a luncheon where we invited people from the science and engineering community and the industry of science biomed. A number of different individuals were at the table as we launched a Scientist in the Classroom initiative where, for example, the science that is used in the Simplot plant in your community, if a scientist from the plant wanted to come and speak to the children in the school and make connections to the curriculum that they're learning in the school and demonstrate how it applies to what's being done in the plant, we would find a way to support that community and industry connection.

So we've taken steps with \$1,000 grants to bring scientists into the school for 10 schools, and we are looking at how we can expand that program to get industry engaged in the community schools.

So there are a number of different initiatives that we're currently working on, the technical, vocational and scientists in the schools, career planning initiatives. There are several initiatives that are on the table right now to promote more partnerships around education.

I also must applaud the leadership of the school division with respect to that merger of those campuses. It was a very prudent choice and certainly the economies of scale will work to the best interests of the students with respect to what courses and programs can be offered, and I applaud their leadership on that.

Mr. Faurtschou: I appreciate the minister's and the department's understanding, but I think the application for the purchase of the home has maybe been delayed or not put forward on the basis of preliminary discussions, that potentially it would be considered land speculation. But the misunderstanding and grey areas we're discussing here about land acquisition for future educational needs, I think that needs to be addressed.

Now, the programming side of things and what we're now entering into is the dual accreditation course offerings that would see home care professionals graduate from the Portage Collegiate and receive their Red River accreditation as well as their high school diploma accreditation.

This is going to be a first for Portage la Prairie, although it has existed in other school divisions for different programming, but there is a significant interest at expanding the number of dual-accredited programming as a co-operative effort between Red River, Assiniboine College and the Portage la Prairie School Division.

But I find that there is a significant disconnect between the departments in being able to co-ordinate and facilitate and offer the necessary capital that needs to be invested in order to see this come together.

The Minister of Advanced Education (Ms. McGifford) threw up her hands and said, Red River, Assiniboine College are autonomous organizations and I can't do anything about it. That is to me an attitude that we simply can no longer afford. We need to look at co-ordination and co-operation between the various educational institutions here in the province that need to be able to work with the school divisions to provide the course offerings that

will lead young people into professions that our province vitally needs.

So I leave that with the minister. I don't necessarily need him to answer. It's not a question. It's an observation and I want to see an attitude change toward addressing what our province's future requires.

Mr. Bjornson: I'll take that as noted.

* (10:40)

Mr. Faurschou: As is appreciated also by the minister, many rural school divisions are seeing a student population decrease. There have been two school closures in the Portage la Prairie School Division recently and the properties that are to be disposed of, but once again, the school division is rather unknowingly, at this point in time, how best to accomplish that. I know that the minister says it is up to the school division to dispose them, but, again, the school division is having to expend a great deal of capital on the projects to which I earlier alluded to. They are wondering how far down the road they can, in fact, go to extract the greatest amount of money from the now-surplus school properties.

I think the minister said he has tightened up the guidelines, but I am afraid that there needs to be a complete and full understanding as to the disposition of properties so that no one is going to get themselves in a position that they might contravene either the department or the law, as their mandate. So I think that it is incumbent upon the department, and I leave it at this as again an observation, that there has to be the ability to counsel school divisions as to how various proposals would be viewed by the department before they move forward with formal advertising or contract negotiations.

Mr. Bjornson: With the changes that have been made to the Public Schools Finance Board—the changes included, as I said, increased accountability for the school divisions to receive board approval for land acquisitions; increased the transparency requiring school divisions to keep an up-to-date inventory of land and buildings and include the inventory as part of its five-year capital plan that's submitted to the board for review. So these are two initiatives that were brought about recently by our government

Also, with respect to the school-closure process, the Manitoba Association of School Trustees did submit a resolution asking us to review the school-closure process and we have committed to do that.

So I have a review pending and I'll certainly look at the advice of that review.

The member also mentions issues with respect to school closures as they relate to the realities of declining enrolment. We have implemented a number of different initiatives to try to keep smaller schools as viable as possible, including, among other things, a declining-enrolment grant that supports schools where the decrease in population is significant, but not to the point where the school would have to be closed, but it certainly is approaching that population. As such, declining-enrolment grants support schools where they remain viable and they can continue to offer as many options as possible to the students in that environment.

Not only that, the fact that we've increased funding every year and last year introduced the—last year had for the first time a 2 percent base funding that allowed school divisions that had declining enrolment receive the base of 2 percent. That also enabled them to do things consistent with their school plans that had been submitted, whether it was class-size initiatives, whether it was First Nations learners, whether it was at-risk students, or English as an additional language, these initiatives were supported by that funding. So there are a couple of things that we've done to address that.

We've also held a forum on rural education because we do recognize some of the challenges that rural education institutions and school divisions face. Certainly, that's going to involve some discussion with the stakeholders with respect to what are some of the best plans to address some of the profound needs.

When I had attended the Council of Ministers of Education, Canada conference in Newfoundland, that was a discussion I had with the minister in Newfoundland. As well, my deputy minister had the opportunity to take a look at some of the initiatives that Newfoundland had brought forward where remoteness and declining enrolment had some very profound impacts on the communities and on the ability to provide education for those students. We don't have quite the same extreme. We do, in some very remote and isolated cases, but having said that, we have repeatedly talked to MAST and MASS and MASBO about the unique needs of rural divisions, and we're continuing to look at ways where we could provide as many opportunities as possible in a sustainable way. So I'd like to assure the member that rural education issues are one of our priorities as

government to ensure that the opportunities exist for our students.

Mr. Faurschou: I thank the minister once again for his response and understanding of the pressures that exist in many corridors of our province for education.

I want to ask the minister—this is on a security basis. We've seen that there are areas around North America and elsewhere that indeed are experiencing concerns about individuals in the schools and offering—now, I understand the department supports police officers in six or eight schools here in Winnipeg. The issue of identification of students. There are smart cards that are now being issued in some quarters for student identification. They're similar to our identification badges that we are required to have in the Legislative Assembly here. They are displayed and made certain that the students that are walking the hallways definitely belong there and for the security personnel, are able to very quickly check identification.

Also, those cards do allow for entry into the sometimes more secured areas of the school, whether it be labs, science labs, for instance, or power mechanics and that, so that allowing entrance of only those that are essentially taking that programming. It also, through computerization of this, logs who's in and who's out.

They are also using it in school bus travel. So, if there happened to be an accident with a school bus, all the school kids that went onto that bus, swipe their cards and that there was a log of who was on that bus for contact for emergency purposes of known relatives, parents.

So I'm wondering whether the department is exploring the idea of looking at the idea of province-wide identification through student cards program. Also too, it does lend itself to other quarters where we cross the border; we have to have picture IDs and on a validated card. So, I just want to know whether the department's looked at that, and I have one further question after this.

Mr. Bjornson: Well, I thank the member for the question. It's an interesting idea. Having said that, as it relates to school safety, I think, well, the member did acknowledge that we're supporting the school resource officers. That program was recently announced as being expanded through Intergovernmental Affairs in the Neighbourhoods Alive! initiative where \$267,000 will put school resource

officers in three high schools and six elementary schools. Certainly, the police presence in those schools will result, as it has in other schools where the program has already been underway, reduce the episodes of vandalism and graffiti and things of that nature.

* (10:50)

But, it's also very proactive in terms of establishing a relationship with a police officer in the community and getting a better understanding of what police work is, and having a resource officer there to talk to kids about some of their concerns, and also to teach children about the law and what should happen if they should find themselves in situations that would put themselves in peril, either personally at risk or at risk of legal consequences. So that program is an excellent program.

I think, as I said, the idea of the ID cards is rather interesting. I couldn't help but think of the movie *Gattaca*. I'm not sure if the member saw that, but kind of a futuristic notion of how far we go with our identification and what that personal identification allows us to do. It's a rather interesting concept.

In more general terms, about school safety, a lot of the initiatives that we brought forward, we continue to find new ways to support those initiatives. As I said, the expansion of the school resource officer, the flexibility that is afforded to school divisions in the Safe Schools Charter and the codes of conduct. School divisions are revisiting their safety issues and needs, as needed, as need arises, as they identify potential risks to students, such as personal communication devices, whether it's cellphones or BlackBerries, or whether it's the use of the Internet or Facebook and things of that nature. The technology didn't come with the rules. So it's an interesting proposal that there be a technology that establishes some rules around access.

But, again, the approach that we've been taking is to allow school divisions, schools, parents, teachers—and, to a certain extent, students are involved in that discussion as well—on what they need to do to make their schools safe environments.

Mr. Faurschou: Yes, we do have to look at the future and security concerns and, I think, also the proviso for a student card would lend itself to other areas of identification that I think would be beneficial as well. I'm thinking that it may be, as I mentioned, through the border crossing, for instance.

The other into-the-future look that we must take is how best to educate our young people, provide them with the tools to go forward and achieve all that they are able.

I had the pleasure of a young lady from Finland staying with us through the Rotary exchange program, as our daughter was away to Chiapas, Mexico, this past year. I was absolutely intrigued by the Finnish public school model, where the public schools are very much a part of the community. The schools open at 6 a.m. in the morning; they understand people going to work. They have day-care facilities; they have breakfast programming; they end up looking at the school day as an all-encompassing program where the individuals receive not only in-classroom academic instruction, but they also are required to have physical education of a team sport. They are also required, within that school day, to participate within the community on a volunteer basis, helping at the retirement homes and doing community service work at Big Brothers, Big Sisters, literacy—you can go on and on and on and inclusive of, as this young lady was, engaged in the local reservists, as she progressed through high school, for the Finnish military.

It was a program where the school was open for 12 hours of the day and the students got very much part of their adult life, an exposure, if you will to that. That is what it's all about. Team sport, working as a community, not individualistic and sitting in front of a computer screen all day playing video games and as independent as we get right now, just on the keyboard, talking through the Internet medium.

So I just wanted to again leave the minister with the thoughts that perhaps we need to look at around the world as to the best way to afford our young people an education that will indeed provide them with all the skills so that they may take advantage of the opportunities that abound in today's society.

Mr. Bjornson: Well, I thank the member for the advice and, you know, I was taking down some notes here, about all the things he was saying about the wonderful system in Finland. The requirement for physical education, as the member knows now, we do require, based on the recommendations of the Healthy Kids, Healthy Futures Task Force, that students will now be required to take an additional credit in grades 11 and 12, now 30 compulsory credit courses including phys ed in grades 11 and 12.

He mentioned how students are encouraged in Finland to be volunteers. Well, we certainly promote that through the community service credit where students can put in volunteer time and earn credit accordingly.

He mentioned having day cares in schools. We certainly see a lot of schools where that is indeed the case, and that's obviously very beneficial for the parents to have the day-care access at schools. We do see that in a number of schools right now.

He mentioned breakfast, having breakfast programs. Well, indeed, in areas, in many areas in Manitoba there are breakfast programs offered for students, mostly because of need, but they also will not discriminate on who comes in and requests a breakfast. That's not taken into consideration. Personally, I like to have breakfast at home with my children before I take them to school. So I'm not sure we want to put that demand that all schools have a full breakfast program and start at 6 in the morning.

The whole notion of the school being the centre of the community is one that I have always believed in, in terms of community access, and we do have people meeting from the Association of Manitoba Municipalities and from the school divisions and various and sundry groups who might be a part of communities of schools.

Oddly enough, I had meetings with the Association of Manitoba Municipalities who some members were alleging that the school divisions are not very receptive to opening up the doors for community access. At the same time, I had representatives from MAST allege that the municipalities weren't exactly receptive to the idea of opening up public facilities for school access.

So I know there are wonderful examples of how it really works well, where school divisions have shared-use facility agreements, and there's a real strong sense of community. I know, especially from the rural Manitoba perspective, how important the school can be as a focal part of the community.

The one thing the member didn't mention about Finland and, yes, it is a wonderful school system in Finland. It has been identified through the Program for International Student Assessment, or PISA, as one of the top achieving nations, according to the OECD, but what he neglected to mention is Finland doesn't have any standardized tests, which I know the member has repeatedly raised in elections, that they have standardized testing or standards tests. Finland

does not have that. They have an assessment-based model which is what we have been working on, which we have implemented in grade 3, which we've implemented in grade 7, we've implemented in grade 8. We are doing assessment at the beginning of the school year, assessing the students' needs and abilities so they can be better addressed during the school year. Of course, we still have the standards tests in grade 12, but, you know, it was interesting that he wouldn't mention that particular detail, where people are travelling to see what it is that makes Finland's program so successful.

* (11:00)

I should also point out to the member, though, that we have initiatives in our province that are being recognized nationally and that are being recognized internationally. For example, the Education for Sustainable Development initiative that we have here in the province of Manitoba has been recognized internationally. We are the lead province with Education for Sustainable Development. Any time there are conferences, we are represented and we represent Canada at these conferences to support the Education for Sustainable Development initiative.

Our citizenship agenda has been held up as a national example on civics education.

Our Artists in the School Program, the McConnell Foundation supports it wholeheartedly because of the tremendous success of the Artists in the School Program. CFEE, the Canadian Foundation for Economic Education recently launched a partnership with our department for economic education for students, and Mr. Rabbior from Canadian Foundation for Economic Education—sorry, lots of acronyms—Mr. Rabbior stood in front of the media with David Dodge a couple of weeks ago and mentioned that we are the only province in Canada and the only district in North America to undertake such a program. He applauded the work of the department in that regard.

So, yes, Finland is a very good example of a public education system that works. I think we have an excellent public education system here, and we are doing a lot of innovative things that might not get the headlines but they certainly are having an impact for our students. I appreciate the question and I look forward to the member's position on standardized testing and if he believes that that would still be the route to go.

Mr. Ron Schuler (Springfield): I would like to ask the minister if he could pull out his financial statement for the Seven Oaks School Division, Swinford Park Subdivision Future School Site. If he would flip over approximately two pages, there is something called a Statement of Purpose, paragraph 2; statement of purpose, paragraph 2. The last sentence refers to: school site costs are detailed in Schedule A while Schedule B disclosed the allocation basis for expenditures.

Can the minister tell this committee which schedules does that refer to?

Mr. Bjornson: Sorry, could the member please—I'm not sure which document he's referring to.

An Honourable Member: Future schools.

Mr. Bjornson: Okay. And I'm sorry, that was on the second page?

An Honourable Member: Statement of purpose, second paragraph.

Mr. Bjornson: Statement of purpose, second paragraph, thank you.

Yes, thank you. I do see the sentence. I'm sorry, could the member repeat the question?

Mr. Schuler: I was wondering if the minister could tell us. It references a Schedule A and a Schedule B. Which schedules is that referring to?

Mr. Bjornson: That would be Schedule A and Schedule B as attached.

Mr. Schuler: To be very clear, that is at the back of the document, expenditures as at January 31, 2006, and then Schedule B again is expenditures. Is that correct? One seems to lay it out a little bit more than the other. Those are the two that it's referring to.

Mr. Bjornson: Madam Chairperson, yes, that is what it is referring to.

Mr. Schuler: If it would be okay with the committee, I would like to have my colleague the Leader of the Opposition ask a few questions and then I'll take over the questioning again.

Mr. Hugh McFadyen (Leader of the Official Opposition): Madam Chairperson, I just want to address the issue of the lack of public high school in the southwestern corner of Winnipeg. The minister and I and various people interested in the issue have had some discussion and correspondence on the issue over the past couple of years. Certainly, my predecessor, as the Member for Fort Whyte, had

raised the issue. I know that the prior commitment of the minister and Premier was that high school for that part of the city which serves roughly the communities of Linden Woods, Whyte Ridge, Linden Ridge, Waverley Heights and Richmond West, and obviously as Waverley West comes on-stream would serve families in that development. The prior commitment was that it was not a matter of if, but when.

My understanding is that the Public Schools Finance Board has prepared a report, I believe, or has received a report from a consultant looking into the issue of a high school. We know that in terms of the demographics of the area, that there are a lot of young families, a lot of students currently being bussed to various schools around south Winnipeg.

I wonder if the minister can indicate whether there have been any developments in terms of the government's planning and timetable with respect to the construction of a new high school. So I'll stop and let him answer that question; then I'll go on.

Mr. Bjornson: Well, indeed, the issue of a high school for the area has been elevated by the Pembina Trails School Division to the No. 1 priority in their five-year capital plan. That hadn't been the case for the previous capital plans, but it is now the No.1 priority.

As such, when a school division identifies the priority, there is a process put in place where the PSFB does a review of enrolments and projections to determine when that high school will be required. As stated, it's not a matter of if, it is a matter of when because we do recognize the growth potential that will be realized soon with the expansion of the Waverley West subdivision.

The member is correct in his statements with respect to the consultant's review that has been done in co-operation with the school division. I believe it was March of this past year. As a matter of process, once these reviews have taken place, the PSFB does meet with the school divisions to discuss their capital plans and to assess the information that's been presented in that review. So that is the status of this particular capital request at this time.

Mr. McFadyen: Can the minister indicate what the date is for the meeting which is to take place between the PSFB and Pembina Trails School Division?

Mr. Bjornson: I understand that the meeting is scheduled for November 7.

* (11:10)

Mr. McFadyen: I thank the minister for that information.

During Estimates for Executive Council, I had the opportunity to ask the Premier (Mr. Doer) several questions on the issue. He wasn't aware of the consultant's report and I wouldn't have expected him to be aware, of course, of what is a fairly local issue. He did indicate, in response to a question that I asked, that he could think of no reason why that report couldn't be made available to the people who have an interest in the issue, which would include those that are organized for the purpose of advocating for a new high school, and that it was his understanding that in the normal course such a document would be publicly available.

I wonder if the minister will, in accordance with the Premier's comments, undertake to make that document available, either by tabling it here in the House or by making it available to the advocates for the new high school.

Mr. Bjornson: My understanding is that the school division has accepted this document as information, and it is an opinion with respect to the potential capital needs in the area or the viability as such. At this point, it is my understanding that the school division, as the owner of the document, is not prepared to release it at this point.

They do have the meeting with the Public Schools Finance Board in early November. November 7 is, I believe, the date, and that is certainly an important part of that process. It is for the Pembina Trails School Division to have that opportunity to meet and discuss this opinion that's presented in this report to the Public Schools Finance Board, I would suspect, before they would consider making it public. But the process is a very public one when they do get into the capital plan, beyond planning for capital needs.

Mr. Daryl Reid, Acting Chairperson, in the Chair

Mr. McFadyen: My understanding is that the report was prepared at the request of the Public Schools Finance Board which reports to the minister and, as such, would be—not that there's ever property per se in such reports, but certainly under the control and discretion of the minister as to whether it would be made public or not. Certainly, I recognize that it is not binding and certainly not necessarily a reflection of government policy, but obviously a very important document from the standpoint of

informing public debate on what is an important issue to a lot of people in south western Winnipeg, not just in Fort Whyte, but in other communities in the south western part of the province.

In light of that, I would ask the minister again if he would provide that document, or if he would encourage the school board to provide it to the advocates for the high school?

Mr. Bjornson: Again, the school division is not prepared to make it public and, at the very least, I would expect that they would like the opportunity to present it to the Public Schools Finance Board before they might consider that. As a courtesy to the school board I can't—you know as elected officials and with the autonomy that they have as elected officials, I don't think it would be appropriate for me to direct them to release that report. It's their discretion.

Mr. McFadyen: I guess the minister is making it clear that he's not prepared to provide that document and is not prepared to encourage the school board to do that. So I guess I have my answer to that question. I may not like it but I've got the answer to the question.

I just want to, by way of final question, just ask the minister, in light of the significant need in that corner of the city, which I think has been well documented both anecdotally and statistically, if he will commit himself to making this project a priority within his own department's capital planning for the coming year, recognizing that the department, I think, has a practice now of releasing five-year capital plans.

Will he make it a priority to have it included within that plan so that we can get beyond the uncertainty of saying, not if but when, and actually give people an answer to the question, when?

Mr. Bjornson: I should reiterate for the member that I'm not prepared at this time to release the report, as a courtesy to the school division. Again, it's not my position to request that they do so as they are locally elected and it's an autonomous board, so it's not my position to request that they do so.

After the meeting, perhaps that's when that can be considered, and I'll certainly ask the school division at that time, once they've had the opportunity to go through the process and discuss

this with the PSFB, if they would be so willing as it is an important part of this debate and discussion.

In terms of time lines, I can't be more specific as to the when, and with respect to, in your words, I believe, instructing the department—did you say instructing?—to make it a priority. It is determined by the PSFB, but certainly the PSFB recognizes the growth and the potential growth in the area with Waverley West forthcoming. It isn't a matter of if anymore, it's a matter of when, and I can't be more specific to that when. We have to undertake the process, and the PSFB is a part of that process certainly with the Pembina Trails School Division. But it is a matter of when.

Mr. McFadyen: Not a further question, just to thank the minister. I'm not sure we're any closer to having an answer to the question, when, but I appreciate the comments. Clearly, the issue is on the minister's and the department's radar screen, and I certainly encourage them to deal with it as quickly as possible.

I have no other questions, so thank you. I'll turn it back to the Member for Springfield.

The Acting Chairperson (Mr. Daryl Reid): The honourable Member for Springfield. Sorry, the honourable Minister of Education, with a response.

Mr. Bjornson: Thank you, Mr. Acting Chair. I just wanted to thank the member for his questions and commend the community for their advocacy.

Mr. Schuler: Periodically, the line of questioning of the kind that we've been undertaking seems to be interrupted by just as important local issues. These are important for us to advocate for as local members of the Legislature. I know that the minister finds them important as well. People elect us for us to be advocates on behalf of our community, so periodically there will be a slight deviation from the line of questioning that we seem to be on, and I hope the minister doesn't mind.

I'd like to go back. The minister did rightfully identify that Schedules A and B are attached to the financial statements of the future school site. If he would move down, the No. 1 statement of purpose, down to No. 2, significant accounting policies, there's a subsection (a), a paragraph. The last sentence says: Management requested that the project consultant, a third-party consulting firm, prepare a report to the division specifying an appropriate basis for cost allocation, given the nature of the expenditures incurred. Can the minister tell

this committee which report is that sentence referring to?

* (11:20)

Mr. Bjornson: I'm sorry, could the member point out the section again? I was flipping through the pages and I didn't catch the specific section or sentence to which he was referring. I'm sorry.

Mr. Schuler: Okay, we're in the future school site financial statements, page 2 where we were before. Top of the page was No. 1 statement of purpose, where we had just been. If you scroll down, it says No. 2 significant accounting policies. If you look under subsection (a), it says School Site Expenditures, underneath that is a paragraph, last sentence: Management requested that the project consultant, a third-party consulting firm, prepare a report to the division specifying an appropriate basis for cost allocation given the nature of the expenditures incurred.

I'm wondering if in statement of purpose, schedules A and B are referring to the financial statements, the schedules attached behind this, then what report is section 2 referring to?

Mr. Bjornson: I believe the report that the member is referring to was a report that the school division would have through their consultant, but the cost allocations are, from what I understand, identified on schedules A and B.

Mr. Schuler: Is it possible to have that report provided?

Mr. Bjornson: That would be a third-party report between the school division and their consultant that we could not provide for you.

Mr. Schuler: Again, I'm surprised that that would be the answer because a report that is cited in a financial statement, it goes to how the two financial statements were developed. That's why initially I had asked about Schedule A and Schedule B, and they are attached. But the definition, how they came to the conclusions, Schedule A and Schedule B, seemed to have come from this third-party consulting firm.

It's basically specifying how best to appropriate costs given how the expenditures were incurred. It's basically a footnote to these financial statements. The only reason why I can see why they wouldn't include it in the financial statements is that it might have been fairly lengthy. There should not be anything untoward. There should not be anything secret in it. Basically it's a footnote on the financial

statements, and because it's referenced in the financial statement, it then should be a public document because it helps explain how the two documents came about.

That's why I'm asking for it. There really should not be any question. It's basically a footnote. It's referenced in the financial statements and it's an explanation to the financial statements.

Mr. Bjornson: My understanding is that Schedule B provides a synopsis of the allocation that is referred to in that statement on that report. With respect to access to that information, certainly the Auditor General had unfettered access to all matters pertaining to the development. The Auditor General had access to the independent audit performed by KPMG that revealed that the division made \$512,188 on the project. The Auditor's report supported those findings. So, essentially the Schedule B provides a thumbnail sketch of the information that the report would have presented and that's what is included in Schedule B in terms of the allocation.

Mr. Schuler: Actually that is not the case. Again, if you read what was written in here, the report prepared by a third-party consulting firm to the division specifying an appropriate basis for cost allocation. What we have in Schedule A and B is only the allocation. To understand how they came to those conclusions, you need the framework that was provided. Schedule A and B are only how they allocated the expenditures. All what I think we would like to know, as a committee and as the public, is how did you come to those conclusions?

Again, I point out to the minister that there are \$819,000 worth of expenses that were allocated to what is basically an empty field. What the committee would like to know is: How did they come to the conclusion that that expense should be allocated to what is right now an empty field and that would be in that report provided. Schedule A and B only lay out what expenses were allocated to each piece of property, not the rationale behind it, and that is why I am asking for it.

Mr. Bjornson: Mr. Chair, if you look at the five bullet points identified and numbered as such—1, 2, 3, 4, 5—at the bottom of Schedule B it is indicative of the allocations of those expenditures. As I said, perhaps a *Coles Notes* version, but that is essentially the synopsis of what those allocations were. It's where audit financial statements.

Mr. Schuler: Then I guess seeing as the *Coles Notes* have already been provided, there should be no problem to provide that report. I mean if it's already here and it's not going to be any different in the report, this is just an abridged version. I mean, is there really a problem with providing that report?

Mr. Bjornson: Again, I will remind the member that it's not a report for me, it is a report for the school division. I don't have access to the report and that is the school division's report.

Mr. Schuler: If it's okay with the committee my colleague from Minnedosa has an urgent issue of great public importance that she would like to raise. If it's okay with the committee, I'd like to just hand the questioning over to her.

Mrs. Leanne Rowat (Minnedosa): I have one quick question for the minister. I am wanting to know what the status is of discussions for the music room in the Forrest school. I understand that Public Schools Finance Board is aware and has been working with the community, but there seems to be no movement on the request for a music room. I believe that what is being offered, on the side of the Public Schools Finance Board, is the use of the multi-purpose room. I do believe that that option is not acceptable and not workable for the obvious reason that it's not workable for the school to set up and take down music equipment not only on a daily basis, but on a, I would say, several-times-during-the-day basis.

* (11:30)

I believe that this community has a need. It is not only a music room for the community of Forrest, it is a music room for other communities that come and take their programming out of there, their music programs—that would be communities like Rapid City and the community of Douglas. So it is more of a regional program support for Rolling River School Division. I do know that the school division and the administration in Forrest are very concerned that there is no movement on their request. I've been told that they would strongly recommend that the deputy minister or the minister take a visit to the school to see really how inappropriate the suggestion of using the multi-purpose room is.

Forrest does have some history in the government making decisions to do studies and putting dollars into studies such as the underpass in that community, which cost in the vicinity of \$80,000 and it was a waste. The community believes that if they would have been listened to, that money

could have easily been spent more wisely, and apparently this amount of money is exactly what the community needs to have their music room put into their education building.

So I'd ask the minister to provide an update. Is he willing to have the deputy minister go out and physically view the site or, even better, the minister himself to view the site and see really how silly the decision would be to use the multi-purpose room for a regional music program within the Forrest school?

Mr. Bjornson: From what I understand, the PSFB, in consultation with the division, has suggested that they resubmit it as part of their next five-year capital plan. We do take a look at needs on an ongoing basis and do undertake a five-year capital plan review with each school division.

I also understand that currently the multi-purpose room, from what I understand, is being used at approximately 50 percent of the time and that the local contribution included putting in a commercial kitchen for the purpose of using the multi-purpose room partly as a cafeteria. We don't fund cafeterias in schools. I don't believe they have ever been funded by the PSFB. I could check to verify that, but the decision at the time by the local board and the school community plan was to utilize the multi-purpose room for cafeteria purposes and that's where their expenditure came through the school division for that purpose, with a commercial kitchen. Having said that, again, the school division has been encouraged to resubmit that request as part of their capital plan.

Mrs. Rowat: I do know in discussions with the administration, as well as the school superintendent's office, there is no movement on the request for the music room to be considered. They strongly encourage the minister or deputy minister to come out and have a visit and actually see first-hand how impractical the multi-purpose room being used as a music room for a regional program is not workable, is not acceptable. I do believe that the minister will be receiving correspondence from other groups within the community who are, you know, now taking this to the next level of community push and community support.

So, you know, I am just encouraging the minister to take a look at this. The music room is something that is needed within the community. It is a regional initiative. Other schools support that school for this program, and I strongly encourage, as it has been requested of me to share with you, that

somebody take a personal interest in this and visit the facility and see first-hand how impractical the multi-purpose room as a music room is in the decision-making of government.

Mr. Bjornson: I thank the member for the question and, again, the PSFB has instructed the board to resubmit that as part of the capital plan requested. That is the desire of the board to do so. We do have, I believe, 29 million square feet in the footprint or the blueprint for our schools in Manitoba, so there are certainly a lot of capital requests that are submitted each year by all 36 school divisions with their five-year capital plan.

So, if it remains a priority for the school division, that is something that the Public Schools Finance Board will consider.

Mr. Schuler: Thank you very much. This is like a TV show; periodically we have to interrupt this program for something else, for an important message.

I would like to ask the minister if he would take the opportunity to pull out his future school site financial documents once again. I understand that the third-party consulting report is not available to him, and I certainly hope he will support me in my endeavours to viewing a copy of what should be a public document.

Unfortunately, they didn't number these pages, and they should have. On the second last page is a future school site at the top, 4 says contingency and then 5, future costs. When the minister and others crowed about this big profit that was realized by the Seven Oaks School Division, which we know was not a profit but, in fact, a loss when you add in the cost of the empty lot at \$820,000. But there's an interesting footnote called future costs, and I take it the minister has it. The sentence is: The division also anticipates incurring costs of approximately \$40,000 related to construction of a nature pond in the spring of 2006.

What is the status of that pond?

Mr. Bjornson: I suspect we can check but we don't have that information.

I would caution the honourable member, once again, to be careful about those allegations of a loss that was incurred, as he suggests. I've heard that allegation before from the Member for Charleswood (Mrs. Driedger), the Member for Tuxedo (Mrs. Stefanson).

KPMG revealed the division made \$512,000. That was confirmed by the Auditor General. So, it's curious for me that, with KPMG's audit, with the Auditor General saying that there was a profit made, that the opposition members will continue to say that there was a loss. I don't understand why they don't take the word of the Auditor and the findings of the independent audit performed by KPMG. Yesterday the member talked about the high regard with which he held the Auditor, and certainly the group that performed the independent audit has a very sound reputation. I find it strange that the member would continually suggest, publicly, for the record, to be recorded in *Hansard*, that this was indeed a loss. I can't understand that approach.

Again, the Member for Charleswood, the Member for Tuxedo have all said that. Again, they continue to caucus in the grassy knoll with this conspiracy theory. But it is something that I find really, really strange that they would continue to put that on the record when the Auditor has suggested otherwise and the independent audit has revealed a profit. So, I will leave that with the member opposite.

*(11:40)

Mr. Schuler: Interestingly enough, that wasn't the question, but seeing as he raised the issue—what the accounting firm and the Auditor General did is only looked at what was in front of them. There are two sets of books, and that's the problem. You know any business, any government, any institution, non-profit organization that starts to run two sets of books, the first thing you say is, there's a scam being run, and that's the problem. On the one hand, the subdivision shows a \$512,000 profit; on the other hand, you've an empty lot that costs \$820,000. It lost \$820,000. That's the problem when you run two sets of books, is the school division is playing games. This is a scam.

Madam Chairperson in the Chair

At best, when you run two sets of books, and on one side of your mouth say, you've got \$500,000 surplus, at best, but on the other hand, you've got an \$820,000 loss on the other piece of property. The same piece of property. We're not talking about two pieces of property on opposite ends of the city. This is one chunk of land they've conveniently split into two, allocate all the gains on one side and all the losses on the other, so they can say that one piece of land makes money, but they never talk about the

second piece of land. This is bordering on dishonest, what's being done with two sets of books.

What I've been asking about is that we want to make sure that the public is protected in what's being done here. This is not the way to run financial statements—taking one project, one piece of land, and running it on two sets of financial statements. That is the problem I have with this. On one hand, it shows \$500,000 surplus and on the other hand, \$820,000 loss. So, when you take \$800,000 and you subtract \$500,000, it shows a loss. That's the way this should be accounted for.

What I did ask the minister was: How's the pond doing? Because not just do we have a loss of approximately \$300,000, we have more expenses coming, expenses that aren't accounted for in either financial statement. I'll ask the minister again: How is the pond doing that supposedly was supposed to be completed by 2006?

Mr. Bjornson: That is something that is the responsibility of the developer in this case, Madam Chairperson. Again, I have to caution the member, he's adding another myth into the rhetoric that we've seen from members opposite, and now he's saying there are two sets of books. Well, there are not two sets of books; there are two financial statements. There's a difference between a set of books and financial statements, as it relates to this particular project. So he's added another myth that there are two different sets of books, and that's not correct.

We've seen these myths. We've seen the myth that, oh, the sky is falling, they lost money, and the KPMG report says, no; the Auditor General says, no. The only people who keep saying that money was lost are the members opposite. There is a myth that, throughout this whole process, there was some grand conspiracy that involved people in the higher levels that knew everything that was going on. The Auditor General said that there's no evidence to support those allegations and that that was not the case. So, as I said, they continue to caucus in the grassy knoll and come up with all these theories.

They said that there were some untoward actions taken with respect to the rewarding of the West Kildonan Collegiate, some political payback, and the Auditor General said, no, that's not the case. There was a process in place and that was followed. So, if he wants to add another theory today, another myth, to the mix here, he's welcome to do so, I guess, but he does so at his own peril.

The Auditor General had access to all relevant matters pertaining to this issue, and the Auditor General came to the conclusions that have been reported. One of those conclusions supported the fact that the KPMG audit indicated a \$512,000 project. If you were to look at the Auditor's report on financial information, it says, from KPMG Chartered Accountants: In our opinion this financial information presents fairly in all material respects the financial position of the school site as of January 31, 2006, in accordance with Canadian generally accepted accounting principles. That is with KPMG chartered accountants as the signatories.

So it's curious that the member will continue to put forward these myths about what has transpired here when the findings are clearly stated in the Auditor's report. The Auditor has made recommendations. The Auditor recognized a lot of the things that we did, even before there was a suggestion that it goes to the Auditor's office. Even before that was the case, we took a lot of measures internally and procedurally, and we've addressed a number of the issues even prior to the Auditor's investigation of this matter. The Auditor's conclusions have debunked a lot of the myths. If the member wants to talk about two sets of books and odd accounting practices we can—most assuredly those myths will be debunked as well.

Mr. Schuler: Again, the question was about a nature pond that was supposed to have been completed by 2006, but we'll get the minister there.

I don't doubt that this minister was a great history teacher in his time. In fact, I think he was a great loss to his school division. He was a very good history teacher from what I understand.

However he clearly, clearly failed when it came to understanding financial matters, because you can only have financial statements off of a set of books. If the minister is indicating to this committee that two financial statements were done on the same set of books, this committee would love to hear that, because that would make this story even more bizarre that it is. The only way you can do financial statements and—you know what? If the minister wants to call in other staff who actually understand financial statements and how they're run, fine. But you can't have two financial statements run off of the same set of books.

There was one piece of land purchased. They then split it in half, run two separate books: one for the school site, one for the subdivision site, and those

two were each audited. It's not the way it's done. Because what they have done here—and it's cute by half—is try to put the surplus on one side for political reasons to say that their subdivision made money, and put \$820,000 worth of expenses on the school site for a piece of property that cost them in the end approximately \$210,000.

The minister has already said that has to still be accounted for, just not today. You have two sets of books and you've got two financial statements of the same piece of property that had been cut in half. But, if the minister wants to suggest to this committee and if the minister wants to suggest to the taxpayers that it is common practice that you have two completely different financial statements off of the same set of books, then I actually would like to hear that, because that's exactly what he said.

I think he misspoke himself, and we as a committee should show some patience and allow him to correct that, because the only way you can do audited statements is you have to have a set of books. You can't do two audits and have two different financial statements off of the same set of books.

Mr. Bjornson: First of all, it's curious that when we're talking about the Estimates process related to the budget and expenditures of the Department of Education, Citizenship and Youth, that he's asked three questions about a pond in a subdivision. That's curious.

Secondly, I would hope the member has the integrity to apologize for the staff at this table in his tirade that I've just witnessed here where he suggested that I ask staff who understand financial statements to come into this building. I take exception to that.

The staff of the Department of Education, Citizenship and Youth are exceptional people who are very committed, very dedicated, and they work very hard. For this member, in this Chamber, to suggest that we bring in staff that understand financial statements, and question the integrity and the ability of the staff who are in this Chamber right now, is absolutely deplorable.

I would ask that he would consider apologizing to the staff in attendance at this moment before we proceed. I'm absolutely disgusted by that behaviour.

* (11:50)

Mr. Schuler: I would ask this minister to apologize to the taxpayers by indicating or by somehow

supporting that two financial statements were run off of one set of books. The minister talks about his Estimates. It brings into question all his Estimates if he sits as the minister responsible and says that two different financial statements can come out of the same set of books. There he owes an apology.

The reason why I'm asking about a pond is because taxpayers, taxpayers whose money is supposed to go to front-line staff, to teachers and to students in the school system—that's where the money is supposed to go. Instead there are financial statements from a school board that indicate that the school division is still responsible for, and I quote, approximately \$40,000 related to construction of a nature pond, which isn't even part of the financial statements. That's what this comes down to. It's the protection of the taxpayer.

When I said to the minister—I don't know who he's got sitting in front of him and I don't question any public servant's credibility, nor what they can or can't do. They do their job fantastic. This is about the minister. Minister, stop taking umbrage. If you're offended by some of the stuff that I'm saying, that's between you and me. This is all about the minister and what he said is that it's normal practice to run two sets of financial statements off of one set of books. That's what this committee deserves an apology for. The staff that is or isn't here, this has nothing to do with any of that. This is about an opportunity to hold a government accountable for what's been done.

The Auditor General made it very clear. She's not the watchdog. The Legislature is. I want to be very clear. This has nothing to do with employees or staff or anybody else. This has to do with the minister. If he needs someone to sit down and explain to him in very clear terms how books are run and financial statements, I'm fine with whoever he's got to consult on that. I don't know who he has to consult with on that. That's what I'm saying.

But that he tells this committee that it's common practice that you run two financial statements off of one set of books, I'm surprised.

Mr. Bjornson: So I suspect the member will not be apologizing then for his conduct towards the very professional and hardworking staff. I think it is my right to defend the work of the staff of the Department of Education, Citizenship and Youth. Again, I find his comments absolutely disgusting.

I did not say that it is common practice for there to be two sets of books. It's the member opposite

who is saying there are two sets of books. But there is one set of books with two financial statements prepared for transparency purposes, detailed financial statements prepared for transparency purposes to reflect (1) the cost of the school site and (2) residential subdivision. It's the member opposite that's going on saying that there are two sets of books. There are not two sets of books.

All relevant materials were provided to the Auditor General for the purpose of this audit. All relevant materials were provided to KPMG for the purpose of this audit. Seven Oaks School Division co-operated with the process from day one when we initiated our review of Swinford Park development. Seven Oaks School Division co-operated wholeheartedly with the Auditor General and all parties were participating in this process.

One set of books, two financial statements for transparency purposes. Again, it's the member who's creating another myth that will be debunked in this process, and it's the member that still owes the staff at this table an apology.

Mr. Schuler: Every time this government gets into trouble they hide behind their public servants. This is between the minister and this committee and not his staff. I'm actually very disappointed in him that he doesn't have the strength of character to leave his staff out of this. I suggested to him very clearly, if he needs someone to lay out the fact, that you can't have two financial statements run off of the same books. You can't have two audited statements off of the same ledger.

I don't know how much more clear this committee can be on that, and that somehow that's acceptable to the minister. Then, if there's one ledger, then these two financial statements should be brought together as one. In which case then the whole thing lost money, and he's playing the game. He's saying, no, there's one set of books. However, he concedes that on one side there's a surplus of 500,000, on the other side there's a loss of 800,000 and that somehow a loss of 800 subtract 500 is still a gain. I don't think the committee can be any clearer than this.

We have in front of us two financial statements which indicates two sets of books, because how else do you audit something, to come up with a financial statement, if you're auditing the same thing and you come up with two answers. Is that what the minister is trying to tell the committee? It was audited. The same ledger was audited twice and each time they came up with a different audited statement. That's

even more bizarre. Is that what the minister's trying to tell us?

Mr. Bjornson: The request was to have detailed information provided in separate financial statements specific to the cost of the school site and to the residential subdivision—one for the school site, two for the residential subdivision. You can pick information from one set of books and come up with two financial statements specific to those projects. It was done for transparency. Evidently, it has resulted in confusion, and I apologize that the member doesn't understand that, but there's one set of books, two financial statements with the information reflecting two separate costs, one being the cost of the school site, one being the residential subdivision.

I hope that's clear to the member, and the details were provided for transparency. I apologize that it has caused confusion.

Mr. Schuler: Then if it was one set of books, the bottom line would be project A shows a loss of \$819,810 and project B shows a surplus of \$512,000, which means the entire project has a net cost of approximately \$300,000. In which case then the subdivision didn't make money, because what you do is—and that's why I asked for that report. How do you even decide how you allocated expenses? How do you buy a piece of property for \$210,000 and now have \$820,000 stuck into that piece of property? They bought it for \$210,000 and now they have \$820,000 worth of money into it. That's not protecting the taxpayer.

Mr. Bjornson: Once again the member is suggesting loss and again the Auditor General has said, no, that was not the case. KPMG said, no, that was not the case. I am not sure where the member is getting these questions from but the Auditor is clear: \$512,000 profit. The net value of the land: \$819,000.

In referring to the Auditor's report, when the financial information for the residential development and future school site are combined, expenditures for the project exceeded revenues by \$307,000, but the school division maintains an asset in the form of a serviced future school site, and the Auditor has said that the value of the future school site disclosed an asset in land that cost \$819,810, disclosed a surplus of \$512,118.

Madam Chairperson: The hour being 12 noon, this section of Committee of Supply is recessed.

The House will resume at 1:30 p.m. with Routine Proceedings, and after Routine Proceedings the Committee of Supply will continue.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, October 11, 2007

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