

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

Official Report
(Hansard)

*Published under the
authority of
The Honourable Daryl Reid
Speaker*

MANITOBA LEGISLATIVE ASSEMBLY
Fortieth Legislature

Member	Constituency	Political Affiliation
ALLAN, Nancy, Hon.	St. Vital	NDP
ALLUM, James	Fort Garry-Riverview	NDP
ALTEMEYER, Rob	Wolseley	NDP
ASHTON, Steve, Hon.	Thompson	NDP
BJORNSON, Peter, Hon.	Gimli	NDP
BLADY, Sharon	Kirkfield Park	NDP
BRAUN, Erna	Rossmere	NDP
BRIESE, Stuart	Agassiz	PC
CALDWELL, Drew	Brandon East	NDP
CHIEF, Kevin, Hon.	Point Douglas	NDP
CHOMIAK, Dave, Hon.	Kildonan	NDP
CROTHERS, Deanne	St. James	NDP
CULLEN, Cliff	Spruce Woods	PC
DEWAR, Gregory	Selkirk	NDP
DRIEDGER, Myrna	Charleswood	PC
EICHLER, Ralph	Lakeside	PC
EWASKO, Wayne	Lac du Bonnet	PC
FRIESEN, Cameron	Morden-Winkler	PC
GAUDREAU, Dave	St. Norbert	NDP
GERRARD, Jon, Hon.	River Heights	Liberal
GOERTZEN, Kelvin	Steinbach	PC
GRAYDON, Cliff	Emerson	PC
HELWER, Reg	Brandon West	PC
HOWARD, Jennifer, Hon.	Fort Rouge	NDP
IRVIN-ROSS, Kerri, Hon.	Fort Richmond	NDP
JHA, Bidhu	Radisson	NDP
KOSTYSHYN, Ron, Hon.	Swan River	NDP
LEMIEUX, Ron, Hon.	Dawson Trail	NDP
MACKINTOSH, Gord, Hon.	St. Johns	NDP
MAGUIRE, Larry	Arthur-Virden	PC
MALOWAY, Jim	Elmwood	NDP
MARCELINO, Flor, Hon.	Logan	NDP
MARCELINO, Ted	Tyndall Park	NDP
McFADYEN, Hugh	Fort Whyte	PC
MELNICK, Christine, Hon.	Riel	NDP
MITCHELSON, Bonnie	River East	PC
NEVAKSHONOFF, Tom	Interlake	NDP
OSWALD, Theresa, Hon.	Seine River	NDP
PEDERSEN, Blaine	Midland	PC
PETTERSEN, Clarence	Flin Flon	NDP
REID, Daryl, Hon.	Transcona	NDP
ROBINSON, Eric, Hon.	Kewatinook	NDP
RONDEAU, Jim, Hon.	Assiniboia	NDP
ROWAT, Leanne	Riding Mountain	PC
SARAN, Mohinder	The Maples	NDP
SCHULER, Ron	St. Paul	PC
SELBY, Erin, Hon.	Southdale	NDP
SELINGER, Greg, Hon.	St. Boniface	NDP
SMOOK, Dennis	La Verendrye	PC
STEFANSON, Heather	Tuxedo	PC
STRUTHERS, Stan, Hon.	Dauphin	NDP
SWAN, Andrew, Hon.	Minto	NDP
TAILLIEU, Mavis	Morris	PC
WHITEHEAD, Frank	The Pas	NDP
WIEBE, Matt	Concordia	NDP
WIGHT, Melanie	Burrows	NDP
WISHART, Ian	Portage la Prairie	PC

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, May 25, 2012

The House met at 10 a.m.

ORDERS OF THE DAY

(Continued)

GOVERNMENT BUSINESS

COMMITTEE OF SUPPLY

(Concurrent Sections)

**ENTREPRENEURSHIP, TRAINING
AND TRADE**

Mr. Chairperson (Mohinder Saran): Order. Will the Committee of Supply please come to order. Before we begin, I would like to remind members to ensure their electronic devices are in silent mode and to also speak more closely into the microphones.

Now, this section of the Committee of Supply will now consider the Estimates of the Department of Entrepreneurship, Training and Trade.

Does the honourable minister have an opening statement?

Hon. Peter Bjornson (Minister of Entrepreneurship, Training and Trade): Yes, I do, Mr. Chair.

It's a pleasure to be here today to speak on behalf of the Department of Entrepreneurship, Training and Trade. The department's efforts have been focused on providing the best possible programming and services to ensure a skilled and educated workforce, and to support Manitoba's businesses, trade development and international relationships.

Our economy continues to show resiliency during these challenging times, growing 2.1 per cent in 2011, and from 2005 to 2010, our economy averaged 2.4 per cent growth per year, the highest among provinces, and stable economic growth is projected to continue over the next two years.

Manitoba remains one of the strongest labour markets in Canada. In 2011, Manitoba maintained the second lowest unemployment rate among provinces for the third consecutive year, well below the national average of 7.4 per cent.

Mr. Chair, our population continues to grow with strong international contribution. An estimated 1,254,658 persons as of October 1st, 2011 were calling Manitoba home, and international

immigration accounting for a record 15,954 persons in 2011.

Now, to build a strong, productive and well-educated workforce, my department's working with a multitude of partners and stakeholders to ensure that Manitobans have the skills they need to take advantage of the employment opportunities that are available now and in the future.

Employment and Income Assistance, or EIA, has been integrated with the department's labour market training programs to help Manitobans most in need to move from income assistance into sustainable employment while responding to employer demands for a skilled and productive workforce. And my department will support and—the development of an expanded pool of work-ready EIA participants through greater access to training and work experience opportunities to prepare for success in high-demand occupations.

My department is developing high quality integrated services for clients, and to support these efforts as well as to encourage further development of downtown Winnipeg, we're developing a storefront site at 111 Lombard that will integrate apprenticeship, employment and workforce development services.

And in 2011-12, Employment Manitoba supported nearly 35,000 individuals to access training and employment supports through its network of 16 regional employment centres and through partnerships with local community-based organizations.

Employment Manitoba is working with stakeholders to better address the specific needs of client groups, including Aboriginals and new immigrants, and in 2011-12, Employment Manitoba delivered services to almost 3,500 immigrant clients and provided approximately \$4.7 million in direct financial support to clients as well as services delivered through specialized immigrant employment assistance programs located in Winnipeg, Brandon, Steinbach and Winkler.

In the last 10 years, the number of apprentices in Manitoba has more than doubled, and to meet projected employer needs for skilled workers, Apprenticeship Manitoba is implementing a

five-point initiative to increase the number of certified journeypersons. As part of this initiative, my department has committed \$1.7 million to support the Rural and Northern Apprenticeship Training Strategy, which will improve access to apprenticeship training through mobile training labs, the E-Apprenticeship initiative, and the Skills Build Program.

Technical training delivery in the northern and rural regions of the province, through either the mobile lab—training labs or online via E-Apprenticeship, enables apprentices to remain in their communities to study and work.

The delivery of accredited training through the E-Apprenticeship program is anticipated to be a key component of the Skills Build Program for youth, and this program will allow for additional accredited vocational programming in schools for youth living in rural and northern regions.

A northern apprenticeship co-op training model is under development in response to the Northern Manitoba Sector Council to pilot an alternate model of apprenticeship training for northern residents.

And to enhance the support for hiring apprentices and journeypersons, a number of tax credits are now available, and online services such as AccessManitoba are increasing apprenticeship application and training registration processes for both individual and employers.

So, through partnerships between government, provincial sector councils, industry, education, and labour, more than 22,600 employed individuals have participated in training in 2011-12.

My department continues to provide pre-employment and essential skills training for apprentices and northerners through the Northern Essential Skills Training Initiative and Workplace Education Manitoba, and together these initiatives have provided assessment and training for 6,175 clients and 158 practitioners.

More than 168 small and medium-sized companies received assistance from human resource—or with human resource planning and workforce training and development from Workforce Development Program, resulting in the training of 2,690 existing workers.

The Industry Expansion Program supported training of 602 individuals for four companies that expanded their operations in the province, and the

program is also contributing to an engineer in residence at the University of Manitoba to prepare 180 students with the skills needed for entry into the aerospace industry.

The mining industry in Manitoba is projecting substantial increases in employment opportunities over the next five years. So, equipped with laboratories, classrooms, and state-of-the-art mining training simulator, the new Northern Manitoba Mining Academy will provide local access to training for northern residents to prepare them for opportunities in the mining sector.

Through the Advisory Council on Workforce Development, Manitoba's contributed to an international report on skills development and training for small and medium-sized enterprises, and in addition, they are working with the Manitoba Bureau of Statistics to survey over 600 companies to gain the relevant Manitoba labour market information.

Our successful Provincial Nominee Program for Business continues to attract entrepreneurs from all around the world. In 2011-12, there were 77 business investments in Manitoba with a total initial investment of \$22 million, pushing our total business investments to 481, with \$182 million invested since the program started. As of March 31st, 2012, 172 business immigrants landed with their families in 2011-12.

*(10:10)

Small businesses represent 97 per cent of all businesses in the province, and they're a key driver of our economy. In total, there are over 85,000 self-employed entrepreneurs doing business throughout Manitoba, accounting for the creation of approximately one-third of all new jobs in Manitoba. To support the small business in Manitoba, we have eliminated both the small business income tax and the general Corporation Capital Tax, making Manitoba an attractive location for small businesses to set up, expand, create jobs, and to help grow our economy.

The Business Start program offers loan guarantees to assist entrepreneurs in establishing new businesses and creating jobs, and since its inception the Business Start program has supported the start-up of over 1,100 businesses, creating approximately 2,900 initial jobs and an estimated total investment of \$21 million. Additional support for new business owners is provided by the delivery of a three-day

entrepreneurship training workshop to approximately 700 participants per year throughout the province, and, to date, over 11,000 participate—participants have attended these workshops.

The Canada-Manitoba Business Service Centre is in its 15th year of operations, and that provides a range of services and supports to all Manitobans via 32 regional offices located across the province. The centre has a small business learning initiative, which includes a video-conferencing network with over 50 external access points throughout the province to deliver approximately 180 seminars per year to about 5,000 participants.

The aerospace and advanced manufacturing sectors contribute significantly to the province, and three of the world's largest aero-engine manufacturers have now established test facilities in Manitoba. The global aerospace centre for icing, research, or GLACIER, was constructed in Thompson by Rolls-Royce, UK, and Pratt Whitney, USA, two years ago, and, this year, General Electric Aviation opened its Engine Testing, Research and Development Centre in Winnipeg. The department is building upon very positive international visibility provided by these world-class test centres to actively promote cold-weather testing in Churchill and Thompson. In addition, repayable provincial financing is enabling GLACIER, in Thompson, to introduce new advanced testing capabilities that will signify increase—significantly increase their activity in Manitoba's north by expanding the engine-testing regime in Thompson.

Reducing red tape continues to be a government priority, and we're focusing on efforts on the not-for-profit sector, implementing single-window approach to funding, creating multi-year funding agreements and looking at ways to pool resources. The single-window not-for-profit organization portal has been active since mid-April 2012.

We continue to expand Manitoba Business Gateways in locations such as Dauphin, Brandon, St. Boniface, St. Pierre Jolys, Notre Dame de Lourdes, St. Vital, and planning is currently under way to establish additional Business Gateways in Ste. Anne and other locations in the province.

With my time running short, I'll highlight a couple of other things.

The BizPaL is an online service that generates a comprehensive list of permits, licences and other regulatory requirements from federal and provincial

and participating local governments to expand—to allow start-up or business expansions. And BizPaL is available in a total of 70 municipalities, including Winnipeg, Brandon, Dauphin, and Thompson.

ANIM is part of the Canada-Manitoba partnership agreement. We continue to support strategic projects: and ANIM, CentrePort, Agritechnica, Centrallia 2012, and the Churchill Gateway Development Corporation promote Manitoba's trade and investment nationally and internationally; and the Northern Sector Council's establishment of two underground mining simulator training centres in support of economic development in the north; and initiatives such as Vehicle Technology Centre, Composite Innovation Centre, Alliance of Manufacturers and Exporters Centre of Excellence, and the establishment of the UWin-CREATE—Commercialization Research and Education Alliance for Science, Technology and the Environment—in support of innovation, research and development, and commercialization within various sectors.

Manitoba Trade and Investment is the official multilingual government—

Mr. Chairperson: Order. The honourable member's—minister's time is over. We thank the minister for those comments. Does the official opposition critic have any opening comments?

Mr. Dennis Smook (La Verendrye): I would like to begin by thanking the minister, and I was going to thank the staff for being here today as I didn't get an opportunity yesterday. They had left before I had a chance to thank them, but they're not here, so I'll have to try to do that a little later.

There's several areas I'd like to touch on, but one of, perhaps, the most puzzling is the departmental reorganization that saw the responsibility of Employment and Income Assistance transferred to family service—from Family Services to ETT.

Could the minister explain the reason for this, and how this works? Like, it's a little bit puzzling.

Mr. Chairperson: Order, please. This is the part of the comments; questioning will be after that. So just the comments.

An Honourable Member: Okay, sorry.

Mr. Chairperson: Okay, we thank the critic from the official opposition for those remarks.

Under Manitoba practice, debate on the minister's salary is the last item considered for a department in the Committee of Supply. Accordingly, we shall now defer consideration of line item 10.1.(a) contained in the resolution 10.1.

At this time we invite the minister's staff to join us at the table, and we ask that the minister introduce the staff in attendance.

Mr. Bjornson: Yes. I'm joined by Deputy Minister Hugh Eliasson, and for those of you who might not be Icelandic and question the pronunciation, it is indeed pronounced Hugh. We also have Craig Halwachs, who's the executive director of finance and administration, Peter Moreira, director of finance administration, and David Fisher, our assistant executive director of employment income assistance program.

Mr. Chairperson: Thank you. Does the committee wish to proceed through the Estimates of this department chronologically or have a global discussion?

An Honourable Member: Global.

Mr. Chairperson: Thank you. Everybody agreed?

Mr. Smook: Global.

Mr. Chairperson: So committee agree with this decision? *[Agreed]*

Thank you. It is agreed then that questioning for the department will proceed in a global manner with all the resolutions to be passed once questioning has completed. The floor is now open for questions.

Mr. Smook: I'd like to start by thanking the staff for attending here today, because in case they take off before I get a chance to later, I will thank them now.

Yes, at this point, I'd like the minister to go over, you know, the reasoning for the move of income assistance to ETT, and if he could, explain how the system is set to work presently.

Mr. Bjornson: Employment income assistance and ETT have historically worked together in the past, and there are a lot of good examples of how that working relationship has evolved with the introduction of programs such as Rebound, and that is a program that allows people who are on assistance to attend employment training sessions and return to the workforce. And this is something that—a good example of how the departments have worked together in the past, and essentially the intent is to continue to streamline services for individuals

who are on the margins of employment who have work expectations, to provide more services and more training opportunities for those individuals so that they can find meaningful employment.

One of the luxuries that we have in this province, as I mentioned in my opening comments, is the fact that we have consistently had low unemployment rates over the last 10 years, among the lowest in the country, and we do have a shortage of skilled labour. And providing the training and streamlining the services to provide those training for individuals who are—who have work expectations, can address a couple of issues. First of all, reduce the number of individuals that are on employment income assistance, but, secondly, address the needs of the labour market which includes a number of skilled positions and the training that will be available to support those individuals.

Mr. Smook: Thank you, Mr. Minister. Can the minister provide a list of all political staff in his office?

Mr. Bjornson: Is the member referring to the office in the Legislature or my constituency office as well?

Mr. Smook: In the Legislature.

Mr. Bjornson: In my office, I have Laurie Favell-Mowat, who is the new intake co-ordinator; in my constituency assistant, Cindy Alexander; Krista Narfason is my constituency—pardon me, constituency assistant, Cindy Alexander is my special assistant. We have Lisa Rowe, Allison DePauw and Cindy Field in the front office, and Christopher Sanderson is my special advisor.

* (10:20)

Mr. Smook: Have—Mr. Minister, have any of them been hired since the last Estimate period?

Mr. Bjornson: Actually, there would be two that were. Christopher Sanderson is my new special assistant.

I had another special assistant who moved on to another department, and Laurie Favell-Mowat is the new intake co-ordinator. That was part of the streamlining of services and providing an intake co-ordinator for the delivery of services specific to employment income assistance.

Mr. Smook: Thank you, Mr. Minister.

How many were hired by competition and how many were hired by appointment?

Mr. Bjornson: In both cases there were competitions.

Mr. Smook: Thank you, Mr. Minister.

What, Mr. Minister, what is the current job vacancy rate in the department?

Mr. Bjornson: The vacancy rate is 7.99 per cent.

Mr. Smook: Mr. Minister, what is the current—or provide a list of the vacant positions in this department?

Mr. Bjornson: I have 36.92 vacant positions. Did the member want me to read that into the record, or break it down by position?

We have industrial training partnerships where there's one vacancy; Apprenticeship, we have three vacancies; Employment Manitoba, we have 17.8 vacancies; Hydro Northern Training Initiative, one vacancy; Policy, Planning and Co-ordination, three vacancies; financial administrative services, one; admin operations, statistics bureau, 1.6; industrial development financial services, .4—that's 2.2 positions at .4; industry consulting, two; and Manitoba Trade and Investment, three.

Mr. Smook: Thank you, Mr. Minister.

If the minister could just table that list as well so we'd have it.

Mr. Bjornson: We will certainly provide you a copy, yes.

Mr. Smook: Mr. Minister, are any projects in the department being delayed because of lack of staff?

Mr. Bjornson: The short answer is no. The vacancy rate has been consistent with previous years. Labour market being what it is, when people make choices in life to retire, are doing so. They are retiring. But we've continued to provide the services and do the good work that we do within the department and manage our labour market—our own labour market demands accordingly.

So the short answer, again, is no. We've been very fortunate to have very good people working in the department and managing with the resources that are available and working with the—within the realities of people who are retiring as we work to replace some of those vacancies.

Mr. Smook: Mr. Minister, have the wages of department and employees been frozen?

Mr. Bjornson: For two years, the department staff had frozen salary; for two years, zero per cent, and under the collective agreement as of April 1st, an increase of 2.75 per cent.

Mr. Smook: Mr. Minister, it's 2.7 per cent, but I noticed in the Estimates book there's places where there's a one full-time EFT and it goes like, roughly, what? A 5 per cent increase? Could the minister explain some of those?

Mr. Bjornson: Well, having been a teacher, been through incremental increases and salaries, this is essentially what you're seeing where it doesn't look like a 2.75 per cent increase. We have a certification system for employees that will receive annual increments until they reach a certain maximum and during that time, not only are they eligible for the increment, but also the negotiated contract settlements and the 2.75 per cent on top of that.

Mr. Smook: Mr. Minister, have any positions been relocated from rural Manitoba to Winnipeg or to Brandon, and if so, why?

Mr. Bjornson: No. No positions have been relocated.

Mr. Smook: Mr. Minister, has the minister travelled out of the province at all on provincial business?

Mr. Bjornson: Yes, last November 21st to 26th, I was on a trade mission to Mexico, four cities in four days—or three cities in four days, that was November 21st to 26th. June 12th to 14th, 2011, the Fredericton—Fredericton was host to the southeast United States and Canadian provinces alliance conference or SUSCPA as it's known. I also had a federal-provincial-territorial committee on internal trade in Charlottetown on June 14th to 17th, and June 19th to 21st I was in Brookings, South Dakota, for the international legislators—legislative forum. That particular forum was in its 12th year, a forum designed to address issues of mutual concern for North Dakota, South Dakota, Minnesota and Manitoba as part of the Red River flood basin, and I've since taken the chair the last couple of years on behalf of Manitoba as we're trying to add trade and jobs in the economy and trade-related issues to the agenda. And we will be discussing that in about a month's time when I attend the same conference in Fargo.

Mr. Smook: Did—Mr. Minister, did any of his staff accompany him on these trips?

Mr. Bjornson: Brookings, South Dakota, of course, not from the Department of Entrepreneurship, Training and Trade. Fredericton and Charlottetown I was accompanied by my special assistant. And I should correct the record: when I introduced Chris Sanderson earlier, I called him my special adviser, but he's actually my special assistant. Chris was not in Fredericton and Charlottetown with me at the time, it was—Tim Smith was my special assistant at the time. Mexico, I had two staff from Manitoba Trade and Investment who were a part of that, one, of course, who is a specialist in South and Central America trade. And my executive director was with me as well.

* (10:30)

Mr. Smook: Mr. Minister, did the premium—Premier (Mr. Selinger) travel with him on any of these trips?

Mr. Bjornson: No, the Premier did not travel with me.

Mr. Smook: Mr. Minister, Building Independence. What is the purpose of the Building Independence program?

Mr. Bjornson: That's a pre-employment training program, and I'm looking at last year Estimates book which speaks very specifically to what the initiatives are designed to do, to reduce barriers to employment by providing tools, such as child care and voice mail services, provide job readiness assessments, provide links to training and employment, and support agencies to work in partnership with the EIA program.

Mr. Smook: Mr. Chair, Mr. Minister, over the past several years the Building Independence program has not spent its entire budget in each year. Can you explain why?

Mr. Bjornson: Yes, thank you for the question. The planned level of services have been delivered at less than the budgeted amount, so that's why you're seeing that difference in the Estimates versus the expenditure.

Mr. Smook: Mr. Chair, Mr. Minister, what happens to that excess? Is it transferred to other departments or—?

Mr. Bjornson: The funding would lapse at the end of the year.

Mr. Smook: Mr. Chair, Mr. Minister, Scott Smith, the former member from Brandon West—Scott Smith

works for your department? Could you please provide a—his job description and salary for me?

Mr. Bjornson: Yes, thank you for the question, and I'm not sure if the member's aware that Mr. Smith has now tendered his—or given his notice and tendered his resignation. Mr. Smith goes to Springfield; he's going to be the CEO for Springfield. I believe it was in the *Free Press* just recently that he was moving on.

But I was very fortunate to have Scott working in the department. He was hired to implement our commitment on—to remove barriers to internal trade, very well versed in the mechanics of that process and certainly did tremendous work to implement the obligations under chapter 7 on the Agreement on Internal Trade, and he also worked on foreign qualification recognition. He was leading interdepartmental efforts to co-ordinate those recognitions.

And he was under a one-year contract under Competitiveness, Training and Trade initially and was paid \$89,932. And we extended the contract until December 1st of 2012, but, as mentioned, he has since given his notice.

Mr. Smook: What—Mr. Minister, what qualifications did Scott have for this job? I mean, did he have a degree or—like, what was his qualifications?

Mr. Bjornson: Well, certainly, Mr. Smith's experience was connected to his experience as the minister responsible for internal trade—the Agreement on Internal Trade. He had been negotiating that as and involved in that process as minister. He also knew everybody who was involved across the country for—from every province and territory in that negotiation.

And I think he did excellent work on behalf of the province. As I said, the implementation of chapter 7 on labour mobility; the—another issue that he had been the champion of on our behalf was the dispute with Ontario on public accounting, which was successful in our favour; the Pan-Canadian Framework for the Assessment and Recognition of Foreign Qualifications, as I said earlier.

So he did a tremendous job on behalf of the Department of Entrepreneurship, Training and Trade, and it's—I appreciate the question because I have an opportunity now to thank him publicly and put it on the record in *Hansard* that he had done such great work on behalf of the department on these very important files.

Mr. Smook: Mr. Minister, will Scott be receiving any sort of a severance package from the department?

Mr. Bjornson: No, he will not.

Mr. Smook: Mr. Minister, former MLA Bonnie Korzeniowski was appointed to the position of military envoy. Does this fall under your department?

Mr. Bjornson: Yes, I am responsible for the military envoy.

Mr. Smook: Could the minister please tell me what her budget would be and what her yearly annual salary will be?

Mr. Bjornson: The budget is \$190,000 and her contract salary is 85.6–\$85,600.

Mr. Smook: Could the minister explain to me why, like, the—that she would need an outside office? Is there no place in the Legislative Building that she could possibly work out of?

Mr. Bjornson: I think, given the scope and scale of the work that she's done in the past and the way the position has evolved, her location in, I believe, in St. James is also in close proximity to many of the military bases that we have in Winnipeg as well. And her position has essentially evolved, given the role that she has played in the past, the support that she has from the military for the role that she has played and will continue to play. And I think it's a very good signal to our military that this entity be located where it is and continues to provide the service that had been provided in the past, and more so.

Mr. Smook: Mr. Minister, I'm going to refer to a letter dated December 18—or December 16th, 2011, where—comes from Barbara Dryden in the—and it's regarding expenditure management. And it says in here—like, there's a number of points of 'returning'—refrain from refurbishing or relocation of office spaces, restricting advertising, relative activity. There's a number of points in that letter.

And I'm just wondering, is there—was there nobody in the caucus that could've done this job?

* (10:40)

Mr. Bjornson: Well, I think Ms. Korzeniowski really established herself in the role and is very well respected by the military. The role is evolving, and especially when you consider what's happened federally with some of the supports to the military, things that have been cut by the federal government

in the past or that have or will be cut. In fact, they're shutting down the deployment health section of Canadian Forces Health Services Group. One-third of the front-line service workers will be eliminated over three years. Nine regional offices are closing from Veteran Affairs, including Brandon. So in light of some of the things that are happening with the supports for veterans nationally and under the federal budget of 2012, I think the role that Ms. Korzeniowski has played will continue to evolve and continue to provide important services as a conduit between veterans and military personnel to the provincial government. And I think it's very important that we provide that support and profile for this very important position and file in our government.

Mr. Smook: Mr. Minister, what will happen, like, in a few years when Bonnie decides to, say, retire? Does the minister got any plans, like, succession plans? Is he planning to keep this office open afterwards?

Mr. Bjornson: Well, I'm not sure if the member's talking about four years from now, eight years from now, 12 years from now. You know, certainly, we'll see how the position evolves, what services are provided and the need that is being filled by Ms. Korzeniowski.

Mr. Smook: Just one more question on this topic. Just to get it straight, her budget for the office is at \$190,000 and her wages are at \$89,000?

Mr. Bjornson: The \$190,000 is the total office budget, and in that figure it includes her salary of 80–\$85,600.

Mr. Smook: Thank you, Mr. Minister. Just to clear that up, because you hadn't broken it down before, so this gives us an idea of exactly what the salary is.

Apprenticeship: The Manitoba Home Builders and CFIB both stated the need to change the ratio of journeymen from apprentices of 1 to 1 to a higher ratio. The other day in the Chamber, honourable Minister of Consumer Affairs, who used to have this portfolio, stated that there's a flexible ratio for journeymen to apprentices. Could the minister explain that to me, please?

Mr. Bjornson: In the regulatory framework there are provisions that are for employers to apply to adjust the ratios. These are considered on the case-by-case basis. Generally, the ratio is one to one, but if there are unique circumstances where it is deemed

appropriate to change those ratios, permission is granted to the employer for that purpose.

Mr. Smook: Mr. Minister, could you provide me either a list or a number of such circumstances that exist? Like, how many there would be in the field out there that use this flexible ratio and what these ratios are?

Mr. Bjornson: Yes, we would gladly provide that to you.

Mr. Smook: Mr. Minister, the government's own Apprenticeship Futures Commission indicated that these ratios need to be reviewed.

Does the minister have any intention of reviewing these ratios?

Mr. Bjornson: They are actively reviewed on an ongoing basis, and certainly safety is one of the first concerns around some of the apprenticeship training, as you would expect when you consider professions like electricians, et cetera.

So we do take the requests from individual employers. We do act upon them where deemed appropriate, and they are reviewed on an ongoing basis as we see fit.

Mr. Smook: Mr. Minister, is this flexible ratio advertised anywhere? Because one of the concerns that I had in meeting with stakeholders was they knew nothing about this. Like, is there something, is it on the website or—?

Mr. Bjornson: There are applications on the website for individual employers to access. So it is in the public realm and has been for some time now.

Mr. Smook: Mr. Chair, and thank you, Mr. Minister, for clearing that up for me.

Apprenticeship has a new office on Lombard. What is the cost of running the department's new office on Lombard?

Mr. Bjornson: Through Manitoba Infrastructure and Transportation, we had tendered for a new space. The Lombard location was a successful tender and actually, in terms of the occupation of the building, it won't be until 2013. So, to answer your question, the exact number will remain to be seen.

Mr. Smook: So this office won't be open until 2013. Where are the present services being run out of right now?

Mr. Bjornson: Apprenticeship Manitoba is currently at the Norquay Building.

I just want to also clarify for the member that the Lombard location in 2013 will be a consolidation, not only of Apprenticeship, but also a number of services through Employment Manitoba.

Mr. Smook: Mr. Chairman, Mr. Minister, this new office on Lombard, how many students or apprentices would have to access that area on a daily basis?

Mr. Bjornson: Well, as the member could appreciate, it would vary depending on the time of year and the programs that individuals would be registering for.

On average it's between 50 to 60 individuals a day who would be accessing the Apprenticeship branch services. As mentioned, though, this is also going to be housing Employment Manitoba, which as mentioned, I believe, in my opening comments, but if not, I'll mention it now. It services 35,000 clients a year.

*(10:50)

But we have created AccessManitoba, which is an online service for individuals to register for apprenticeship programs. And I would suspect that that will impact the numbers as more and more students choose to use the AccessManitoba site to register for their apprenticeship programs. And not just students, of course, but employers can take advantage of this in support of their students.

Mr. Smook: Thank you, Mr. Minister.

Mr. Minister, like, there's the—quite a few people accessing that service on a daily basis, and I know that if parking is tough downtown, does the minister have any plans for extra parking for—because, I mean, students are limited in funding, their limited—like, is it going to be accessible to students?

Mr. Bjornson: The average age of those entering into the apprenticeship programs is 26 years of age, and this is the generation that is a lot more computer savvy than I, personally, will ever be; I'm not sure about the member from La Verendrye. But more and more are taking advantage of the online registration and that is where we're seeing most of the growth for the applications. So I don't see that being a big issue.

Mr. Smook: In regards to trade, what actions is the minister taking to develop beneficial trading relations for Manitoba?

Mr. Bjornson: Well, certainly, we've been very active in developing a trade strategy. I had an

advisory council with a number of stakeholders at the table to talk about trade and they made recommendations towards the trade strategy. Two of the items that came out of that discussion included the working to support a world trade centre, and I have to congratulate those that were involved in the application for a world trade centre. They were successful in the application and, also, managed to fund it outside of the Province, that is to say, the Province's funding entity. They have funded the application on their own, through other means, and we will certainly be working with them to support the trade centre. That is going to be one of over—I'm not sure how many hundreds, if not thousands of world trade centres there are right now. *[interjection]* Pardon me. Oh, 300 currently, but we can anticipate that there will be more. I know there's several in China alone, which is very important for us because the focus of our trade strategy has been the BRICS: Brazil, Russia, India, China and South Africa. And having the connection of a world trade centre brand to the world trade centres that are currently operating in China is a very good asset for us.

And, of course, we also have supported the second Centrallia, which will be forthcoming—small, medium enterprises—about 600 from 40 different agencies—or economic areas—will be in Winnipeg in October to have business-to-business meetings.

Of course, we have a number of—a lot of expertise in Manitoba Trade. We have over 17 different languages that are being delivered—can deliver services in 17 different languages.

We have a number of outbound missions and hosting inbound missions. I think we had 55 last year, outbound, and 17 inbound.

We have developed a number of strategic plans for the next 12 to 24 months, including, new foreign trade representatives in Brazil and Russia, which is part of our BRICS strategy, and working to engage the local cultural communities.

One of the benefits of having such a diverse community is the connections that we can make in foreign markets because of individuals who have left those countries that they use to call home, to call Manitoba home. And we are looking to build on cultural connections to some of these markets. We provide a lot of market information sessions to priority markets in collaboration with key partners. In fact, I think, next week I'll be speaking at one of these luncheons talking about doing business in Asia.

We work with Communications Services Manitoba to deliver on our trade communications plan, and that's been developed jointly by Manitoba Trade and Investment. We, of course, are looking at bringing trade to Manitoba with profiling such projects as CentrePort and looking at more foreign investment coming to develop the largest foreign trade zone in the country and what will be an incredible asset that we can expect to see expand over the next 10 years. We have a group of manufacturers who will be on a new board that will be providing advice to Manitoba Trade and Investment as well. So there are a number of initiatives that are underway, and, certainly, we've weathered the economic storm well because of our diverse economy and the diverse manufacturing sector that we have as well as the raw materials that we're able to export.

I've often, in conversation with my colleagues at the International Legislators Forum, discussed the fact that in the hour-long phone call that we have once a month, to set up that meeting, \$60 million has crossed the Canada-US border. They continue to one of our large—our largest partner, that's true, but we are one of the least dependent provinces on the United States for trade. And in light of what's happened with the American economy, we'll continue to look at new markets in the United States and support exporters who wish to tap into the American market. But the trip to Mexico that I referred to earlier, Mexico had gone from our fifth largest trade partner to our fourth largest trade partner, which is one of the reasons that I attended to Mexico, to make some political connections to governors in Mexico, and look at some opportunities that might present themselves in Mexico.

So our strategy is to continue to work with our existing markets, to look at new opportunities within those existing markets, to establish opportunities in new markets, and to anticipate what the next group of markets will be that we can expect to see the growth in the economies of. I believe there's a group of seven now, if not up to 11, countries that are emerging economies that we will explore potential there as well. So it's a multi-faceted strategy. It's involved a lot of expertise locally as well as a lot of boots on the ground in target markets to work towards expanding our trade opportunities in existing and emerging markets.

Mr. Smook: Thank you, Mr. Minister. Last year, the minister commented, in his opening speech, of the Manitoba—that Manitoba continues to work with

other jurisdictions to reduce the interprovincial trade barriers to trade. I assume this is still the case. If the government is concerned about interprovincial trade, interprovincial barriers to trade, why doesn't this government begin negotiations to join the New West Partnership?

Mr. Bjornson: Well, I can assure the member that we are in discussion with our partners in the west, as we always have been, and will continue to do. The western premiers are meeting next week. We have ample opportunity to have lots of discussions with our colleagues to the west. We had a first-ever joint Cabinet meeting in Brandon where we discussed issues of mutual concern with Saskatchewan. I know that's resulted in looking at trucking regulations interprovincially.

We have a number of different achievements that we can point to with respect to negotiations that have gone on interprovincially with our partners to the west. We also recognize that an agreement on internal trade should be a national agreement on internal trade. Subregional trade agreements—it has been suggested by some that, perhaps, that can impede the—or impact your ability to negotiate a national trade agreement when you have subregional agreements that emerge.

So we continue to talk to our western partners, and we continue to look for opportunities to work more collaboratively with our western partners. And our focus, though, has been a national agreement on internal trade.

Mr. Smook: Thank you, Mr. Minister. Wouldn't the New West Partnership provide a good basis for a larger pan-Canadian agreement in the future?

* (11:00)

Mr. Bjornson: Well, one of the issues that we continue to discuss at the national table is remedies for dispute resolution mechanisms. And, if the member were to look at the New West Partnership Agreement and dispute resolution mechanism, it's not a position that is consistent with our position.

So subregional trade agreements can be—and I've been advised that subregional trade agreements can actually make it more difficult to enter into national trade agreements, if there is diverging opinions on matters such as dispute mechanisms.

Mr. Smook: And thank you, Mr. Minister.

Mr. Minister, the CFIB, the—released a report that stated just over a half a million small businesses

in Canada who do business in Europe, plan to increase the amount of goods they service, they buy or sell in Europe. Can you tell us what Manitoba's government opinion is on the Canada-EU free trade agreement?

Mr. Bjornson: Well, I must say—and I thank the member for the question—I must say that we're very appreciative that we have been at the table and been active participants in the negotiation of the comprehensive European trade agreement. There are still some items that are under negotiation.

So to be any more specific than that at this time, given the fact that they're—the negotiations are ongoing, I—I'm not sure what more I can say to the member up—member from La Verendrye, other than the fact that this is a great potential for Manitoba producers in the agriculture sector; it's great potential for increased trade. And the European market is a massive market that we appreciate the opportunity to be at the table to negotiate and address some of the barriers to trade that currently exist.

Mr. Smook: Mr. Minister, were there any trade missions launched in this past year to Europe, or are there any in the future?

Mr. Bjornson: We can get the number for you shortly, but there are a number of trade missions that have been undertaken where Manitoba Trade and Investments supports Manitoba companies that are looking at the European market. A good example would be the 'agri-technic' trade show, which is the largest ag implement trade show in the world, if I'm not mistaken.

We had Manitoba companies participate—a record number of Manitoba companies participate in this 'agri-technic' last year. And I believe the figure was anticipated over \$30 million in deals that were signed at that particular trade show. There are a number of missions that have been undertaken with various companies, and I can get the number for you in due time.

Mr. Smook: And thank you, Mr. Minister. That would be sufficient if we can get the list whenever you have a chance to.

The World Trade Center—Winnipeg will be receiving a world trade centre, as the minister's aware of. This requires certain capital projects to be carried out, an important part of which is a signature building. Does the government have any commitments at this time to help this world trade centre group out?

Mr. Bjornson: Yes, thank you. In my earlier comments, I mentioned that it was the Council for International Trade, the advisory committee that had been established by my office to look at international trade agenda, and this was one of the recommendations that came from that council and certainly we're aware that world trade centres that are established all over the world—over 300, as mentioned earlier—come in various forms, whether it's a signature building that's built specifically under that brand and to attract other businesses to—and offices to that particular structure because of the cachet that's attached to that brand, quite frankly, or whether it's taking existing buildings and converting them to the World Trade Center.

So there are various forms. Right now getting the licence was the first step—or, I'm not sure if licence is the appropriate word, but having the franchise—*[interjection]* Yes, thank you—the franchise of the World Trade Center was the first step. There will be several other steps that will have to be undertaken to realize what the World Trade Center will be, whether it is an existing building or signature building. But they are working on a business plan, and by the "they," I'm referring to the proponents who've been engaged in this process as well as my department. We're actively engaged with those proponents for the World Trade Center and we'll continue to do so. But as yet we don't have a business plan that's been submitted for that purpose, whether it's a plan to build new or to convert existing space.

Mr. Smook: Thank you, Mr. Minister.

Mr. Minister, who in the minister's department is responsible for the Provincial Nominee Program for business?

Mr. Bjornson: Rick Zebinski is the senior manager for Business Immigration and Investment.

Mr. Smook: Thank you, Mr. Minister, for that answer.

Could the minister explain to me, like, if I was living in southeast Asia and I wanted to come open up a business in Canada, could the minister explain to me all the steps I would have to take? What would be involved in coming to Canada to run a business?

Mr. Bjornson: Yes, the process is—it's quite involved. The prospective applicant would contact the Provincial Nominee Program business stream to express interest in immigrating to the province through the program first and foremost. The

applicant submits an exploratory visit document, in order to attend the mandatory exploratory business—visit component of the process. The documents are pre-screened to ensure that the basic program criteria for net worth and business ownership or senior management experience are indeed met. If the potential applicant appears to meet the criteria they're invited to conduct the exploratory visit, and during that visit an immigration officer conducts an in-depth interview in order to assist in the selection process. Once the visit is complete, the applicant submits a full and complete application, including a business intent document, and once it has been determined that the application is accurate and complete, the applicant is notified that their file will be reviewed by an immigration officer within 120 days.

The assigned immigration officer assesses the application in its entirety and prepares a recommendation to be presented to the assessment review team, or ART. ART meets on a daily basis. ART and the assessing business immigration officer will discuss the factors that led to the officer's recommendations, after which the ART or assessment review team renders a decision on the application.

* (11:10)

If approved, the applicant is sent to—sent a nomination letter and a 'deposit'—deposit agreement for signature. So the nominee returns a signed copy of the deposit agreement and deposits the required \$75,000. The deposit agreement outlines the details of the terms and the conditions under which their application was approved. A certificate of nomination is forwarded to the federal government and the nominee submits all required documentation to Citizenship and Immigration Canada for consideration and, if approved, the nominee is issued a permanent resident visa.

And, once the applicants land in Manitoba as permanent residents, they're expected to contact the PNPB business settlement office to obtain information on how to successfully establish a business ventures in Manitoba. And after successful execution of the terms and conditions of their approval, if it's verified, the \$75,000 deposit is fully refunded to the applicants.

Mr. Smook: Thank you, Mr. Minister, for that bit of information.

I believe that in 2011 there were 421 applications from the top five applicant

countries; however, only 169 of these applications were approved. That's an approval rate of 40 per cent. Is there a reason for this?

Mr. Bjornson: Well, as mentioned when I outlined the process, each of the applications that are received are assessed individually and the applications must meet the criteria in order to be successful.

Mr. Smook: Mr. Minister, of the 169 that were approved, how many of them actually came to Canada, put their deposit down and are—have opened up businesses in Canada?

And you may not have the right amounts from 2011 because they still might be in progress, but if we could get the numbers, say, from 2010?

Mr. Bjornson: Well, as the member can appreciate, I believe that we welcomed over a hundred and—or people from over 130 countries last year. And when there are individuals applying to the nominee program for business, the countries of origin where they—or, pardon me, the country of origin that they might be applying for a visa from, in some cases can take six to 12 months. In some cases, I've been advised it could be anywhere from five to six years. So, depending on where the applicant is from, it can take a long time for them to get that visa.

A second component is the two-year window within which the individuals have under the agreement once they've landed to—they have a two-year window to establish that business. So, if you're coming from a country that takes five to six years to get a visa and then it takes an additional year or two to establish your business, although they might have applied in this year, quite conceivably, by the time the visa is granted and a business is built and established it could be seven to eight years depending on that country.

Since the inception in 2000, over 443 initial business investments have been made by the—by program nominees and it's a total direct investment in the province in excess of \$177 million; 67 per cent of these initial business investments were located in Winnipeg. The remaining 33 were located in—33 per cent, pardon me, were located in regional Manitoba areas, and since its inception over 4,200 business immigrants and dependants have landed here in Manitoba.

Mr. Smook: Thank you, Mr. Minister.

On this Provincial Nominee Program it also—it's, like—it's small business and Young Farmer Nominee

Program. Is there—could you give me a breakdown on what that would be? The—like, how many businesses, how many farmers?

Mr. Bjornson: I can give the member an approximate number. Out of the 481 successful entrepreneurs, I believe 95 would be farmers and some of them would have come under the young farmers program.

Mr. Smook: Thank you, Mr. Minister. Of them, people that settled here, does the government keep track of how many have remained in the province, or have moved to other provinces?

Mr. Bjornson: Well, certainly, as the member can appreciate, once they have arrived and become Canadian citizens, they're a right to all the freedoms afforded to Canadian citizens, and mobility across the country is one of those freedoms. But certainly, as mentioned, with the investment that we've seen, you would suspect that setting up a business and roots in the community, your chances of staying in the community to nurture and grow that business are greater. And, as the member would appreciate, those 95 farmers that have made those investment in farms, assuming that they are successful operations, they will be tied to those operations and to that land. But we don't track the individuals. As said, they're entitled to all the rights and privileges as a Canadian citizen, including, under the Charter, the freedom of mobility.

That said, the member knows that the province has grown and it's grown considerably; over a hundred thousand more people are calling Manitoba home today than they did 10 years ago, and the bulk of that has been from immigration to the province. I believe there have been some statistics about immigrants being gainfully employed within six months and purchasing homes within five years of coming to Manitoba. And substantial number of them that do that; I don't know the number specifically, but I believe it's in the neighbourhood of 80 per cent on both counts.

So, though we don't track, you can—it's probably safe to assume that a good number that do come here, come here with intention to stay and do stay.

Mr. Smook: Thank you, Mr. Minister. Are there any staff vacancies in this program presently?

Mr. Bjornson: One vacancy right now.

Mr. Smook: Thank you, Mr. Minister. Spending on advertising from two hundred and—or, sorry, eight

hundred and seventy-nine million, two hundred and fifty-one in financial year 2010 to 2011 to nine hundred and ninety-nine, seven oh three in '11-12. Could the minister this explain this? What was the extra hundred thousand dollars used for?

Mr. Bjornson: The biggest share of that additional expenditure would be advertising census 2011. There were a number of initiatives that the department's undertaken to advertise with brochures, business cards, letterhead, promotional brochures.

One of the recommendations that came from the auditor—or, pardon me, the Ombudsman with respect to employment, income assistance was to provide more brochures outlining the programs that were available to EIA applicants and EIA-eligible individuals. So that was one of the materials that were printed for that purpose.

BizPaL planning—apprenticeship program—the member might have seen some of the bus ads or television ads promoting the apprenticeship program. When you are doubling the number of apprentices, you need to advertise what's available to the employer in terms of tax credits. You need to advertise and—to young persons that are considering careers to consider the trades and apprenticeship programs. So these are some of the initiatives that accounted for the advertising. And BizPaL, as well, I think that's been a tremendous success here in the province of Manitoba. As I mentioned, 70 municipalities, accounting for almost 80 per cent of the population of the province, connected to BizPaL, and if you compare that to other jurisdictions, we're punching way above our weight in terms of getting our municipal partners hooked up on the BizPaL portal. So we need to advertise these programs and support these programs and make clients and consumers aware of what is available to them.

* (11:20)

Mr. Smook: Mr. Minister, the reason I asked that question is, again, going back to the letter about restricting related advertising. Is there any way that you can readjust your advertising to focus on the areas that you need to without—

Mr. Chairperson: Honourable Minister.

Mr. Bjornson: Well, when you're looking at your advertising dollar, you have to look at the benefit for the investment of that advertising dollar, and certainly, when you look at the advertising for the census 2011, as the member should know, when the

census is done and complete and the population statistics are recorded, that has an impact on federal transfer payments, for one, the more people that are registered in the province of Manitoba on a per capita basis for the federal transfer payments.

And then certainly, when you have stakeholders who are looking at labour market challenges, when you have the second lowest and third—and second or third lowest unemployment rate in the country and they need skilled labour, we need to advertise for our apprenticeship programs. So I'm sure the member would agree that we just have to be smart about our advertising and assess the impact and expect return on that advertising, and I think we've been very successful in realizing that return with respect to the success of Manitoba's participation in the 2011 census, and with respect to the fact that we've been able to double the number of apprentices and work to meet those labour market demands for skilled trades.

Mr. Smook: Thank you, Mr. Minister. On schedule 3 it shows estimated expenditures for 2012-2013 as \$574.473 million. Is that correct?

Mr. Bjornson: That would be correct.

Mr. Smook: Estimates on that same page show at 565,331. Could the minister give me what was the exact expenditure, not the estimated expenditure, for '11-12.

Mr. Bjornson: I can't give the member that number because we haven't fully closed the year. The auditor's assessment of the expenditures will be available in September.

Mr. Smook: Thank you, Mr. Minister. Does the minister feel that this number will be higher than what the estimated number is?

Mr. Bjornson: I understand that our third-quarter forecast had an expenditure of approximately \$4 million more than the Estimates. I think the member can appreciate that many of the programs and services that we provide in the department are also consumer driven and that will impact those expenditures.

Mr. Smook: Thank you, Mr. Minister. The reason I ask that question is, in—like, going over the employment and income assistant budget, 2010-2011 the estimated budget was at two hundred and ninety-three million, seven hundred and ninety-four, but the actual was at three-oh-eight seven-seventy. The estimated budget for 2011-2012 was at three-oh-six five seventy-three. Like, the budgets are always quite a—actuals are quite a bit higher than what the budgets

are, and I'm just wondering if the budget amount of five seventy-four four seventy-three versus the 565 is high enough, and if it isn't, where will the cuts or what will be done to try to balance that?

Mr. Bjornson: Well, the EIA budget prior to '07-08 has been under budget, and certainly with the world economic downturn, the EIA budget has been over budget. But one of the reasons why—as the member asked earlier, why EIA was being moved into ETT, the intent is to, as I said, provide more training opportunities for those in—currently receiving employment income assistant benefits and to ultimately see a reduction in those who are receiving benefits by providing meaningful training and employment. And we have seen a drop in—overall the number of cases have been lower since they had been in the mid-'90s. They're about the same as they were 10 years ago, with a slight increase in the last couple of years. But that said, with the training that we're going to be providing, we're looking to reverse that trend.

Mr. Smook: And thank you, Mr. Minister. So what I'm reading here is what the minister's plans are, are to take more people off EI and put them on training programs?

Mr. Bjornson: That's—the intent is to provide training opportunities for those who are with work expectations who—with the hope that it will lead to long-term sustainable employment.

Mr. Smook: Mr. Minister, does the—do we have any figures from previous years as to how successful these training programs—like, are we continually getting more and more people off of the EI system, or are those numbers increasing?

Mr. Bjornson: Well, over the past year, as mentioned, the EIA caseload has grown in light of the economic downturn and some of those realities. But the member should also keep in mind that the number of cases for 2011-12 is 35,427 cases, and that amounts to 5.1 per cent of the population. And, yes, that is an increase since 2010-11, but there are fewer Manitobans who are on welfare today than there were in '93-94, and where the—when the number was 49,351. The number of recipients that were on welfare in 1999-2000 was actually 5.9 per cent of the population, so when you put it in that context, yes, there has been an increase in the number of cases, but we've actually decreased that as a percentage of the population.

And, given the realities of the economic downturn and managing the economic downturn, I think we are very well positioned to provide that training and support that would result in sustainable employment for a number of individuals who are currently part of the EIA caseload. And that, again, was one of the reasons why we looked at the combination of EIA with ETT, to streamline those services and provide those training opportunities. So when you put it in that context of 5.1 per cent of the population, relative to 5.9 per cent 12, 13 years ago, in that sense it has gone down. And there is more opportunities for training now, so we'll continue to—we'll hopefully see that trend continue where the real numbers will go down as well.

* (11:30)

Mr. Smook: Thank you, Mr. Minister.

Could the minister give me what percentage the caseload has increased in the last three years, like, year by year?

Mr. Bjornson: In '08-09 it was minus .9 per cent, and then we saw an increase of average monthly persons at 4.6 per cent in '09-10, 3.2 per cent in '10-11 and 2.6 per cent in '11-12.

Mr. Smook: Thank you, Mr. Minister.

On the preface of the Estimates book there's a paragraph there that says, Since October 2002 employers' share of current service contributions has been included in departmental appropriations for new employees. Beginning in 2009-2010 the employers' share of current service contributions for all employees has been included in departmental appropriation purposes. Could you explain that to me?

Mr. Bjornson: Yes, thank you for the question.

What that means is that pension costs were actually budgeted within the department after previously having been budgeted centrally. So it was determined that the costs for—associated per department, including pensions, should be attached to that department to find more transparency around the costs for the department.

Mr. Smook: Thank you, Mr. Minister.

In going over this Estimates book, I notice there's a lot of programs that are jointly funded, but, yet, could the minister tell me how many dollars do we get from, say, the federal government into ETT,

any other dollars that we may get from other sources?

Mr. Bjornson: I can refer to—the member to page 54 where there are two of the major items that are revenues from the federal government. On page 54, 10.3, under Labour Market Skills, item (e) the Canada-Manitoba Labour Market Development Agreement, or the LMDA, which is 52,589 and the Canada-Manitoba Labour Market Agreement, which is 23,110.

I should also point out for the member that the Canada-Manitoba Labour Market Development Agreement is one that comes from the Employment Insurance program, so it's funded by the labour market.

Mr. Smook: In the—in your department there's a new position created called the intake co-ordinator. Could you explain that to me please, Mr. Minister?

Mr. Bjornson: Yes, this position was transferred from Family Services. It's new to this department but not to government. And the intake co-ordinator deals with individuals with EIA, questions or concerns around their benefits or things of that nature.

Mr. Smook: Mr. Chair, Mr. Minister, who currently fills that position?

Mr. Bjornson: I mentioned that in my opening comments. Laurie Favell-Mowat is the intake co-ordinator.

Mr. Smook: Mr. Chair, does—Mr. Minister, does she have a backup, or is there any more, or just one intake co-ordinator?

Mr. Bjornson: There are individuals who might contact the department directly, but there are also those that will call the minister's office directly, and those calls are handled by the intake co-ordinator. And it's a very important service to assist individuals who have those questions and concerns around EIA benefits. And, that's the task that Ms. Favell-Mowat has been performing for a couple of months now, and doing a terrific job of that task.

Mr. Smook: In the book—that shows that there are 30 full-time positions that were transferred over from Employment and Income Assistance.

Mr. Bjornson: There's actually 41 that were transferred; 30 in the program area, the intake co-ordinator, as I mentioned, in my office, and nine, finance and admin.

Mr. Smook: My understanding of how the department works, that the administration part of it is in your department but there's still the front-line services that are still in Family Services. Could you explain to me how that works?

Mr. Bjornson: Well, when we first looked at the integration of EIA and ETT, we wanted to make sure our first priority was to the client and to ensure that they had a continuity of delivery of services. And, as such, when you have a system that's working well, you don't want to dismantle that system; you don't want to take apart that system.

* (11:40)

So the services—service providers in Family Services remained in that capacity in Family Services but continue to work with ETT in providing integrated services. So that was part of the transition that—decisions made around that transition to put, of course, customer—or client services first and foremost and ensure the continuity of service and support for the clients.

Mr. Smook: Mr. Minister, if a person applies for EIA, what is the process from beginning to completion in order for them to start receiving benefits?

Mr. Bjornson: With the inquiry—first inquiry as to—and whether or not an individual would be eligible to receive Employment and Income Assistance, they would be required to submit some documentation to demonstrate their needs. Once that has been received, there's an intake meeting scheduled where the individual applicant would meet with a counsellor to assess that—the individual situation. Once the financial documentation and need has been assessed and verified, then the individual would be eligible to receive EIA benefits.

In the event that the need is immediate and there is emergent need, then there are some emergency supports that can be provided for that individual until such time that benefits are provided on a regular basis.

Mr. Smook: So I take it the first request would go to the intake officer in your department?

Mr. Bjornson: Thank you for the question.

The first contact would go to the Community Service Delivery unit, which is in Family Services. At that point there would be an assessment, not only of their financial needs but also an assessment of

health needs, of child-care needs that a client might require, and then—that is the first step.

These Community Service Delivery units are located in six different offices in Winnipeg and in offices throughout the province of Manitoba.

Mr. Smook: What were the costs associated with this reorganization—business cards, letterhead?

Mr. Bjornson: Actually, we're continuing to use existing letterheads and forms until the supply runs out, so there will not be any of those costs incurred. And I see I get the thumbs-up from the 'metter'—member from Midland, so he's very pleased that we're being frugal and responsible with those resources.

Mr. Smook: Thank you, Mr. Minister. The staff—like, when it was being run under Family Services, the staff had office locations. Are they—is all the staff still in all the same locations, or have offices changed?

Mr. Bjornson: Right now, staff are currently in the offices that they were in prior to the announcement of the merger. What we will be looking at is if there are opportunities for efficiencies to be realized as a result of the merger of EIA with ETT. Then we'll certainly work to achieve those efficiencies in terms of office constructs and other matters around administration where, perhaps, we can realize more efficiencies.

Mr. Smook: Thank you, Mr. Minister. I've had phone calls from constituents that seem to be—they phone one department, they say it's the other department's problem, and it was going back and forth between Family Services and ETT. Could the minister comment on if anything has been done to try to solve that problem?

Mr. Bjornson: Having a dedicated intake co-ordinator to address issues around EIA clients is—has been a key part to address any of those issues that may have arisen initially from the merger.

Mr. Smook: Thank you. I will let.

Mrs. Mavis Taillieu (Morris): I understand the question was asked earlier in regard to Bonnie Korzeniowski's salary and I understood the minister to say it was roughly \$85,000. I would just like to ask, first of all, when that salary began. When she was—what was the date of the salary commencement as the Manitoba envoy?

Mr. Bjornson: The contract began October 5th, 2011.

Mrs. Taillieu: And she would've been paid as the MLA until October 4th, 2011?

Mr. Bjornson: That is correct.

Mrs. Taillieu: Does Ms. Korzeniowski also receive severance pay as a retired MLA?

Mr. Bjornson: I believe the member would have to ask the Legislative Assembly that question.

Mrs. Taillieu: Okay. So there was no time in between her leaving, the member, as a Legislature and becoming this special envoy—or I guess the Manitoba envoy—her salary immediately continued. So there was no competition for this particular position, she was just basically continued to be paid. So her pay—the \$85,000—would've been coming out of Leg. Assembly before that. So the minister was able to provide me with that information, where that salary came from, so I'm wondering why he wouldn't be able to provide the information about severance pay.

Mr. Bjornson: Ms. Korzeniowski began her contract on October 5th. As far as severance pay, as the member knows, that is dealt with through the Legislative Assembly and that is where that question should be asked. I'm certainly not aware if she is—or has received severance pay.

* (11:50)

Mrs. Taillieu: Does the member receive her cheques through E, T and T?

Mr. Bjornson: Yes, since October 5th, when the contract began.

Mrs. Taillieu: Can you tell me the amount of her cheques—her biweekly cheque?

Mr. Bjornson: Well, I—sorry, I don't have a calculator—and there's a reason I taught history and not math—but it's \$85,600 divided by 12, as a contract salary, and that would be approximately \$7,133.33 monthly.

Mrs. Taillieu: I'm just wondering if we could have some documentation on that, just to show exactly what her cheques are—biweekly cheques.

Mr. Bjornson: I—you know, it's a rather curious question coming from the member who's talked about freedom of information and privacy. I've given the member the amount of the contract, but to ask for

us to disclose a—an individual's personal cheque, I think, is not appropriate.

As stated, the contract started October 5th; she's getting a salary of \$85,600, and don't know what more I need to tell the member in terms of that agreement.

Mrs. Taillieu: Well, thanks, but all MLAs and, actually, anybody that works in government, is a public servant, and it's public information should people want that information. Are you telling me I have to file a freedom of information request? Is that what you're saying?

Mr. Bjornson: Well, first of all, Ms. Korzeniowski is no longer a public service—servant. She is providing services on a contract basis and, as the member knows, individuals that are—with salaries over \$50,000, that work for the civil service, have their salaries disclosed once a year. And again, in this particular case, I've told the member what the contract amount is, so I'm really not sure where the member would see fit to see a private individual's paycheque.

Mrs. Taillieu: Well, it's just pretty obvious that this person went right from being an MLA into another position specifically tailored and made for her at basically the same salary as an MLA.

So it's curious to me how this arrangement began, and I'd like to ask the minister when this contract was signed between E, T and T and Ms. Korzeniowski.

Mr. Bjornson: Well, as mentioned, Mr. Chair, Ms. Korzeniowski did continue her role and commenced work as a private individual on a contract basis on October 5th, and the contract was—followed shortly thereafter.

Mrs. Taillieu: Was this a tendered contract? Were there other people that were allowed to bid on this contract?

Mr. Bjornson: No, Ms. Korzeniowski is serving in a transitional role to ensure the representation that the military had in our government continues during this transition stage. We've had very good feedback from the military community with respect to the role that she has played.

Ms. Korzeniowski was instrumental in, among other things, creating legislation that protected reservists when they were called into service in Afghanistan and other tours, worked on the creation of the veterans' licence plates, voting rights for

troops who were serving overseas, assisting with the family resource centre at 17 Wing, the yellow ribbon campaign, or the yellow ribbon of support campaign was brought to the Legislature under her leadership and direction.

And I know the member wasn't—had—perhaps hadn't heard the information that I put on the record earlier in terms of the role that Ms. Korzeniowski has played and continues to play and the context in which she continues to play that role. You know, she has been a presence at many military functions, meetings, celebrations, award presentations, openings, change of commands, fundraising events, troop and veteran support, has been led by the envoy, and it has evolved into a full-time role. And put that into the context of what's happened federally with Veterans Affairs, the member may or may not know that they are shutting down federally the deployment health section of Canadian Forces Health Service Group. One-third of the front-line service workers are going to be eliminated over three years and a regional office in Brandon is going to be shut down.

So, when you put in context of what she has done in the past, what she will do in the future, I think it's really important that she continue to play this role and support the military families here in Manitoba when they're seeing some of their services being cut federally.

Mrs. Taillieu: If Ms. Korzeniowski is working on a contract, I imagine that on a contractual basis she's not subject to any deductions on her paycheque?

Mr. Bjornson: Well, again, we're talking about a private individual and the contractual arrangement with a private individual. And those are—those matters of her salary are her matters and her private matters, and she'd be responsible for her remittance for any taxes to be paid.

Mrs. Taillieu: Well, I'm curious then. If she's on a wage where she's hired by the government, or if she's on a contract, because if she's on contract she's got no deductions, and you also mentioned earlier that she might be there for a term of four to eight years. What is the term of the contract?

Mr. Bjornson: It's a one-year term. And I think the member was referring to a little bit of levity. At least I was trying to bring some levity when the up—my critic asked if I was planning on keeping her—that position for any length of time. And I asked him if he meant four years, eight years or 12 years. It was certainly meant in jest in terms of the time frame that

the member had in mind. But it is a one-year contract and it's a contract for personal services.

Mrs. Taillieu: Well, I thank the minister for clarifying that.

When was the prior arrangement made with Ms. Korzeniowski that she would get this position once she retired? Was it offered to her as an incentive to retire?

Mr. Bjornson: I am not aware of the when.

Mr. Smook: Back to Mr. Minister there. On page 74 of the program expenditures, employment and income assistance, health services, income assistance, persons with disabilities, are all these programs available and are they going to be continued on in future years? Are there any programs that are coming to an end?

* (12:00)

Mr. Bjornson: Yes, these programs have carried on from Family Services and the programs that were introduced at that time—or programs that were introduced under the Family Services portfolio, but we do review programs and expenditures on an ongoing basis.

So to suggest that they will continue in the future, at this point I cannot say, but the programs—if they're certainly doing what they're designed to do and delivering the benefit that they're designed to deliver, then they will continue to be supported.

Mr. Smook: Thank you, Mr. Minister. The take charge program—where does it belong in these expenditures, and is it still, or will it still, be available?

Mr. Bjornson: Yes, take charge is budgeted under Employment Manitoba. And we'll continue to support take charge, but, like every program that we do fund or co-fund, we certainly review and look to ensure that they're delivering what the intent was to deliver in terms of training and employment skills, et cetera, for the clients.

Mr. Smook: I did have some questions in regards to the Estimates for 2011-2012 for the actuals, but I believe the minister had indicated that they won't have any of these informations until September? Is that correct?

Mr. Bjornson: Yes, September, as mentioned, is when the audit is complete and the audited financial statements will be released.

Mr. Smook: Thank you, Mr. Minister. Given that the basic EI rates have not kept up to inflation and their value having thus fallen by 35 per cent since the early 1990s, will there be any cost-of-living increases given to Employment and Income Assistance recipients this year?

Mr. Bjornson: There have been no cost-of-living increases, but there have been a series of improvements under other programs, such as the Rewarding Work initiative, to address matters of cost-of-living increases.

Mr. Smook: Thank you, Mr. Minister. Can the minister tell us how many people are receiving Employment and Income Assistance at the moment and how many are on a joint—like you had mentioned, like, some are getting funding from two different sorts—sources?

Mr. Bjornson: I thank the member for the question, and the caseload for 2011-12 is 35,427 cases—as I said, 5.1 per cent of the population. Those cases would fall under three different categories: there's the general assistance category, where individuals would have work expectations; there is the single parent supports, which would also receive a federal GST tax benefit as well as some child benefit supports; there are also individuals with disabilities, individuals who may or may not be part of a family who would receive varying degrees of support as well. So those are the three general categories and—was the member looking for a breakdown in terms of how many of those 35,000 would fall under each of those categories? Is that what the member was asking?

Mr. Smook: Yes, basically I was looking—and the question was also that you had mentioned that people take from two different categories. Was that—no?

Mr. Bjornson: Well, I guess a good example would be some of the provincial plus federal benefits for, let's say for single parents. If you have a—children—you know, one example is if children between the ages of 12 and 17, if a single parent has three children between the ages of 12 and 17 the provincial support would be \$1,274 a month, the federal support \$906 a month, for a total of \$2,180 a month. And those are the benefits, combined federal-provincial that a single parent would be eligible for with three children between those ages.

Mr. Smook: I just need some clarification here. Earlier you talked about that taking people off one, say, EI program and moving them onto a work program or a learning program. Would—so when

somebody would, say, whatever their entitlement would be for a month, would that total amount be moved over to that other program, or is it—or are there places where they're funded from two different programs, like income assistance and the training program?

Mr. Bjornson: Well, if there's an individual who's receiving income assistance, they can get training support related to the costs of the training. If they're not on income assistance, they can get a living allowance while training. If they're receiving funding from two separate sources, they would be—the funding would be reduced proportionately to reflect the two different sources of income.

Mr. Smook: Mr. Minister, like, from what I understand of this program, is that the more people you move off I—in income assistant onto training programs, that does make the income assistant numbers look better.

Now, can the minister provide us with solid numbers that indicate how many people are actually moving from A to B to C to finally nothing, that they are back into the workforce?

Mr. Bjornson: I can speak to what we have been able to achieve through the Rewarding Work initiative when it was introduced in April of 2007 through to January of 2012. Approximately 7,500 people have left welfare for work and, as of the end of 2010-11, nearly 4,300 people were working while getting a top up from welfare support. And the Rewarding Work initiatives will continue to assist people who are looking to move to employment and it will be enhanced with the recent inclusion of EIA within ETT. And we're hoping to see those numbers continue to improve, certainly, providing those meaningful training opportunities, matching some of the skill sets and assessing the skill sets to match to those training opportunities.

*(12:10)

Again, one of the advantages that we do have to achieve this is the fact that we still continue to have low unemployment, and there will be more opportunities for individuals to access the training to meet some of those labour market demands. So the Rewarding Work has been successful in moving a number of clients off of income assistance and, as mentioned, when they are getting training support, if there's training support and living allowance, the benefits are adjusted to reflect the training income as

well as the—or training support as well as the EIA benefit.

Mr. Smook: Mr. Chair, Mr. Minister, maybe I didn't understand what the minister was saying before, but the question I was wondering about, how many clients have actually left the training program back into society? I don't know if you answered that question or not. Have left the training programs, that are no longer on any type of assistance, that are in the workforce.

Mr. Bjornson: From '07 to January 2012, approximately 7,500 people have left EIA benefits and are gainfully employed.

Mr. Smook: How does that compare to the people that have now entered the system?

Mr. Bjornson: As mentioned, we've seen increases in the last three years, so there are more people on employment income assistance, but we are continuing to provide the training opportunities and support as some clients are successful in finding work. There are others that find themselves, through whatever circumstance, requiring employment income assistance. So we—we're hoping that those that are, as I said, with work expectations, can receive the training to help them get back into sustainable employment.

Mr. Smook: Thank you, Mr. Minister. Can the minister please tell me what programs are in place to help move single parents off of welfare and into the workforce?

Mr. Bjornson: Well, there's the enhanced education program. There's the Rewarding Work health plan as well, in terms of continuity of health benefits when an individual is re-entering the workforce. There's Employment Manitoba training programs as well, a number of different Employment Manitoba training programs.

The member also mentioned some of the partners that we have, who are providing various supports in training and that also work with—within their communities to address very specific needs, whether it's English as an additional language support, some places that are providing child-care options as well. So there's a number of different programs that are available, and a number that have been quite successful in achieving the goal of sustained employment for those that had been marginally unemployed.

Mr. Smook: Mr. Minister, two years ago the Manitoba Ombudsman published a report on EIA containing recommendations for the reformation of EIA system.

Has the department successfully implemented any of these recommendations? What were these recommendations and are there—what are they looking at?

Mr. Bjornson: Yes, actually, I would like to inform the member that a group of community activists had been champion for this particular review by the Ombudsman, and I've met with those activists to discuss our progress to date on the 68 recommendations.

And I've committed to continue to meet with the activists, at least every six months or on an as-needed basis, to continue to provide a report card on the progress that we've made on the recommendations.

Currently, 60 per cent of the recommendations we agreed to implement have been addressed and we anticipate that a further 10 per cent will be completed over the coming months. So we're looking at approximately 70 per cent of those moving forward.

And I think I referred to one of them earlier under the question regarding advertising when we talked about the advertising budget. There was the need to provide plain language brochures to inform individuals what they were eligible for, in terms of EIA benefits, and that was one of the recommendations that came from the ombudsman, that we provide more information to clients about what benefits and programs were available to them.

So that was just one example that I can point to but again, 60 per cent completion, 10 per cent—or 60 per cent implemented, 10—an additional 10 per cent will be implemented in a short order.

Mr. Smook: Thank you, Mr. Minister.

Mr. Minister, could I get a list of the budget for the community economic development corporation?

Mr. Bjornson: The CEDC to which the member refers is no longer the entity that he's referring to. It's now the Priorities and Planning Committee of Cabinet that the member would be referring to, and that particular program falls under the Department of Finance.

Mr. Smook: That just took care of four questions for me.

Mr. Minister, how many mobile training labs does your department presently have?

Mr. Bjornson: Actually, we don't have any, but Red River community College is looking after two, and what we have committed to is to provide funding to support the programming for these particular mobile labs.

Of course, the intent is to get these labs to remote and northern communities to bring the training to the community, and we've committed to support the training—some of the costs associated with the training that will be provided from those particular facilities.

* (12:20)

Mr. Smook: These mobile training labs, are they, like, a universal type of a classroom, or are they specific to certain training?

Mr. Bjornson: These trailers are actually configured in such a way that they can expand and they can be configured for a number of different programs to be offered, but they're particularly well suited to trades training, such as welding and carpentry, I would imagine, and plumbing and trades of that nature.

Mr. Smook: Mr. Minister, like, these mobile training labs, does the government fund any other organization—like, there's Red River; you said Red River has two of them. Does—do any other organizations have them?

Mr. Bjornson: Not to my knowledge, no.

Mr. Smook: Is this department looking at funding more of these labs for different purposes in training with northern and rural areas?

Mr. Bjornson: What—could I ask the member what purposes he had in mind?

I think the design of these labs, which—I've been advised the member of St. Norbert has actually been in them and seen them. And I'm not sure if he's been trained in them, but he's been in them and—offered any training.

But I'm not sure what the member had in mind as far as other purposes that you're suggesting they could be used for.

Mr. Smook: Other purposes, like, for training purposes.

We were touring a few weeks ago and we saw a couple that were sitting—they were welding, particularly made for welding.

Now we're just wondering, are you going to look at any other departments besides welding? Like, are you looking at doing anything that would be able to be used in other areas?

Mr. Bjornson: Well, as mentioned earlier, the facilities are particularly well suited to welding and machining, and Red River community College will deploy them where the demand would—where there would be demand, quite frankly, to provide those training opportunities. And part of the funding is designated for that purpose, to work with the configuration of the lab for the training that it's intended to deliver.

But I should also let the member know that we've also been working on more online apprenticeship programming as well, where individuals can take courses online. And I, actually, when we launched that initiative, had an opportunity to navigate one of the units on how to fix a water pump, not that I'm about to go try and do it in the 30 minute tutorial that I had undertaken.

But, certainly, the skills that the market is looking for are—we're being flexible in how we work with our partners in the community colleges to deliver that training, and online and the mobile labs are two very effective ways to take that training where the training is needed, take it to rural and northern communities.

So, it's a good partnership with Red River, and I know they'll deliver first-class programming where those trailers are deployed.

Mr. Smook: Thank you, Mr. Minister.

Could the minister tell me how—at present, how many seats the—your department has, like, at Red River and technical training, in different colleges in Manitoba? And if he could eventually provide me a list of how many they've had over the last year, what the numbers are increasing, what they've increased by?

Mr. Bjornson: Well, I've been advised that we don't have the numbers in terms of the breakdown by college, but we will certainly be prepared to provide a list to the member of the seats that we have negotiated with our colleges.

Mr. Smook: Thank you, Mr. Minister.

But seeing what the time is, before I go I'd like to thank the staff because I didn't get a chance to thank them yesterday. So I'd like to thank the staff

for attending here today and the minister for his answers.

And I guess we're ready for the line-by-line.

Mr. Bjornson: And I would like to thank the member for his questions today, and I, too, would like to extend my thanks to the staff who are here today for this exercise. Thank you very much.

Mr. Chairperson: Hearing no further questions, we will now proceed to consideration of the resolution relevant to this department.

I will now call resolution 10.2.

Resolution 10.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$12,883,000 for Entrepreneurship, Training and Trade, Business Services, for the fiscal year ending March 31st, 2013.

Resolution agreed to.

Resolution 10.3: RESOLVED that there be granted to Her Majesty a sum not exceeding 559 million—\$551,043,000 for Entrepreneurship, Training and Trade, Labour Market Skills, for the fiscal year ending March 31st, 2013.

Resolution agreed to.

Resolution 10.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,456,000 for Entrepreneurship, Training and Trade, International Relations and Trade, for the fiscal year ending March 31st, 2013.

Resolution agreed to.

Resolution 10.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,443,000 for Entrepreneurship, Training and Trade, Costs Related to Capital Assets, for the fiscal year ending March 31st, 2013.

Resolution agreed to.

The last item to be considered for the Estimates of this department is item 10.1.(a), the minister's salary contained in the—in resolution 10.1.

At this point, we request that the minister's staff leave the table for the consideration of this last item.

The floor is open is for questions.

I hear no questions.

Resolution 10.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,648,000 for Entrepreneurship, Training and

Trade, Administration and Finance, for the fiscal year ending March 31st, 2013.

Resolution agreed to.

This completes the Estimates of the Department of Entrepreneurship, Training, Trade—and Training and Trade.

And the hour being 20—sorry—the hour being 12:30 p.m., committee rise.

EDUCATION

* (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 Education. As has been previously agreed, questioning for this department will proceed in a global manner and the floor is wide open for questions.

Mr. Cameron Friesen (Morden-Winkler): It's a pleasure to be back in Education Estimates, and I thank the minister for being here and also the deputy minister and his staff.

This morning, I'm—wonder if we could turn our attention, first, to the class size cap initiative for the province of Manitoba. And I wonder if the minister could begin by just indicating how long the department was looking at implementing a class size cap before the decision to undertake one at this time.

Hon. Nancy Allan (Minister of Education): Well, we have—we had been looking—we know how important the early years are to public education, and we have done a lot of work in the early years. I—we're very—the work that we've done in the early years has really paid off. There is a recent Fraser Mustard report, the early years three statistical report, that shows that Manitoba is one of three jurisdictions that is recognized for the work that they have done in regards to early learning. So we were looking at how we could continue doing work in that area.

The Manitoba Teachers' Society put out a report, prior to the election campaign—I can't recall; it might've been, maybe, four months before the campaign or six months before the campaign, and the reduction of class size was their No. 1 priority in regards to how to enhance our public education system. We knew that it have been done in two other jurisdictions in Canada—Ontario, who we have

followed a lot of the education reform that Ontario is doing. So that's—so we felt that that was going to be something that we could work in partnership with our stakeholders in regards to providing more quality, one-on-one time for young people with teachers. So that was kind of the thinking around it, and kind of the impetus for, moving in that direction.

Mr. Friesen: The minister has referenced more quality time with students with their teachers. Is that the main rationale? And could the minister just explain a bit of the rationale, the philosophy behind this move, and what the rationale would be underlying it, what the benefit would be to parties?

Ms. Allan: Well, there's absolutely no question that smaller class sizes in the early years does provide more one-on-one time with—between the teacher and the student. And the other thing that, of course, the oversight committee has talked about is, as well, teeth—teaching methodologies. It can't just be small—it just can't be smaller class sizes; it also has to be recognition around teacher methodologies and how those strategies in the classroom might be enhanced with the smaller class size. So there's actually two kinds of pedagogical strategies around this thinking.

Mr. Friesen: So it would be fair to say, then, that the theory of class size caps is that it would—smaller classes lead to better educational outcomes. Is that correct? Is that accurate?

Ms. Allan: Yes, absolutely.

Mr. Friesen: Continuing on on the same subject, can the minister indicate at this time how the Province's or how the department's strategy to address a class size cap in Manitoba will advance? Over how many years will the strategy be implemented? What will be the focus of the class size cap going forward and what will be the first direction?

Ms. Allan: We made in—when we made the announcement, we made a commitment to do this within over the next five years, and we also tasked and asked the oversight committee that did the report cards if they would take on this challenge. They were—the education partners that are on the oversight committee are very, very pleased with the results of the—and the work that they did for the report card. They're very pleased with that process of having everyone around a table trying to figure out and discuss how to move forward. So they asked if that committee could stay in place. So the oversight committee has taken on the challenge of providing direction to us as government in regards to how to

reduce class sizes. They had their first meeting, I believe, in December, and they had their second meeting, I believe, around January, and there's been a couple of meetings since, and we have some recommendations from them in regards to class size.

They have looked at the Ontario model. The Ontario model implemented class size in 90 per cent of their classes. And they, as well, introduced a variance in regards to some classes that wouldn't be capped right at 20. In Ontario what they did was they said that classes could not be larger than 23 in some cases. What you have is a situation where you don't want to—you may need a variance for communities that have high rates of transition, people moving in and out, maybe high populations of newcomers, or transient populations. You also may have situations where you have 21 students, and depending on what that class looks like, they may feel—the teacher and the principal may feel that that 21-student component is a better decision in regards to—rather than splitting them up.

So there is a variance model in the Ontario model. So the oversight committee has been looking at that. We do intend to try to move forward with this whole initiative. We have committed to a class size tracker. The class size tracker will be up on school divisions' websites by September and then that way everyone will know what every kindergarten to grade 3 class will look like in September, and then that way we can figure—it'll be very transparent in regards to how those class sizes are being reduced as we move forward over the five years.

Mr. Friesen: I'm interested to hear the minister speak about a variance, and I'm pleased to hear that they've borrowed this element of the program from other jurisdictions. I know it has been the concern of various groups that the government's initiative and the department's initiative in this area would perhaps, if implemented in too rigid a manner, create difficulties for school divisions and for individual schools, whereby, if the number of students in a classroom was capped at 20, you could end up in situations—or you would very likely end up in situations—where you could have a class of 20 in a school, a second class of 20 and then maybe a third class with 24 students. And I know that presented a concern to superintendents and principals from a school administration point of view.

*(10:10)

And I think the concern expressed was that it would result in a situation whereby perhaps students

would have to be bused to other locations, or whereby there would be new capital construction required for a classroom that would then only have, perhaps—instead of having one class of 24, two classes of 12. So those were some of the concerns expressed, so I'm pleased to hear that there is talk of a variance.

Can the minister explain a little further what would be the—how the variance would work specifically, and whether it would be set up in such a way whereby schools could demonstrate 90 per cent compliance with the school cap, and then maybe 10 per cent of classes over that wouldn't have to comply but they would have to do so within a prescribed period of time? Or how exactly would the variance work, and would it work with respect to a stated ratio of classes that comply and an amount that would be allowed to not comply?

Ms. Allan: I'm not exactly sure that I understand your question, so I'll try to answer it in regards to what I think you're asking, but I don't know if I'm providing you with that much more new information.

I'll—we have received some of the initial thinking from the oversight committee on this, and no final decisions have been made. We have just received the oversight committee's first report in regards to what their thinking is, and we need to do some noodling on it here. But it is—you know, the models that we've looked at—there's also a BC and Alberta model, which are the other two jurisdictions, but the one that we're looking at most favourably—that the oversight committee looked at most favourably—was that model where 90 per cent of the classes would be at the 20 cap throughout the province, and that there would be the possibility of having 10 per cent of those classes over that 20 cap, but not more than 23, and so that flexibility is built in.

I think it's a little too early to look at exactly what that might look like in the province, because it's still in the early stages. We have hired Tia Cumming, who is on secondment from the Louis Riel School Division, who, I know, has been and visited with Vern Reimer, because I talked to Vern at the Manitoba School Boards Association and two of the Garden Valley school trustees, and they're very, very impressed with Tia and her knowledge and her ability. And she has met with some of the school divisions—some of the larger school divisions that are—you know, wanted someone to come out and talk to them right away, and we're trying to get a handle on exactly, you know, what those class sizes look

like throughout the province and how to move forward.

It's going to be phased in. We're going to do some phasing in, in September. That is, hopefully, our plan and our goal. So we won't be—we have to start to move quickly here because time is of the essence, but we're very excited about it. But it—and it's going to be a long-term strategic plan that we will put in place with our partners, and we're very, very pleased that they were willing to work with us on this project.

Mr. Friesen: Thank you, Madam Minister, for that response. I'm pleased to hear that you're still working at that and, like I mentioned earlier, I am pleased to hear that a variance will be part of the plan. At this time you've indicated that no final decisions have been made. I'm just wondering what is the timeline for the implementation of the first phase of this initiative. And at what point do you think a final decision would be reached in regard to exactly what the criteria for the variance would look like?

Ms. Allan: Well, as I indicated in my previous response, we would—we do want to start doing some phasing in, in September. So we have to have an opportunity to have a little bit more discussion in my office about this. So, as I indicated in my earlier response, I think what we would like to do is make some final decisions within the next couple of weeks. So the five-year plan would be the phase in from, you know, 2012-13, then '13-14, '14-15, '15-16, '16-17, the final year.

Mr. Friesen: Would the minister be able to advise me when the criteria for the variance has been set and notify me of what that criteria would be?

Ms. Allan: Yes.

Mr. Friesen: Thank you, Madam Minister, for agreeing to that. With the—September being the target for the commencement of the implementation of this exercise, does the minister think it's a little late to be still working on the variance model? Or perhaps I should also ask: Have school divisions indicated any apprehension or anxiety related to the actual variance model being left this long?

Ms. Allan: Well, the beauty of this is the fact that the Manitoba Association of School Superintendents is on the oversight committee as well as the Manitoba Teachers' Society as well as the Manitoba School Boards Association as well as the Manitoba school business officials as well as the Manitoba Association of Parent Councils. So they are all—have

the ability to—excuse me—to report back to, you know, their stakeholders and their members and talk about this, and we haven't picked up any anxiety yet.

There is the superintendents and—are pretty capable of managing these kinds of issues, and quite often when—because of our growing immigration program, they deal with these kinds of issues all the time, in regards to students and classrooms and where to put them and how to manage it, and this is kind of the business they're in. So we haven't picked up any anxiety yet. I'm quite sure if I'm, you know, sitting in my office still in July and haven't heard anything, they may come knocking on my door. But we do intend to try to move as swiftly as possible with this.

Mr. Friesen: In attempting to understand the scope of the challenge that is before us, in terms of reducing classes to 20 for K to 3, can the minister indicate what the current average size of classes is for K to 3 in Manitoba?

Ms. Allan: We don't have the actual average size. But perhaps you may be interested in the fact that we do know that of all the classes in the province of Manitoba, K to 3, that we are already at a 60 per cent target of under 20. So the work ahead of us is 40 per cent of the classes, and we do know where those—we have done the analysis in regards to what school divisions, where those classes are and, of course, by September that information everyone will have because it will be up on a website for people to look at.

* (10:20)

Mr. Friesen: Just to clarify, then, the minister says that the information is not currently available to indicate what the average class size is in Manitoba for classrooms in K to 3, but we do know that 60 per cent of classes are already in that area from K to 3—are already under the size of 20. Is that correct?

Ms. Allan: Twenty or under, that is correct.

Mr. Friesen: In an October 26th CJOB report last fall, I seem to recall, and I have here in front of me, some information that indicates that current average class size in the province of Manitoba was indicated at 27 students.

Could the minister indicate where that number might have come from? It was publicly reported that the average size in Manitoba classrooms. Would that have been a number that would have been pulled

from the FRAME report? And if so, where would it have come from?

Ms. Allan: We're unaware of that. I don't know. And that seems incredibly high to me; and I'm not sure where they would get that. I would be more than surprised if that is the case, because we know that—*[interjection]* Right. Oh, I see.

Yes, I now have clearer information for you. That's the problem when you go from memory. We do—*[interjection]* Yes, I was close. We do know—we have looked at, we do know that from the information that we have gathered from divisions, at this particular time, that we have 48.2 per cent of classes K to 3 at less than 20. And then we have another 27.9 per cent of classes that are 21 to 23. So that gives you an indication of exactly what we're—what the challenge will be, or what the challenges are, as we move forward with this initiative.

Mr. Friesen: Thank you, Madam Minister, for that response. That's certainly something—a theme that I want to come back to in a little while.

But at this time I just want to ask an additional question with regard to the minister's statement that we will be beginning the implementation, or the phase-in, as early as September. Will that phase-in of the program, at this time, just for clarification, be specific to kindergarten classrooms, or will be it a phase-in across kindergarten through grade 3 classrooms?

Ms. Allan: We're—there is—the plan is not to start with specifically just starting with kindergarten. We will work with school divisions, and if it's—and they will make—you know, we're working, Tia's working, with school divisions. And if school divisions, you know, decide to do it in kindergarten and grade 1 or kindergarten and grade 2 or, you know, whatever makes the most sense in regards to what those class sizes look like. So there's not a lot of science to this. It'll depend on the numbers and what makes the most sense. And we will take that advice from the school divisions.

Mr. Friesen: So would it be accurate to say that the phase-in will be—it'll be a soft implementation in the preliminary period, and then there will be more—a more rigid implementation going forward?

I'm just trying to get a sense of what the requirement will be for school divisions moving forward. And additionally, I'd like to get a sense of whether school divisions are fully aware of their responsibilities and their obligations with respect to

the class size cap as early of September. Are school divisions fully aware of their obligations in this regard?

Ms. Allan: Yes, school divisions are aware of the class size K-to-3 initiative, fully aware of it. And they've received communication from David Yeo and Tia's visiting them. They're also on the oversight committee. You know, they're very excited about this initiative. In fact, some school divisions sent us letters saying they were ready to go before we barely had the announcement out the door. So, you know, there's a lot of excitement around this, and it's not going to be a soft implementation. It's going to be a planned implementation in consultation with school divisions.

Mr. Friesen: Thank you for that response, Madam Minister. It wasn't quite the response I was looking for.

The question I had was—are I know that school divisions are aware of the class size cap. Indeed, I think we all are aware of the class size cap. You only have to pick up a copy of the paper, and it's been pretty well advertised that a class size cap will be an initiative for the Department of Education. So I respect that, but, specifically, I'm wondering, are—school divisions, have they been made fully aware of their obligations with regard to the preliminary working out of this initiative? In other words, are school divisions going to be called upon to demonstrate a certain degree of compliance with this initiative as early as September and, if so, which school divisions or is it all of them, and what are the requirements in that regard?

Ms. Allan: Well, the issue—this is an issue of planning and of implementation, and there may be more planning than implementation this year. The track, or the class size tracker will be the benchmark. We do plan to have some classes moved to the cap once it's approved, once the final decision is made. So there may be more planning than implementation this year, but the following year, in 2013-2014, that'll probably—that's when it'll probably really take off because people will have a comfort level with it in their local jurisdictions.

Mr. Friesen: Thank you for that clarification, Madam Minister. Just coming back to the minister's statement that in the K-to-3 classrooms approximately 60 per cent of the target is already under 20—at 20 or under and, so that I guess the target group is the remainder, 40 per cent.

I'm wondering if we can drill down and if the minister could provide an indication of if there are school divisions, if there are regions for which the class size cap will present more of a problem based upon higher present class sizes? Are there particular school divisions or regions of Manitoba that will have a greater challenge to move towards the class size cap of 20 or under, based upon a variety of factors, but most specifically their current class size?

*(10:30)

Ms. Allan: Just to clarify in regards to what I told you about the 60 per cent, the 60 per cent is in relationship to the 23 and under. So it's 48.2 per cent that is less than 20, and then in addition to the 48.2 per cent, we have another 27.9 per cent that are in the 21 to 23 range. And then we know we have 23.9 per cent of the classes, K-to-3 classes province-wide, that are in the 24—that are above that 23—*[interjection]*—24 and over.

And we've just received information from my officials in my department that the average class size, K to 3, whole province, is 19.25. I love there's a quarter of a kid somewhere, but—so that's the average class size, 19.25. *[interjection]* We've got to clarify it. Hang on.

Well, this is interesting. So how we—how that number was determined is this is the average class size in relationship to the number of teachers. It's not an exact calculation, but the K-to-3 total enrolment in 2011 was 50,800 and you divide that by 2,639 K-to-3 classrooms, as reported by the divisions, and the average would be, per teacher or per classroom, 19.25 students.

Mr. Matt Wiebe, Acting Chairperson, in the Chair

Mr. Friesen: Thank you for that response. And, Madam Minister, in that case, can't we all pat ourselves on the back and indicate that we have now met the target?

Ms. Allan: No, because it's an average. The numbers and the percentages that I gave you earlier are really what—you know, those are the numbers that we're going to go by. So where that 27 came from on that CJOB, I have no idea.

Mr. Friesen: Could I just also ask the minister to indicate, in that calculation of average class size and doing that mathematics, does that indicate the number of actual in-class teachers per student, or is that calculating specialists and all kinds of teachers that might be in an administrative capacity, student

services, clinicians? Would that be a total calculation of total teaching staff compared to the amount of students in the classroom, or is that actual in-class teachers?

Ms. Allan: That is in-class teachers, teachers identified as the classroom teacher.

And to go back to your previous question that I forgot to answer about, you know, where are the pockets of, you know, big classes, in what school divisions, we know who they are and they're obviously school divisions that have increasing enrolment.

You know, we have situations in Manitoba where we have some school divisions that have declining enrolment and a lot of those school divisions are in rural communities, but communities like Steinbach, Winkler and Morden—as the member is obviously very familiar with because it's his community—you have increasing enrolment because of the immigration program. So those—you know, Seven Oaks has got, you know, lots of increased enrolment because of the immigration program. We're seeing now Brandon really take off in regards to the immigration program in Brandon and the second line at Maple Leaf.

So, you know, we know—so there's no, you know—it really is in relationship to enrolment.

Mr. Friesen: And I'm glad that the minister has responded to this question and indicated, articulated that there are school divisions who will be faced with a larger challenge.

I'm also looking at a listing here in front of me that I have that's—indicates a breakdown of class sizes for school divisions. And while it's not comprehensive, it is extensive, and I noticed the same trend, that if I look at this information and reference the data with respect to Brandon School Division, I see that, according to the data I have of the breakdown per school showing the amount of grade 1 classrooms, the grade 2 classroom and grade 3 classrooms, that the number of students in those classes is an average of, you know, 22 in grade 1 and 23 in grade 3 for Brandon School Division. In Garden Valley School Division, the numbers are much higher. In—for instance, in grade 2 I have numbers showing an average of 26 students in the class. In grade 3, 22 is the average.

I haven't worked out averages for all of these numbers, but, as the minister also indicated, there are other school divisions as well that have experienced

tremendous growth for a variety of reasons, but lot of it related to new patterns of immigration, certainly in Hanover School Division and Garden Valley School Division, Brandon School Division, largely driven by labour needs there and new families coming to those communities, that—the point I'm making to the minister is that the challenge is not meted out equally to school divisions to meet these requirements.

And I'm wondering, then, if the department and the minister will be taking a very detailed approach to trying to solve this and whether additional resources will be flowing to those school divisions on the basis of the perceived or actual extent of the challenge they face in complying with this initiative.

Ms. Allan: Well, we've—that—this has already been taken into consideration in the discussions that officials in my department have had with the education partners on the oversight committee and also in discussions that my deputy minister has had with superintendents. And the plan would be to allocate money to school divisions, and it would be allocated on a—I don't know if I can say this—on a per pupil basis. Say that 10 times.

And, you know—so obviously, that methodology, then, would provide greater support to those school divisions and to those classrooms where there are larger challenges because of enrolment.

Mr. Friesen: I would like to make a correction from my side. Going back, the deputy minister might have wondered about the numbers that I was quoting with respect to class sizes for some of these school divisions. I want to indicate that my data was inaccurate. I was reading the last number at the bottom of each page of the spreadsheet, understanding that my assistant had totalled the columns. That was not, indeed, the case.

So I see here that we would have to first perform some mathematics to arrive at the average. In any case, I can indicate, for each of those school divisions that I did quote figures for, yes, there are some significant classrooms. They're over and above 20, which would be the targeted cap, and, you know, just anecdotally, I could quote here, looking down the page for that same Brandon School Division, I can see in grade 2, I'm seeing numbers like 24, 24, 25, 21, 25. For grade 3 in Brandon School Division, I'm seeing some here like 27, 24, 22.

So I think, if I read this correctly, I think I've found the line in which the average is recorded. And so if I point to Hanover School Division, I think it

would be accurate, then, to say that for grade 2 I see an average of 26 students in a classroom. I just wanted to make sure I had corrected that for the official record of these proceedings and that I hadn't put incorrect information into the record. So I want to make that correction.

* (10:40)

Obviously, yes, the problem is—or the challenge is significant for some school divisions. I believe, probably, it is then alternately the case that some school divisions may already find themselves to be largely in compliance with the direction and the spirit of this initiative, simply because they either were working in this direction previously or because of immigration patterns or students coming into the division or leaving the division. They weren't faced with the same degree of challenge in that regard.

I want to turn our attention, on the same subjects, just slightly differently, to talk about the funding that has been articulated for this initiative. And I know that on October the 26th, the minister made the announcement, officially, that the initiative to cap—to cap class size for K to 3—that's also a difficult thing to say 10 times—would involve a total amount of funding of a hundred and five million dollars. Of that, \$85 million would be allocated to capital construction—or, I should at least say, to build more class space or to provide more class space; it might not always be in the form of new capital construction—and the other \$20 million would go to hire more teachers. Now, can the minister just indicate whether this is accurate?

Ms. Allan: Well, absolutely. But just before I talk about the funding that we announced with this initiative, the—we are affectionately calling this the 20K3 initiative. It's easier to say 20K3 initiative than trying to, you know—

An Honourable Member: 20K3—

Ms. Allan: —initiative, yes. It's just easier to say.

So, yes, we did announce—we tried to do some analysis when we were looking at this initiative and we were rolling it out. We tried to do some analysis in regards to what we thought what kind of money we would need, and this funding is a ballpark in regards to what we thought we might need in regards to resources in classrooms.

Mr. Chairperson in the Chair

Obviously, the \$20 million—we believe we might need up to \$20 million over the five years in regards

to resources, teachers in the classroom—we think it might be around up to 240 positions. And also we tried to, you know, look at it in regards to infrastructure needs and costs. And we thought we might need up to \$85 million. You know, obviously that will become clearer to us in regards to—as this initiative rolls out in the planning and the strategic implementation of it.

But we believe that we're in the ballpark and we thought that it was important to put some money to the initiative, because, obviously, we have to plan for that, right? So, yes, that is kind of the ballpark numbers that we put together when we made this announcement.

Mr. Friesen: And I wonder if the minister could, additionally, provide information then to indicate—I'm interested in her use of the term ballpark figure. I'm wondering if the minister would—could indicate that \$85 million will be the hard cap for the cost of implementing this project, or whether she would expect, or suspect, that that number could grow.

Ms. Allan: Well, I think that'll be—I mean, five years from now is a long way away, and it is an implementation over five years, so this is something that we would obviously take into consideration as we roll this out. You know, it might be less; it might be more. You know, it depends on enrolment; it depends on our demographic changes. These aren't—these—this is kind of—you know, these are—these kinds of enrolment and changes, they're not predictable sometimes, right?

So we just—we needed to just kind of have a ballpark, you know? And it—but it's not firm, because it can't be firm, because every school division in the province of Manitoba, they try to look and figure out, you know, what is—what do we think our class sizes are going to look like, what's our enrolment going to look like next September?

And, as you know, you know, school divisions, if they're school divisions like in the suburbs—Waverley West, that might look different; Sage Creek, houses being built, you know; communities like yours and like Brandon and now Neepawa with high-tech labour market needs, right? Now their school—you know, now their population is growing.

So, you know, we just needed to put together some, you know, ballpark figures, and then we'll just analyze it as we move forward with our superintendents and our school divisions, to try to keep it on track as we move forward. But it's not a

perfect science, unfortunately, putting kids in classrooms.

Mr. Friesen: Yes, I'm not sure, if with an initiative of this size and scope, whether the idea of ballpark figures provides a lot of confidence to Manitobans. But, in any case, I would like to go at this a little bit more and ask for clarification on something.

Now, the way I understand it, and the way the minister has responded today, this project would involve both the \$85 million for capital construction and \$20-million annual investment for teachers. Now, at one point—just to be clear off the top—at one point, the Premier (Mr. Selinger) responded on a radio show on October 26th, saying that it would cost \$25 million annually for teachers for this project. Now, is it—did he just misspeak that one time? Is it a \$20-million investment for teachers or was it \$25 million? Did the Premier, in fact, correct the record?

Ms. Allan: He may have misspoke himself. I'm not familiar with the radio interview.

And my esteemed deputy minister has asked me to change the language from ballpark to estimate. So, I hope that is more appropriate language.

Mr. Friesen: And thank you, Madam Minister. I appreciate that clarification. I assure you that Manitobans will rest easier knowing that the number is an estimate and not a ballpark figure.

And, additionally, so I want to make a reference to something else, and that is I'm looking back at the October 26th announcement: Province establishes—sorry—small classes in early years to benefit children, families: Allan. I'm not sure if I can say that on the record when it's the title of the actual news release.

In any case, in the news release, the wording says, specifically, funding for the initiative will include a \$20-million annual investment to hire more teachers, and then the \$85 million to build more classes.

Now, I want to just clarify something. We've often talked about this project being a \$105-million project—\$85 million plus your \$20 million for teachers—but this wording makes it sound like the annual investment will be \$20 million for the purposes of hiring teachers. In that case, then the math becomes this: Wouldn't, therefore, the total investment be \$85 million for capital construction plus \$20 million over five years, which would equal

a total investment of \$185 million? Could the minister provide a clarification in that regard?

Ms. Allan: Yes, there—you're absolutely right. You know, teachers are a cost every year, but we don't believe that we'll be fully implemented until the—where is that little sheet of paper?—2015-2016, I believe. I told—I—so at the end of the implementation.

But you're right. There is going to be some costs as we move through this. We've identified some cost—costs for the next year, and we think what we're looking at is around three or four million dollars in the next fiscal year, but at the—but what we wanted to kind of say is at the end of this, when it's completely and totally implemented, it will be \$20 million annually.

And, you know, it's probably, of course, it's going to be more than that, if you add up what goes in every year and, obviously, those are—that's funding that is sustainable in school divisions' budgets because once a teacher is hired, you want to keep that person at the front of the classroom.

*(10:50)

Mr. Friesen: Thank you, Madam Minister.

Just looking for an additional clarification here so I understand this matter perfectly, and that is, then, that the \$20-million annual investment to hire more teachers, that is an additional above and beyond investment in teachers that otherwise would not have been there had this initiative not gone forth? This is an additional \$20 million, each year, resulting in a hundred million dollars for teachers over five years, approximately—ball park figure?

Ms. Allan: Well, once the project is fully implemented with all class sizes, it will—our estimate is \$20 million a year. We're going to—so I—that's our estimate in regards to the full implementation of it, and it will be more, obviously, because we're starting to implement probably the biggest implementation.

Most of next year will be a planning year, but we want to try to get, you know, some implementation done next year. But the first big push will probably be in the 2013-2014 year, and then we—it'll probably slowly grow throughout those—that period. But at the end of the implementation phase, when all the classes are at the estimated 20 with a—perhaps a variance—when 90 per cent of them are at 20 with the variance it will be \$20 million for, we think, around 240 teachers throughout the system.

Mr. Friesen: Just an additional clarification required, then, and I thank the minister and the deputy minister for their patience on this. Then the minister says that once it's full implemented it will be a \$20-million investment to hire more teachers annually. Then, is that \$20 million—what I'm looking for is an indication of whether that \$20 million is specific to this initiative regarding class size cap, or is that also blended with the normal or the average amount that would be allocated to the hiring of new teachers? Is this a completely new investment subsequent to the decision to undertake a class size cap for K to 3?

Ms. Allan: So how this will work is every year as we implement the plan we will decide what classes need additional human resources, and there will be additional money put into that school division to hire those teachers. And then that money, the following year, would be blended into school divisions' budgets, but at the same time additional money would be going into school divisions where those class sizes, right, where the plan is being implemented.

So it's kind of a little bit of both; it's new money going in, right, to hire additional teachers, but once those teachers are there that funding is sustainable to their budget. And it stays in their budget because if it is—does—isn't in their budget then you can't them in—at the front of the classroom, and that's not the goal of the project, right? The goal of the initiative is to have, at the end of the project, all class sizes, K to 3, within the 90 per cent cap, teachers at the front of the room, all getting paid.

Mr. Friesen: And I am pleased that the minister has included the provision in this initiative that the teacher at the front of the class will be getting paid, and I'm sure that in their collective bargaining agreements they will appreciate that gesture.

In any case, I'll be sure to look back at the record of these proceedings and to read the minister's response. Again, I think we could—I don't want to belabour the point at all, and if I have further questions pertaining to the answer, I'll go back, look at it, and we can come back to this theme.

On the same subject, a slightly different theme, I do notice that at the last Manitoba School Boards Association convention, there was a specific class size initiative pertaining to the class size cap, and this particular resolution had to do with a desire for MSBA to see the provincial government department fully fund the capital and operating costs associated

with the maximum class size initiative for K-to-3 classrooms. And I'm not aware, actually, whether this particular resolution passed, but by virtue of the fact that it was brought to the floor, it is—it is—it's significant; it indicates that the concern exists.

I'm wondering if the minister can confirm or verify that costs pertaining to this initiative will not be offloaded to school divisions. That, in fact, the costs that the minister has identified as the \$85 million for capital construction, the \$20-million annual amount to—allocated to teachers—hiring teachers, would be sufficient for the purposes of implementing this strategy with no offloading of financial responsibilities onto the backs of school divisions.

Ms. Allan: Well, thank you very much. I'll ask. I'm meeting with the Manitoba School Boards Association deputy minister and I—I think in two weeks. I always meet with them and go over to their offices for their executive meeting around this time of year, so I'm sure we'll have another discussion about this. But that is the plan. The plan and the funding estimate—that is the plan, to provide those resources to school divisions, to implement this strategic initiative.

I mean, I don't have a crystal ball in regards to, you know, what, you know, it's all going to look like in five years from now, but we have, as you know, been very, very supportive in regards to our investments, to our public schools in the province and Manitoba. We made a commitment to provide funding to schools at the rate of economic growth so school divisions could plan for their—so school divisions would have an idea of how much money they were going to be getting, and even in this very, very difficult economic year, we made a 2.2 per cent funding announcement, and school divisions were very pleased with that announcement.

So it is obviously something that we feel very passionate about as a government, that our public education system is a priority for us, and we believe that it needs to be funded appropriately.

Mr. Friesen: I want to read for the minister the comment that goes along with that resolution from the MSBA 2012 convention. It reads: The provincial policy direction will require divisions to invest in staff and materials to meet the mandate. In the past some legislation required school divisions to implement programs or supports, and funding needed to meet the obligations was not provided to divisions, resulting in local taxpayers funding the difference.

And my question for the minister would be this: While I believe that there has a—that many stakeholder groups have coalesced around the idea of the K-to-3 class size cap, and they like it in principle, in the absence of the minister's guarantee that the cost would be fully covered by the government, does she think that those school divisions, those ones that face significantly greater challenges in meeting the class size cap requirement because of their existing class sizes, do you think they would be apprehensive or do you think they would be concerned?

* (11:00)

Ms. Allan: No, I don't. I mean, if they are concerned, they shouldn't be. And we have a really good working relationship with the Manitoba School Boards Association, meet with them several times a year. I see trustees all the time when I'm out and about visiting schools. No one has talked to me and raised any concerns about this initiative, and I am meeting with them. I saw them last night and I'm meeting with them in a couple of weeks, and if they raise those concerns with me I will—that will provide us with an opportunity to talk to them about the initiative. They are, as well, on the oversight committee and Tia is meeting with them—Tia Cumming is meeting with them as well, individually. So if they start to express those concerns to us, we'll deal with it.

Mr. Friesen: Thank you Madam Minister, for that response.

I understand that the minister is saying that if school divisions are concerned, they shouldn't be, and that she has good working relationships with school divisions, and I don't doubt that fact.

But I find it surprising to accept that the minister has not heard any reference to school division concerns that the government might off-load costs of investing in staff materials to meet the mandate to them.

I, certainly, can relate to the minister, that as I have talked around this issue with stakeholder groups it's one of the first things that comes up with school divisions. It's not an accusation; it's a concern expressed, and says, well, above all we just want to make sure that whatever direction the government goes on this that they'll be clear that the costs don't fall to us. Because, of course, we know that the moment those costs fall to school divisions, local education taxes are going to go up because those costs have to be covered somehow.

So I assure the minister that in my conversations with school divisions across the province over the last number of months, the issue has come up in numerous times. Not only that, I think that the fact that the resolution went to the floor of Manitoba School Boards Association would indicate that there is significant, or at least a baseline concern existing that this might, indeed, be the case.

So I accept the minister's response. She says that school divisions shouldn't be concerned. Am I at liberty, then, when I meet school divisions who ask me the question whether these costs may, indeed, be passed on to them, I should relate to them that the minister has told me that they should not be concerned?

Ms. Allan: Well, I would encourage the MLA to tell anyone that he is talking to to give me a call and we'll talk to them.

Mr. Friesen: I appreciate the gesture, Madam Minister. I'll do that, as I continue to talk that around with trustees and superintendents and various groups, and we'll—I just—I guess, it's my belief that we should do more than hope for the best. And in a number of responses today, the theme I hear is that we should hope for the best, and sometimes the expression is: hope for the best, but prepare for the worst.

And I understand that school divisions, they have that duty to taxpayers, and so I believe they're not making accusations. I think they're expressing a legitimate concern that probably in the past, in their experience, there have been initiatives that have come forward whereby costs were, eventually and ultimately passed down to them where that might have not been initially expressed in that regard. Certainly, I think, the concern they have in this regard is that with the size of the initiative being measured at \$105 million or \$185 million depending on how we calculate the investment in teaching staff, I think it's a legitimate concern. I will be sure to pass on that invitation to groups that they can contact the minister if they have concerns in that regard.

I'm going to clarify, for the last time—

An Honourable Member: Your numbers.

Mr. Friesen: —my numbers. Simply because I have now co-opted my colleague to the right of me to do some addition in the columns. And we realized that this spreadsheet did not, indeed, either calculate the numbers down to the bottom or to the top. And so while I assure the Minister of Education that both me and my colleague understand the principle of

averaging, we have now reached numbers that we can abide by.

I just want to let her know that for Brandon School Division, just for the record, for the recorded record of this proceeding, in case school divisions are looking back, that they will find that these numbers correspond to the ones that they have supplied on the freedom of information request that we received, and for Brandon School Division, just to give you an idea, kindergarten class average size, 23.5; grade 3 class, 22.8—again .8 of a student.

For Garden Valley School Division the averages that we have for K—kindergarten, 24.5; for grade 3, 24.75; and for Hanover School Division the kindergarten class being 24, and the grade 3 class, 24.9. So all of these numbers do, in fact, underscore the argument that there are going to be school divisions that are going to be more hard pressed to come into compliance with the direction of this initiative.

That's not to say it's impossible, but I think we all understand that it's going to take more resources. And I think that it will be incumbent upon the minister or the deputy minister of the department, and I am sure they will undertake this, is to keep going with that careful consultation with each individual school division, to understand the specific challenges pertaining to their meeting compliance with this. And I will be interested to see going forward what it means from a numbers perspective.

My concern would be that, if anything, that Public Schools Finance Board will find that the challenge for capital construction costs will exceed their ability to do so at \$85 million, as articulated. So that's my concern. I hope we do not find ourselves in that place, and as the minister has rightly indicated, you don't know what capital construction costs are going to do in the next number of years. We certainly—we cannot build things today what we did—a school does not cost today what it cost 10 years ago, as I'm sure the deputy minister knows more than anyone in this room. So I thank the minister for that response she's given in this regard, and I just do table that concern for her.

Just wrapping up on this issue, then, if I come back to the announcements of new funding for education for this year, I believe there was an additional \$4 million indicated that would additionally go for this initiative. I may be wrong. But could the minister please indicate whether that is accurate and whether in the—included in the

education funding announcements, there was mention of an additional \$4 million committed towards the class size cap initiative.

Ms. Allan: This wasn't part of the funding announcement, the \$25.5 million, the 2.2 per cent, the—but—that we are going to dedicate a—what I said in the press release was dedicate a further \$4 million this year to help school divisions begin reducing class sizes.

So I wanted to be very clear about that, because it actually speaks to the concern that you're raising in regards to is this part of the funding to schools, or is it above and beyond that funding to schools. And so it is; it's an additional \$4 million that we have put into the budget beyond the 2.2 per cent, \$25.5 million. That was the announcement. That's how the press release reads.

Mr. Friesen: Could the minister, then, just supply, in particular, information that would indicate what that specific \$4 million is for once again?

Ms. Allan: Well, as we invest in reducing class sizes, and when we have a plan for this next year, it will reduce class sizes. So it will go towards teachers probably—teachers and supporting teachers.

Mr. Friesen: So this \$4 million, then, is in addition to the \$85 million for capital construction and the \$20-million annual amount that is allocated for teachers. It's still with respect to the class size cap initiative, but it's \$4 million that will be additionally allocated towards the hiring of new teachers? Is that a correct understanding?

* (11:10)

Ms. Allan: No. It is—we identified money for the class size initiative and we targeted \$20 million over five years when it was fully implemented, and this is the first instalment as we phase in this initiative.

Mr. Friesen: And I understand that, then, this \$4 million is that first instalment in five years of funding for new teachers, and when it is fully implemented, then that funding will be \$20 million a year. So in the first year it is \$4 million, and would it be then fair to assume that it will be \$4 million in each of the successive four years of this implementation process?

Ms. Allan: It may look like that. I think we're going to learn from our experience as we move forward. It—I mean, that is the—that may be an estimate, but we're going to, you know, we're—we may learn from this experience and maybe, you know, one year it might

be 5 and the next year it might be 3. I mean, we—you know, it's, I think, too soon to tell, because it's—there's so many different layers to it. But, definitely, we're estimating \$4 million a year. If it looks different, we'll have to adjust our budgets to the implementation of the plan.

Mr. Friesen: And I understand that explanation. I thank the minister for that response. I'm more—and I understand that during the implementation, there will be a need to be flexible.

I'm more interested in a commitment, if the minister could give it, that the amount then would not exceed \$20 million in its entirety. Could the minister provide that?

Ms. Allan: Well, I think the estimate was \$20 million. I've said pretty clearly that we think that's the estimate. Five years is a long way away. I could be dead in five years. I hope not, but, you know, I just, I mean, think, you know—I don't have a crystal ball and, you know, I—you know, I hope it's not more than \$20 million. But if it is, we want to support this initiative because we believe in it. So, you know, we'll continue to work with our stakeholders and plan carefully and implement and analyze and work with our partners and resource the initiative as best we can.

Mr. Friesen: Thank you, Madam Minister, for that response. We certainly wish her the best in health, and perish the thought that any of us should come to an unfortunate end any time soon. I want to assure her that I don't plan on the Estimates process contributing at all towards that.

The last area of interest I would have with respect to the class size cap would be with respect to a more wide-ranging discussion about the actual—of actually how we undertake the exercise. And I think that what has been interesting to me through this process as I have come to a fuller understanding, read the research, looked at the Ontario model and other provincial models of how we go forward with the class size cap and the reasons underlying that, is the omission of a discussion with regard to class composition, that we have for the purposes of this exercise restricted our discussion to the implementation of a class size cap.

And as I have gone out into the community and met with teachers and met with school divisions and looked at the research, it certainly bears out that in the minds and hearts of teachers that class composition is at least as important if not more

important than the actual size of the class. And for those of us who have been teachers in the classroom, we only have to look back at our experience and we can recognize that classes we might have taught with 36 students in a class could have been easier to facilitate than a class of 21, depending on a variety of factors that I know that the minister understands. Things with respect to IEPs, things with respect to level 2 and level 3 funded students, things with respect to English second language students who require additional supports to help them transition fully into speaking in English or French, depending on their instructional area.

So, for the purposes of this discussion, I did bring in with me a document that I'm sure that the minister is aware of. And this document is actually the final report of the Commission on Class Size and Composition, tabled in April 2002 to the former minister of Education, who is the member for Brandon East (Mr. Caldwell). And this report was tabled in the Legislature, and, as I'm sure the minister is aware, it was a comprehensive study of the issue of class size and commission, and the report was brought to the minister of Education. And nothing, really, was acted on, that I'm aware of, any of the broad recommendations of the report. But I think I will restrict our discussion here simply to this. That on page 9 of the commission's report that was tabled by Dr. Glenn Nicholls, key points of discussions. The first one I see on the page there is class composition. I would like to read this excerpt.

It says: Irrespective of location, participants believed that class composition was more critical to student learning than class size. Class size depends on the child's needs and abilities, not just the amount in the class.

And I would additionally just quote, then, from chapter 6 in the recommendations. And the very first recommendations, on page 57, indicate this. It says: Class size is an important issue. Consultations and submissions have also indicated that class composition is of equal, if not greater, importance than actual class size, and that responding to composition concerns is more difficult than meeting class size needs.

And I would ask for the minister's response on this. Basically, why is it that we have restricted this initiative to a discussion and an implementation of only a class size cap, and why we have not had a more detailed, a more broad—why we have not taken a more detailed or broad approach to the issue, and

that would be to also look into the issue of class composition and how that pertains to educational outcomes of students?

Ms. Allan: Well, that discussion was had at the oversight committee amongst officials from my department and the education partners. And there is absolutely no question that educators and administrators had an important discussion about this, because we all know how class sizes—or what classes can look like, dependent on the composition of those class sizes. But, if you have a class size that is 20 or less, everyone was confident that that would deal with the composition issues. And the Premier (Mr. Selinger) has been public about that, as well, in his public interviews about it. When you make a commitment to reduce a class size to that level, everyone is confident that the composition can be managed within the smaller size of the class.

Mr. Friesen: Thank you, Madam Minister, for that response. The minister indicates that the group responsible for implementing this initiative did discuss this, and I would hope that that was the case. Was the minister directly a part of the discussions pertaining to the decision to forgo a wider discussion of how class composition would help educational outcomes for students?

Ms. Allan: No, I do not sit on the oversight committee, but my senior officials sit on that committee.

* (11:20)

Mr. Friesen: Was there a mechanism by which the minister had input into those discussions, other than meeting directly with that group?

Ms. Allan: No.

Mr. Friesen: In her meetings with the group, when they reported to the minister, did the minister, at that time, have a fulsome conversation with the group in— with respect to their findings about class composition?

Ms. Allan: There is no discussion about class size composition in this initiative. There are no recommendations. There's been—the discussion has, from the very beginning, not included composition because of the lower class size. They had a discussion about it very early on with officials, the oversight committee, all of the education partners, and there is a confidence level that if class sizes are at the 20, that that is sufficient to deal with the issue of composition.

Mr. Friesen: So would it be accurate to say that the minister disagrees with the finding of the commission on class size and composition, and disagrees with the recommendation that composition is of equal, if not greater, importance than actual class size in responding to educational outcomes of students?

Ms. Allan: We believe that we take this initiative and that this—there are two pedagogical issues here: smaller class sizes and more one-on-one time with the teacher. There is also the issue of teaching methodologies and making sure that there are supports to teachers to provide more time with students, in regards to the foundations of learning. There is no discussion in the report about what those class sizes are. It's—in that report of Dr. Nicholls, he does not say if—he does not say that the class size should be 25. He does not say that the class size should be 26. He does not say that the class size should be 20. He is just having a broad discussion about class size. And that is a report that is 11 years old, and the most important stakeholder who represents teachers in the classroom, MTS, is on the oversight committee, and they are supportive of this initiative. And if they had a concern, you don't need to be worried, they'd tell me.

Mr. Friesen: And I just want to bring one other recommendation to the minister's attention with respect to this same commission on class size and composition. And, actually, the report is actually almost exactly 10 years old, so, yes, just a small point, but it is—it was tabled April of 2002.

But the second recommendation I see here on that same page 57, is that—and I'll just read from the report. It says: Accordingly, most participants, presenters in general, felt that a blanket approach with provincial guidelines or provincially legislated class sizes would fail to meet local needs. Division-level, if not school-level decisions, could best take into account the physical space and professional staff requirements to provide a high-quality level of education for the varying needs of students.

This is a philosophical question, but the question I would put to the minister would be this, then: With regard to the commission's recommendation in this way, why was the decision made to pursue this aim through legislation rather than through an invitation to school divisions to partner in other ways and to put the decision making at the feet of school divisions—or divisions—and not centralize that control in legislation?

Ms. Allan: Well, the two issues are not mutually inclusive—exclusive. We are doing both. We're putting it in legislation to make it very clear what the policy is, and we're working in partnership with school divisions and with all of our education partners in regards to the planning and the implementation of the initiative.

And I will remind the MLA that this is the first time in the history of the province that we have our partners all working together on major initiatives in this province. This is historic and this is exciting. And this is the way it should be: everybody working together in regards to what is the best for our students in the public education system—best for our students; best for parents; best for communities.

And, quite frankly, the partnership that we have with our stakeholders is very, very important to us, and they know that. And we also wanted it in legislation, quite frankly, because we're not going to be in government forever and if anybody wants to change this legislation, I would think, there should be a fight about it.

Mr. Friesen: Yes, and the point I was making was just the fact that the discussion about class size cap had been completely silent with respect to the 2002 report on class composition and size, and I just thought that was interesting. While the research is 10 years old, certainly, you know, it would be worthy of discussion.

And so, just maybe in—and maybe just to clarify a little bit further, and then we'll leave the issue, did the committee charged with the responsibility—the same committee we've been talking about with respect to class size cap—did they discuss the implications of Dr. Nicholls' report on the commission on class size and composition? Was this particular document discussed in that group?

Ms. Allan: My deputy minister, who sits on the oversight committee with the—[interjection] who sits on the oversight committee, informs me that he's sure that the officials and partners are aware of Dr. Nicholls' report, but it was not part of the official discussion in regards to the committee discussions.

But I also do want to remind the MLA that we are—we will be only the fourth jurisdiction in Canada to undertake this initiative. And I think that speaks to the fact that there's all kinds of research that has been around for many years in regards to how to move things forward and how to do—how to implement initiatives around good outcomes for children. And,

you know, sometimes there are different strategies. I talked earlier about our early childhood strategy and learning and the excellent results that we got from the Fraser Mustard early years report. So, you know, it isn't because we don't have a commitment to early learning and good outcomes for kids at young people at the early stage.

* (11:30)

I also just established an early childhood education unit in my department just over a year ago, and they have been—that department is working with school divisions in regards to best practices and what kind of things that—what kind of strategies and best practices all around the world. So I think—but specifically in regard to the Dr. Nicholls' report, there was not a discussion about that document at the oversight committee, I've been informed by my officials.

Mr. Friesen: Thank you for that response, Madam Minister. Just a few final questions in—with respect to the class size cap then. The minister has made reference many times to the fact today that she's had all partners around the table, and I wonder if the minister could comment on what mechanism has been put in place to allow parents to comment on the class size cap.

Ms. Allan: There is an association called the Manitoba Association of Parent Councils. Actually, there was a recent annual general meeting of the Manitoba Association of Parent Councils just, I would say, three weeks ago, and I was invited to come to that annual general meeting. And I went to their banquet on the Friday night and then the following day I also did a two—I did an hour and a half question and answer. And Judith Cameron and Naomi Kruse have been at all of the oversight committee meetings. They sat on the oversight committee as part of the report card initiative and they are also sitting on the class size K-to-3 initiative as well.

Mr. Friesen: I am aware of the Manitoba Association of Parent Councils and I've had the pleasure of meeting with that group, and I appreciate the important perspective that they bring to Manitoba educational issues and, certainly, I've been interested to hear what they've had to say in regard to this initiative. But particular to parents, is the minister suggesting that the only way that a parent of a student in a school division can have any input into these matters is to contact the Manitoba Association of Parent Councils?

Or—I notice with respect to other initiatives that this government has undertaken that they endeavour to consult, and they put together various groups or meetings that go across the province and they have these procedures where they can gather parent input—or stakeholder input in communities. Has any similar mechanism been put in place with regard to this? Is there a—I don't see that there's any single contact point for the working group. There's no email. There's no phone. Is—would it be helpful, does the minister think, to have an ability for that group just to receive anecdotal comments from stakeholder groups, parents and the like, from across Manitoba? I'm wondering—while I know that the Manitoba Association of Parent Councils will represent their perspectives, I'm wondering if parents themselves should go directly to the parent council and have their comments brought forward that way, or if the minister could see the value in having additional means by which parents could respond.

Ms. Allan: Well, Tia is meeting—Tia Cumming, who is our consultant on this issue, is meeting with parents as well when she's in the meeting. And the Manitoba Association of Parent Councils represents a lot of parent councils in the province of Manitoba and I get emails from parents in my office all the time. And we also believe that once the class size tracker is up on the website, that is an opportunity as well.

People can go on to the Department of Education website any time they want and, you know, and communicate with us. We have a confidence level that, you know, our stakeholders are talking to parents about this, and you know we don't ask every teacher in the province to come and talk to me. You have to have faith in your organizations that represent people. You have to have faith in them that, you know, they're communicating with their members, and we are very confident that that is happening.

When we piloted the report card, we piloted the report card in 13 school divisions—excuse me, in—no; we piloted the report card in 13 schools in 11 school divisions, and the parent feedback that we got on the report card was excellent. And, in fact, that was very critical for us because when you have an opportunity like that to take the physical document and actually have the teacher work with the parent and get feedback from the parent and they were working together on it, that's one of the reasons why we believe the report card was so valuable in regards to getting parent feedback because it was a hands-on

experience right in the school. And I am quite confident that our stakeholders, particularly our superintendents and our teachers and our principals, will be having discussions with their parent councils and having discussions about what the class sizes will look like and how it will be implemented, and we have a confidence level at the oversight committee that this is an inclusive exercise.

Mr. Friesen: And just further to that, I concur with the minister that it would not be possible or feasible to consult with all teachers in these matters, and in the same way it wouldn't be possible or feasible to consult with all parents in these matters, but what my concern was, was simply that parents who would desire to have that direct means of providing feedback would be allowed to do so, and I was making the point that in the absence of a single contact point for the working group by phone or email that such an avenue did not exist. And while I recognize that she has various stakeholders of groups around the table, and those are important stakeholders to have a voice in this conversation, that I was concerned to the extent that parents had that.

Now, the minister mentioned that the staff person, that person who had been seconded to this initiative, was meeting with parents. Could the minister just quickly indicate when these meetings take place, on what frequency and what basis, and what the topics of discussions are?

Ms. Allan: We would have to get back to you on that.

Mr. Friesen: I would appreciate the minister getting back to me on that, and I would also appreciate if she could indicate, going forward, on what basis, if there are scheduled meetings taking place with parents with that staff person, when they would take place, in what communities, and how the advertisement would take place if those are general meetings by general invite, or publicly announced, or whether they are by invitation only. Just looking to know a little bit more about what those meetings with parents would look like.

On the same topic, if the minister could additionally provide me with an indication, either now or supply it at some time, of what this particular staff person—and I've forgotten that title you—the minister gave to this person, but that staff person who has been seconded to this effort, if you could indicate specifically what that person is charged with doing, what their responsibilities and their duties look like.

Ms. Allan: Tia Cumming is a very competent individual from the Louis Riel School Division, a former principal, teacher, and she's very competent. And actually your superintendent, Vern Reimer, when I spoke to him at the Manitoba School Boards Association, said that he had had a meeting with her and he was very complimentary of the meeting that he had with Tia.

* (11:40)

Tia is the person that we hired on secondment to go out and meet with individual school divisions to help us to gather information in regards to how the implementation of this would go. And she's been out meeting with school divisions and others in regards to the whole strategic plan. She's been helping us with this because this is a 'monumentous' task and so she's doing the analyzing of it and the planning around how we will move forward with this initiative.

Mr. Friesen: Does that particular person have a title?

Ms. Allan: No.

Mr. Friesen: And we'll—I'll just refer to her as the staff person for now.

But just further to that point, then, I think the recorded record will show that the minister did indicate that this staff person did also meet with parents. So the question I had was, in addition to meeting with school divisions and acting as that important liaison between the department and school divisions, does this staff person have this additional responsibility of organizing or meeting with parents—parents who would desire an opportunity to have an audience to allow their thoughts and concerns and ideas to be heard—so that they could feel like they were also included in the process?

Ms. Allan: The Manitoba Association of Parent Councils is on the oversight committee. They represent parents. Parents are included on this initiative. They are included. Parents are included.

Mr. Friesen: And thank you, Madam Minister, for that response. I'd like to leave the issue of class size cap at this point, and turn our attention instead to the new report cards for the province of Manitoba and take this opportunity to ask the minister some questions in regard to the new report card.

And just turning to my resources so I can have them at my disposal here as we have a conversation

on this subject: Can the minister indicate when these final report card formats were released?

Ms. Allan: Well, we don't have an exact date, but we could find it, but it was within the last few weeks.

Mr. Friesen: And to the minister: And how long has the group responsible for the new report card format been working on this initiative?

Ms. Allan: About a year and a half.

Mr. Friesen: And I'm looking now at the report card formats. I believe that there's a separate format for K to 6, a separate one for 7 and 8 and then a separate one for 9 through 12. Is that accurate?

Ms. Allan: Yes, it is.

Mr. Friesen: And I'm looking specifically right now at the grades 1 through 6 report card, and I wonder if the minister could shed some light on the decisions to move to a 1, 2, 3 and 4 grading scale.

Ms. Allan: This was—there is absolutely no question that, from an educational perspective, children in the early years should not be receiving percentages. What's more important is a grade scale. This is similar to what was done in Ontario.

I want to remind the member that we are the only the third jurisdiction in Canada to do a province-wide report card. And this grade scale was also done in the Ontario report card.

Mr. Friesen: And I see that the percentages do appear on the grade 7 and 8 report card, and then percentages also appear on the 9-to-12 reports. And they indicate—they still indicate the grade scale of 1, 2, 3, and 4, but they align percentage groups with the 1, 2, 3, and 4. So—and I understand that—the minister's reasoning when she's talking about the decision to not attach percentage grades to the 1 to 6 report card.

With respect to the 1s, 2s and 3s, 4s with the grade 7 and 8 report card, then, why was the decision made not to differentiate any further between that category of student that achieved between 80 and 100 per cent?

Ms. Allan: The 7 and 8, if you look at the report card templates is, as you've outlined, is a transitional year, so you get the grade scale from 1 to 6, then in the 7 and 8 you get the percentage and the grade scale, and then in high school you get the percentage.

Also, we think that what your question might have been is, why did we go from the 80 per cent to

the 100 per cent, and the 70 per cent to the 79, the 60 to the 69, and the 50 to the 59 and then less than 50? The reasons for that is that's what the Ontario report card looks like, so it makes sense to have the report card line up with the jurisdiction right beside you, so that if there is—if there are—now we have a report card that moves not just from school division to school division, and from school to school, but now we have a report card that moves from the province of Manitoba to the province of Ontario.

And you're—we're not disadvantaging students in Manitoba by grading them differently. So it just helps with a little more seamless transitions, and helps with post-secondary education as well, from students moving on from high school to post-secondary education systems in both jurisdictions.

Mr. Friesen: And yes, I did recognize, as well, that this, somewhat then, aligns with the university system of grading, whereby the highest measure of performance is a 4.0, and this would be similar.

Specifically, though, traditionally in classrooms, you know, a 90 to 100 percentile would indicate something like—students would talk about that as an A. Now, in this case, with the new formats we see—there's always a measurement of approximately 10 per cent, from 50 to 59 being for 1, 60 to 69 being a 2, 70 to 79 being a 3. Then we see the 80 to 100 there.

Now, I'm just wondering, we see the report card format here, and so I know that students will see, and parents will see, what we're seeing on this.

So, I understand why the numeric value is being attached to the grade 1 through 6 report card and, in that case, of course, there is no percentage attached. And when we get to grade 7 and 8, we've now transitioned to a report card where a percentage will be attached, to show a hard and firm measurement of a student's academic performance and achievement.

*(11:50)

So of what value is the numeral on the grade 7, 8, 9, 10, 11, 12 report cards? If we already know that the student got an 84 per cent in mass-math essentials, why would that student want to see the four, and of what significance would the four be to the student who had the indicator of percentage?

Ms. Allan: Well, there are no percentages—or there are no—[interjection]—numbers, thank you, on the high school—[interjection] Yes, I just wanted to clarify that.

And, once again, the 7 and 8 is a transition, and this is all about helping the student and the parent understand how they're doing in school. So—and it's all about providing that information that is grade- and age-appropriate, and it's all about assessment and evaluation and reporting.

So it's about assessing the student in regards to outcomes and making it grade- and age-appropriate, and then having that transition year in seven and eight, and providing that four as well as the percentage, because they're moving from the grade scale to the percentage scale in the high school.

Mr. Friesen: Thank you, Madam Minister, for that explanation. That makes sense that in the grade seven and eight level they're seeing both indicators of success, because they're moving away from the numeric value that indicates level of academic achievement of provincial expectations, and moving—transitioning—to the high school model, where they will see percentage.

And I have to say, as a teacher, I am pleased to see the decision to include percentage grades at the grade 7 and 8 level, and I was somewhat troubled, just preliminarily, to hear that there might be a willingness to forgo a percentage indicator. I mean, I don't know if that was just a, you know, comment, or if it was a concern picked up from other sources, but I was very pleased to see when I saw these formats coming forward that there was a willingness to include a percentage grade.

And I say that because I believe that a percentage grade, while it does not tell the whole story, it tells us a great deal. And I respect what the minister is saying with respect to soliciting information and finding best practice in other jurisdictions of Canada to see what other groups are doing and adopt the best ideas.

And certainly, I think if we are interested—and I know we are—in preparing students for the transition to high school, the transition that some of them will have into university, some of them will have into colleges, some of them will have into trades, I think we do them a great service to already be including percentage grades at a grade 7 and 8 level.

We always know as well, as teachers, that if we decline to assign a percentage grade, the first thing the student will do is turn around and say, to his neighbour, what did you get? What did you get? And they do compare. Students are—they're smart, they want to know what they do. Competition is a part of

life, but I think, more than the competition aspect, what we're trying to give them is the best measurement of their success in the system; to know if they are achieving a standard that is acceptable for that grade level; if they are exceeding that standard; and where—well, when they aren't exceeding that standard, like this says, that there will be the necessary interventions to help them be successful. And I think we all agree on that platform and the understanding of what these do.

Now, having been a teacher for 12 years in this school system, and having, you know, had an opportunity to chat with former colleagues and other teachers that I meet in the community, and I ask them questions, and I'm sure you do as well, Madam Minister, about the format, I'm interested in the decision to include in the report information about students' learning behaviours, and I'm quoting from the news media release on May 15th, so parents can understand their child's effort and attitude in class, Allan said.

And I don't take exception to the idea that we should be concerned about learning behaviours, but we're talking here about—maybe it would be accurate to—I don't know if you'd accept this idea, but to talk about it in terms of soft skills.

I think about this from a perspective of the requirement—the required time for a teacher to fill in the reports. And I noticed that with the templates that I have in front of me, we have on the report card a specific place to record learning behaviours, and there are specific learning behaviours indicated there, like personal management skills and active participation in learning and social responsibility. There are also spaces for local options whereby a teacher or a principal or area groups could decide, this is something that we want to specifically measure.

My concern is: Is there—would the minister say, is there any percentages attached to learning behaviours? Does this—do these indicators and their measurement have any bearing on a child's mark? Will it have any bearing at the 1-to-6 level on the grade scale numeral, and will it have any bearing on percentage at the grades 7, 8-through-12 level?

Ms. Allan: No—yes. The academic achievement piece is linked out, comes in the curriculum. And the—this learning behaviour piece was—is actually being very, very well received, and particularly by parents, I might add.

Because I think, you know, kids in the classroom are—you know, it's one thing about what you're being taught and what you're learning and your strengths and your weaknesses, but what else is going on with this—that child? It's about social and emotional wellness, and that's important, I think, and exciting, I think, to have that young person in the classroom to have an opportunity to have some documentation in their report card about that. And if—you know, and it's an—like, I mean, these children spend a lot of time with these teachers and they may be picking up things that are very important to—for parents to know about.

So this is something that has been very, very, very well received and also provides another dimension of education, I believe, beyond academic achievement.

Mr. Friesen: Thank you, Madam Minister, for that explanation.

And I guess I would say this—and I accept the response you're giving. I also agree that school is an important place, not only to learn content; it's to learn how to be—it's a place to learn how to be. It's a place to learn how we view the world and what our place in the world is. It's a place to learn how we interact with others, how we understand authority, how we show empathy to others. There's so much that goes on in school that would—apart from just learning content in curricular areas.

But I guess my comment in this way would be something to the effect of: There are so many learning behaviours that could be flagged. There are so many learning behaviours, I'm wondering why these learning behaviours wouldn't have become part of a teacher's anecdotal comments.

And with the decision being taken to include them here, why would a decision have been made to limit the learning behaviours to personal management skills, active participation in learning and social responsibility? And I guess I would just suggest, what about—just off the top of my head—what about things like leadership? What about things like ability to collaborate? What about things like ability to take initiative? What about respect for property? What about respect for authority? What about kindness?

These are all learning behaviours, what—you might call them soft skill indicators. And so I'm wondering, why contain the list to three plus two

local options, when we could ask so many questions about learning behaviours?

* (12:00)

Ms. Allan: Well, actually, the local option, there are other places for individuals, teachers to a—schools, sorry—schools to add those things that you just mentioned, or they can put them in the comments. But I wanted to remind the MLA that we didn't want to make—we didn't want to get back to a 16-page report card, right? And it's a workload issue. *[interjection]* Yes. And, you know, we heard very clearly that one of these exercises was to not have this great big, huge, long report card. And so, there was a lot of discussion about that at the oversight committee—lots of discussion at the oversight committee about how to manage this so that you didn't have too much but you had the appropriate balance. *[interjection]* Yes. And make it meaningful.

So this—actually, this piece here is why you see that, you know, up to two local options may be added piece and the comment box section, so that if they're—you know, so that there was some flexibility for teachers to put stuff in that relates specifically to community and children and to have some flexibility within the report card and local—you know, reflect local—*[interjection]* yes.

Mr. Friesen: Yes, I would have loved to have been a fly on the wall during those discussions of the oversight committee. Because I imagine there wouldn't have been 100 per cent concurrence from the outset. There would have been lively and wide-ranging debate about what kinds of indicators for learning behaviours get included on this document and which ones get tossed off.

And I understand that the—you know, the area of comment then provides an ex—an opportunity for teachers then to make additional comment in the area of these soft skills, if you will, or these learning behaviours.

But, yes, I think they are—you know, they've limited the three categories there with the local options. It's—I'm just not sure what importance students will attach to them. I'm not sure when you get to the high school level—do I understand correctly, yes, that these same learning behaviours are indicated there. And certainly they—at the high school level, you almost would hope that these things could be attended to by the teacher in the—in a place where they make individual comments, but I see that

there are those same learning behaviours indicated there.

Going on, can the minister indicate why that it—the oversight committee chose to use a scale, with respect to the learning behaviours of consistently, usually, sometimes and rarely, instead of using a scale of always, usually, rarely, never?

Ms. Allan: Well, the whole exercise of the new report card was to have a report card that was plain language. And Dr. Farthing informs me that these were absolutely wonderful education discussions at the oversight committee.

And I have tell you that when the report card and the—would come back and land on my desk and we'd have some of these discussions, they were wonderful as well. Sometimes so wonderful, to—at some point my head started to hurt. But they were. They were—I mean, we have amazing education discussions in my office, and this certainly was a part—this whole report card initiative was very much a part of those education discussions.

At the end of the day there was a lot of discussion—a lot of discussion—about those words, and at the end of the day this is what all of the stakeholders agreed to would—is the language that would work best.

Mr. Friesen: Thanks for that explanation.

I recognize that you have to arrive at a word, but just being—maybe it says something about my learning style that I would want to see a quantitative value attached and not a qualitative one, and not consistently, but always.

I also think, you know, as students tend to be more concrete at those ages and, perhaps, the case could be made that they'd better understand it. I always do this, as soon as a teacher indicates that they usually do it, the student invariably takes exception and they want to have evidence provided of when was the instance when they did not demonstrate that behaviour. But I will leave that to teachers to deal with and I appreciate that explanation you've provided.

Just jumping around here a bit, coming back to the 1-to-6 report card, I wonder if the minister could indicate to me what she would see, essentially, looking at the academic achievement of provincial expectations, as the essential difference between a three and a two, and how a classroom teacher might explain that to a student.

Ms. Allan: Well, these were the wording that was used, or recommended by the oversight committee and, obviously, I can't comment on that. I'm not a teacher.

But what they—all—every one of these grade scales is linked to curriculum and outcome in the classroom. And so 4 is—and thank goodness it isn't a 1, right? The 4 is at the top of the scale, so you're not a 1 if you're the best, right? You're a 4. And, obviously, that's thorough understanding in in-depth application of concepts and skills. So that is, you know, they're linking that to what they're teaching, and so, then, it's thorough, very good, basic and limited. And the whole notion around this is that these grade scales link to what—where they're at in their learning and what supports that they need—*[interjection]*—and the different levels of breadth and depth of understanding.

And these report cards, right now we are working with teachers and training teachers in regards to report cards, and we are also doing a support document for parents in different languages to provide more information to parents in regards to those grade scales and the academic achievement.

Mr. Friesen: That's interesting. I was not aware that the provincial report card would be provided in different languages. I imagine that the minister is referring to languages other than the official languages of French and English. Could the minister further comment on that?

* (12:10)

Ms. Allan: I just want to make sure that the MLA—we're—that we're very clear what I just said to him. The report card will be in French and English. The parent brochure is a supporting document that will go out to parents—I'm sorry—the parent brochure is a document—a brochure that will go to parents explaining the report card and talking about the report card. That will be in different languages. And then there will be a supporting document in French and English to support the report card with further explanation around the grade scale and why what's in there is in there, around the learning outcomes and connecting the report card to curriculum.

Mr. Friesen: Thank you, Madam Minister, for that explanation. I just wanted to clarify that there wasn't a new initiative in the department to expand beyond the official two languages of our nation to provide services in additional languages. So—and that makes sense that in areas of the province where we've got a

lot of new immigration and the English second language students, it would make sense, in the interest of providing clear report cards, to indicate to them, you know, how it's going to work, in the language they can understand for parents.

Do we have an idea of how large the scope of that initiative would be to undertake this? Would it be done by schools or school divisions, or would the department provide documents in the language according to requests by school divisions? If they say, we need to have a Spanish document; we would like to have a Russian one, a German one, you know, maybe some languages like that. Could the minister provide an explanation?

Ms. Allan: The parent brochure right now is in draft form. The supporting document is in development and all—and the oversight committee is still being consulted with throughout the development of these—throughout the, you know, development of all of these supporting documents. They've—they—we've asked them to—and they've agreed—they wanted to stay involved in the project, and, you know, we continue to work on the additional documentation that will be complementing the report card. Yes, the whole thing is a package.

Mr. Friesen: Just to be clear, then, who will indicate what languages are required for these additional documents, these supporting documents, to be supplied in? Will that be a request that comes from school divisions to the department?

Ms. Allan: Thank you for the question. We will take recommendations, obviously, from the oversight committee. We will take—we will, you know, we're open to, if—recommendations from anywhere, quite frankly.

And, you know, we will base it on need, and, obviously, we'll have to take our budget into consideration as well, and we will continue to—I'm sure this will—is something that will, you know, we will continue to look at as we implement this new initiative that is not just about the report card. It's, you know, it's a package of information that is comprehensive because it's not just the report card; it's also the brochure and the supporting documents.

And it's an opportunity to connect, at the end of the day, the report card to our curriculum, which can be quite complex. And it'll help every—parents, particularly, understand what their students are learning in school.

Mr. Friesen: The reason that I bring up the question about how many languages this—these supporting documents might be prepared in and what the scope of this challenge would be is because I recall that the minister explained to me after the announcement on the 15th, that she had attended the announcement at Sister MacNamara School and that there were—it was fascinating to see, she had said, how many languages were spoken within one classroom. And I can't recall exactly—I think she might have mentioned there was eight different languages—that the students came from family—eight different languages. So I'm just trying to understand the scope better.

I won't prolong the question, but I—it's interesting to me; I don't know if this is a standard practice for the department to provide supporting documents in additional languages, or if this is a whole new area. And maybe the minister could just comment. Is this kind of new for the department, or is this something that they have experienced expertise in doing, and they've done it on other occasions, as well, providing documents and supporting documents to stakeholder groups, families, in languages other than French and English?

Ms. Allan: We've done—we have—the department has done some of that, but this is definitely, without question, one of the biggest initiatives in the department that we have been doing it around.

Mr. Friesen: Now, recently, the minister made the announcement that there would be a graduated implementation of the new report card format, that we would not have a hard implementation as of 2012-13, September, but instead that school divisions would be invited to use the new report card, and it would give them time to transition and that there would be a hard implementation for '13-14. Is that accurate? And how many school divisions have indicated to the minister that they will already participate with the new report card in this coming school year?

Ms. Allan: The Manitoba Teachers' Society actually raised at the oversight committee that they would like a voluntary implementation, so we recognized that that was important. And so they wanted time to do a voluntary implementation, so that they could have the opportunity to do development around it.

The other reason that we needed to do a voluntary implementation, quite frankly, was because some of the school divisions weren't ready to do the technology around the report card because,

of course, there is a technology piece around all of this, as well.

But we have—I was going to use the word "ballpark" again—we have an estimation that there will be about 70 per cent of the school—schools will be implementing the new report card on a voluntary basis in the 2012-13 school year.

Mr. Friesen: And the minister made reference to the fact that there were issues relating to information technologies and the ability of school divisions to make the necessary platform changes to software in order to implement the new report card. I've heard concerns from school divisions, as well, about what this will mean for them in terms of associated costs.

Can the minister report how many school divisions are reporting that their current school educational software will be able to incorporate the new documents, and how many school divisions will have indicated that they will move to a new IT platform as a result of the new report card formats?

* (12:20)

Ms. Allan: Well, there are some issues in some school divisions. Officials in my department are working with school divisions now. The IT people in school divisions are working with their vendors. Jean-Vianney Auclair, the assistant deputy minister in my department, is working with school divisions, and the deputy minister is working with school divisions to figure out the scope of this issue. And we, you know, there—some school divisions, no problem whatsoever. So it's a mixed response which makes sense, quite frankly, because, you know, school divisions—from school division to school division it looks different. But officials in my department are working on this file diligently as we speak.

Mr. Friesen: On this same discussion, I'm aware of school software systems, including Trevlac and Maplewood, and there are proprietary software systems out there that certain school divisions have decided to build and reconfigure for their own use. Can the minister indicate what are the—how many different software systems are currently in use in Manitoba school divisions, and what are the names of them?

Ms. Allan: We'll get back to you on that.

Mr. Friesen: Thank you very much, and I'd appreciate a response on that. Further on the same question, could the minister indicate, just for today,

whether we could ballpark a figure and say whether there would be approximately between five and 10 different software systems being used, or would that number even exceed 10?

Ms. Allan: We'll get back to you on that.

Mr. Friesen: And just trying to quantify the cost to school divisions of coming into compliance with the requirements for the new report cards, has the minister received, from any school divisions, estimates of what they think it would take for them, from an IT perspective, with labour and software purchase from vendors, to comply with the new report card standards? Has any of that information come to the minister's attention?

Ms. Allan: Well, officials in my department are working with school divisions right now on this, and it's different from school division to school division. Some vendors have some of the systems built into their existing systems and some school divisions don't. We're trying to determine exactly what those costs might look like. And we believe it's not as costly as we initially thought it might be, but all of this is still in the initial stages and discussion right now, in regards to exactly what all of this will look like.

Mr. Friesen: My question for the minister is this, and this is just conjecture, but if we are moving to a standardized report card format, would it not also be reasonable to consider the idea of moving to a standardized school IT platform? I'm thinking about the amount of labour hours, and expertise, and other resources that will need to go into making this report card work for schools.

And, certainly, just even looking here to see how credits will be recorded year by year, and those credits will accumulate, and it will go on a student's report, always showing them credits required for graduation, enrolled this year, earned this report, total earned to date.

I just think about the actual cost and effort associated with just getting this to work in regard to the compulsory credits and the optional credits. That's a significant undertaking for a high school, and I think about the amount of hours that will be dedicated to this among all the school divisions in Manitoba.

Has it been postulated that—to go to a single software system to serve all school divisions and save costs in an examination of the economies of scale?

Ms. Allan: Well, I just want to clarify my comments in regards to this initiative. I said earlier that it was in the initial stages, but it's—my deputy minister informs me that that terminology doesn't do the initiative—or the deliberations my department's having with the school divisions doesn't represent—it's well further along down the road. Lots of work is being done on this. So I kind of said it's in the initial stages, but that doesn't represent it properly.

We would not mandate school divisions to do across the province IT platforms. We would—where lots of school divisions across the province already share services, work together, there are consortiums that where they work together to have these kinds of systems in place, we would encourage it, obviously. Officials in my department will encourage this as we move forward, but it was—would not be something we would mandate.

Mr. Friesen: The minister says she wouldn't mandate it. Would she encourage it?

Ms. Allan: I just said that.

Mr. Friesen: Would the minister attach a timeline to the basis on which she would encourage it?

Ms. Allan: Well, obviously, we are in discussions with school divisions right now and that's—the officials in my department will be encouraging them in those discussions to do that. So it's already probably happening.

Mr. Friesen: And just to be clear, would the minister—is conceding that it's essentially a good idea. It's a direction that would provide value for both the department and finances for school divisions?

Ms. Allan: Well, school divisions do all kinds of sharing of services now and it's something that obviously makes sense. And school divisions are, you know, make local decisions in regards to what's best for their school divisions and, you know, we continue to provide support in whatever way we—excuse me—in whatever way we can. And we'll continue to have those discussions with school divisions and encourage them and that's, you know, we have discussions with them all the time about different things. And I have been in meetings with school trustees where they've talked to me about all kinds of different shared services that they have with other school divisions, and there's several consortiums out there that are working on different things in partnership. And we all know that's what's best for our public education system.

Mr. Friesen: I notice that there is also, there is a mechanism—

Mr. Chairperson: With regret, the hour being 12:30, committee rise.

Have a great weekend all.

LOCAL GOVERNMENT

* (10:00)

The Acting Chairperson (James Allum): Good morning. This section of the Committee of Supply will continue with the consideration of the Estimates of the Department of Local Government.

Would the minister's staff and opposition staff please enter the Chamber?

This department is 151 of the main Estimates book. As previously agreed, questioning for this department will proceed in a global manner.

The floor is now open for questions.

Mr. Stuart Briese (Agassiz): I just started on a question yesterday at—when the House rose, on—and I got this from the Assessment branch that they took—Neepawa's a fairly progressive community; it's growing fairly quickly—and they took a three-mile circle around the town, and raised the assessments of the property because of the proximity to the town rather than relate it to the use of it. And I, personally, have a couple of pieces of property that fell into that circle, and one of them—the assessment increased by 68 per cent this year. And it goes back to the—that, by the way, is a 89-acre piece of property. There's a lake there, Lake Irwin, that takes—the rest of the quarter is actually under the lake.

That goes back to the discussion we were having about farmland getting higher assessment because of possible sales on it rather than the actual use of it, and it becomes prohibitive for—the taxes become prohibitive for the—for what it's actually being used for. And I just wonder if you have any comments on that, or if your staff has any inputs into why this is happening. And I should have appealed the piece of property this fall; I didn't. I will do it next year.

Hon. Ron Lemieux (Minister of Local Government): Well, we concluded by referring to a form that we had that it's based on a case-by-case basis, where an applicant, for whatever reason, if they feel that the assessment is incorrect or it's based on something that they feel is not accurate, there's a form that one has to fill out. You have to submit the form, and then—and the form is submitted to—

[interjection]—okay, to us—to our department, to Assessment—and then we take a look at it.

And that's, really, where we concluded, but I—if you're asking how do I, personally, feel about it, you know, with properties being captured like that, this is something that I know we discussed previously about this happening. I'm—quite frankly, I'm not sure if it's happening—if this is happening all over the province in a lot of communities that are growing, because in the southeast we've had the largest growth in Niverville, in Lorette, Ste. Anne, all those communities—Steinbach, of course, is now the third largest city in Manitoba. So I'm not sure if it applies to all communities, or just certain communities, but I'll check with my staff for the next answer.

Mr. Briese: Just on those forms that are filled out, is that province-wide or is that only pertaining to the city of Winnipeg?

Mr. Lemieux: It's applicable and the form applies to all of the province. It's the same for everyone. In the RMs of Langford and around the area around Neepawa specifically, I've been in—advised that, well, it's a good thing. There's growth happening and the—you know, with regard to the pulse crops and especially potatoes and the need for land and, you know, 'keep'—people keep seek—they keep moving out from Portage la Prairie and keep going further and further out and then—now there's a lot of land, of course, south and around Neepawa that's being used for potato crops. That's—it's a good thing that the value is going up.

But my understanding is that people are quite happy when the land is assessed high or the value of the land is high. But it's based on market and what's happening with market, and it's great when you want to sell. It may not be so great when you're living there and staying there. So that's the dilemma you have.

But, as was pointed out to me, the assessment has to reflect what's going on in the real world in the market. I mean, you can't arbitrarily not deal with it. So, regrettably for some that are there—and they've seen it climbing through the years. But as was pointed out by my critic from Agassiz, that Neepawa is progressive and growing and it's unbelievable the kind of growth that's there and the kind of need for housing, as well with high-tech and the other pressures that are on housing and development around that area. But maybe I'll just leave it at that and look forward to the next question from my critic.

Mr. Briese: Just maybe a couple of corrections to the minister. With all due respect to the member from Portage la Prairie, I think the first major 'potato' production was at Carberry, not Portage la Prairie, and that's what spread into our area, not from Portage la Prairie.

The—secondly, the particular piece of property that I was talking about, I have just sold. I sold it to my son, and not prices lower and it's not recognized because it's an arm's length—it's not an arm's-length sale. So I—it's just a situation where you get caught both ways.

Do—does the Assessment department still do physical assessments other than where there's a change in use or when there's something triggered with a building permit?

* (10:10)

In other words, do they still do physical assessments of farmland? I know the last one I'm really aware of in my municipality was in 1985. And what happens is, because of some of the things, some of the practices out there and the length of time, some of the land may have actually changed in physical characteristics, and from various things like climate change, methods of farming, water management, clearing of land. Those things, they're not the things that—usually a reassessment on a piece of property is triggered by a building permit or something like that. And there have been some changes in—actually, in the type where some of this land may fall in soil types and things like that and use. And I'm just wondering if there's actual physical assessments still being carried out.

Mr. Lemieux: As the—my staff advise me that we do have a farmland specialist as part of the Assessment branch or part of our department. And this person—the reason the person's there is that specifically for the reasons that my critic raised, is that there are changes happening and you have to have someone with a specialty to be able to do that.

And so Assessment Services inspects new construction and demolitions and sold properties and properties under appeal. Additional inspections are undertaken for other reasons, but general inspections to see if there are changes are rarely undertaken because they are inefficient and uneconomical. Usually no changes are found.

The volume of sales in new construction has increased substantially in the last decade and assessors are challenged to meet the demand despite

benefiting from an effective, continuous improvement program. And what is important is that the establishment of a municipal advisory committee comprising of AMM and MMAA and individual municipalities is being considered to discuss and develop solutions that are effective and affordable.

I guess the bottom line is that the points that you're raising are very, very good ones, and that's being recognized by the department. And the fact that we're try—we're looking at a municipal advisory committee to take a look at a number of issues encompassing AMM, the municipalities and taking a look at—especially individual municipalities.

As you pointed out, there are more being affected by this than others. Some haven't changed and some haven't changed at all. And whether it's clearing of land or otherwise, and so it's something that we recognize, but I appreciate you pointing it out. I think it's a very—a very important point. Thank you.

Mr. Briese: Yes, thank you, Mr. Minister.

Certainly, something that I know is cost prohibitive to go across the province and do a physical assessment of all these properties, but just a suggestion that you might, the department might look at doing a few municipalities, kind of as a pilot and just as a comparison. As I recall, when they did that one back in 1985 they actually went out and physically covered the property, took soil tests and all sorts of things to arrive at the specifics on those assessments.

So I think it's time that maybe it took a look at doing a few at least. And I know when one is appealed that does kind of trigger—the assessor usually visits whenever there's an appeal and has a look at what the appeal's about. But other than straight out appeal, there's probably not too much attention paid to those.

Mr. Lemieux: Thank you for the question.

The department is doing exactly what the member opposite mentioned, about going out and soil test and taking a physical look. The RM of Westbourne—I think it was around Gilbert—or Gilbert Plains or Grandview—Gilbert Plains. So we've done that.

And I'm amazed at, you know—I mean, I believe there's 400,000 properties that have to be assessed, which is an unbelievable amount, first of all. And with the recent flooding, I know there was a reassessment

done, I think, of about 6,000–5,000 to 6,000 properties, thereabouts, which is a huge amount, and a tremendous amount of pressure on our assessment people. But they did it and, not unlike MIT staff that worked day and night—and some people slept in their trucks and parked themselves by the diversion at Portage la Prairie. And they slept overnight in their trucks and away from their families for weeks and weeks, it seemed.

Like, you know, that's why I really appreciate the comments from my critic the other day, supporting what I said about the staff. And the staff—the civil servants do not get the credit they deserve, and they're sure criticized very, very quickly. You know, human nature—and people do make mistakes, we all do. But the moment someone makes mistakes, everybody's all over them, but they forget about the tremendous amount of work they put in for the other 364 days. So this is an example, just on assessment, and what people have done.

And—but I do appreciate the critic, my critic, raising this issue about physical inspection because my—I've been advised that this is happening. And I'm not sure if my critic is—the MLA for Agassiz—is asking that it should be done more. But I've been advised that in the Westbourne area and the Gilbert Plains area, that has happened and I will leave it at that. Thank you.

Mr. Briese: I would concur that the Westbourne is one—a really good one to be doing it in because of the flooding issues they've had there over the last 10 years. That's probably had some impact on those soils.

I know the member from River Heights was asking some questions about the flood and tax relief programs. And I didn't, I think, hear a figure. When it was announced—the provincial Property Tax Relief program last year—when it was announced, the Premier (Mr. Selinger) expected it to cost \$2.3 million. Do you have a figure on the cost of that program now?

Mr. Lemieux: The actual amount is \$4.1 million that was paid out from the time of the event until the payout, I guess, until the end of the year. But—so, it was far greater than the 2.3; it ended up being 4.1. And, I'm not sure what the Premier—you know, what figure was used or if he mentioned a figure, but I know that I've been advised what the number is and what's been paid for, the \$4.1 million is what has been—what was paid out.

Mr. Briese: It was approximate, and it says "approximately" on the thing I have. So that was when he was making the announcement.

And if I recall properly, there was a number of municipalities listed to start with, and then that list was expanded, I believe. I think we somewhat brought that up, along with the municipalities, and had that list expanded, so we do thank you for that.

Now there's been another—and I don't even know what you're calling it—there's another program this year that's doing it a little bit differently. What's the expected cost of that? And it's on a more limited number of municipalities too.

*(10:20)

Mr. Lemieux: It did—the grant program that we brought into play was really, as was pointed out, it's a limited, and it's limited in the sense that it's to the hardest—the most hardest hit of all municipalities. And really, because of there's a shift in assessment that municipal property tax credit specifically targets property owners who will see property tax increases attributed to the loss of assessment base due to flooding. The grant is to municipalities that only helps address property tax increases in a minimal way. That is, it is spread across every property in the municipality.

And this was mainly to the hardest hit particular municipalities but you know, it's amazing, I think, to all of us that here we are, a year later after the waters have receded and the lake has dropped, and you have many municipalities that are still finding themselves in a lot of difficulty. And we've told municipalities that, you know, we'll not leave—we won't leave them by themselves. You know, we'll support the municipalities most in need, and that's what this grant is about. And so, I guess the bottom line is that the ones that are most significantly impacted by the flood, in terms of the size of their assessment base, the net loss of taxable assessment, or the magnitude of the assessment base loss was—is really the key.

And most municipalities have the capacity, quite frankly, to manage the property tax shifting that's resulted in the tax increases for properties undamaged by flooding. Most have the capacity to do it. Many have dollars in reserves. The municipalities that can absorb the 2012 taxable assessment loss due to flooding, given the size of their assessment base, continued real growth in taxable assessment from 2011 magnitude of assessment base loss as a result of flooding, and the

impact of taxation, et cetera. But a lot of the municipalities have the capacity to manage this. Some did not. Some do not.

And this is—this, to use the word "assessment" again, this was assessed by our people, by people, our professionals in the department to determine which municipalities were the hardest hit and which ones needed the grant. In the amount that you were looking for, I believe it was just under \$400,000—around \$380,000 I believe the cost will be. And some people may say, well, that's not enough; it's a small amount of money.

But, in relative terms, maybe for some. But this is the amount of money that was determined, as far as the grant process, that would help them really manage this particular year. And so we were pleased to do it, and I know many of the municipalities are very happy that the department, my staff, have worked with them to get to this point. Thank you.

Mr. Briese: Yes, thank you for that. I know it's definitely caused some dramatic shifts in some of the municipalities on—and raised assessments on non-affected properties, and I guess that's something—the growing pain that these municipalities are going to have to go through. But it's certainly, once again, difficult for the ratepayers in those municipalities to see dramatic increases because so much of the assessment is lost in another area. And that's a normal process. It's not something that—it's just a difficult time for some of them.

The number of municipalities—and this kind of leads from what you just responded, but a number of municipalities with infrastructure, major infrastructure, costs—and I—we already went through the Building Manitoba and stuff, but are faced with—as you know, municipalities are required under the act to—on how much they can borrow in relationship to their total revenues or assessment. And some of them have reached that limit. Some municipalities, as you said, have reserves, but some of them have reached that limit and have some major undertakings as—such as water lines and new sewage lagoons. And they've reached their limit, and I would, arguably, say they've—some of them have reached their limit on the amount of taxation they can put on properties too.

And I wonder if the department has had any discussions about some of the specific situations where—and what a solution is for these municipalities. I know there's another Canada-Manitoba Infrastructure program in the works, but

it's probably two years away. I'm just wondering what might be available.

Mr. Lemieux: I thank my critic for the question. It's a very important question, because—well, for a number of reasons. I think more importantly than anything when the Premier (Mr. Selinger) was making a number of moves within Cabinet, just a short while ago, when he moved the Building Canada Fund to Local Government, or having the Local Government Minister be responsible for the current Building Canada Fund, as well as the next building 'cabina' fund coming into play in 2014-2015, certainly. This is one of the most—I think, probably, one of the key points is that this is exactly why it's moved to Local Government, because a lot of the action and a lot of the projects will take place in municipalities and in local governments—in towns and cities and villages—and projects with Local Government.

So what I'll try to do is try to be direct in the sense of saying that the concern that you raise is a concern that's equally shared by us. Even though people may be at the top of their borrowing, it is just a guideline first of all; it's not a hard—it's not chiselled in stone that, you know, if you're at the max, sorry, that's it, you're out of luck. My department advised me that the department has worked with municipalities in the past, and will continue to do so, and helped work with them to manage either projects—or if they have specific challenges in certain areas, they'll try to work with them to see how they can work with their borrowing. And if they're at max, and they can't—you know, they can't see any light at the end of the tunnel, our department will work with them.

But having said that—and I think you touched on it, more importantly, yesterday—you know, I think there was a very good point that you made is that the reason why—as you stated, amalgamations are going to happen in the future, and the reason for that is because, when you've got four and five municipalities getting together and working together, you're going to have more clout with the provincial government and with the federal government, but, also, you're going to be working on regional projects.

So let's say you've got two municipalities, you know, maybe having some challenges on the borrowing side, but you have three that are fine—and they're flush and they have plenty, you know, they've got a lot of room—there might be ways to be able to work this out between the five of them

* (10:30)

So, if there were an amalgamation and they were all joint, well, I mean, you can—you've been there. You can see the challenges there, that you may argue—or those may argue, why would we want to amalgamate with someone that has nothing to offer? As one councillor put it one time, saying, well, why would we want to jump on board with a municipality that has a lot of debt, or they don't have any—they don't have the financial wherewithal to join us? But there's other reasons why they would get together.

But I think your point is a good one in the sense that if projects are regional, it's very, very important that this is something that would be able to be addressed.

So, again, just to reiterate that it's not a hard and fast, chiselled-in-stone policy; it's flexible enough that the department can work with a lot of these municipalities that might be at the top end and have no room to borrow.

But I think that this is an issue that is going to be coming up, if it's not coming up now, may come up in a couple of years when the Building Canada Fund—the new Building Canada Fund comes around—because the current one is tapped out; all the door—money essentially is out the door, but the new—especially in Manitoba; other provinces are still working through it. But in Manitoba, when the new Building Canada Fund comes forward and whatever dollars are put on the table, the municipalities are going to be responsible for one-third. So, when that comes up, we may see some challenges there, but because we've got two or three years down the road, a number of these municipalities may be able to be okay by that particular time. Thank you.

Mr. Briese: Yes, and I guess it becomes—thanks, Mr. Minister—I guess it becomes a lobbying issue with—for the municipalities and not myself, but the—they've long—asked for long-term and predictable funding, and that includes the federal government and—but on the Building Canada Fund, certainly it's a—I think it's back where it belonged. It should have never been moved from there to start with, and it's where it should be.

Just in terms of the—just something that occurred to me, and I want to move on to some little faster questions here in a moment, but just something that occurred to me was the new legislation that is proposed here is talking about public input into a borrowing bylaw and debenturing by municipalities.

And it's some—and I probably will save most of this for when I speak to the bill, but it almost could turn into a Catch-22 situation in these municipalities that are fairly tapped out. The—nobody's going to support the debenture when they come to those public meetings, quite simply, so then you get a kind of a loggerhead.

And if you want to comment, go right ahead, but I'll move on to some others if it's all right with you.

Mr. Lemieux: Yes, as was pointed out to me, is that through the legislation, this is not putting into play another hearing or another special hearing. It's very much the norm that has taken place. I mean, your point—the point is well-taken that if a municipality is tapped out, you know, you may have a lot of people showing up and quite angry at that point. But the legislation was really to make sure that, you know, that municipalities are being transparent and doing everything they can to notify the public or their ratepayers what they—what kind of a plan they have going forward so the people know that and have a right, quite frankly, because they're paying for it, have a right to say yea or nay or how they feel about it.

And I know we're limited in time, so I'll try to keep my answers short, and I apologize if I've been too long-winded on some of my answers, but thank you.

Mr. Briese: And I've probably been just as long-winded on some of my questions, so.

Move through some other things that I wanted to touch on. And the sump pump backwater installations, I believe there was another announcement here recently on that. I'm not sure of the amount that was announced because I know it's a finite number, like when the fund is gone it's gone and there was an extension made on the old one to accept some more in to it.

Can you indicate the amount of money that was provided to those programs and the amount that is going to be—end of the new announcement? And is it—I guess the third question would be: Is it community by community or is it—the community, I believe, has to come on side with this because they're paying part of the cost?

Mr. Lemieux: And it's an important program, we know that because of the high water table and some of the challenges municipalities have had. This was a program that was really accepted well by the public and the program. It was—it's a \$2 million with

\$1.5 million to the City of Winnipeg. About two-thirds of the population of the province live here in Winnipeg and 500,000 outside of Winnipeg. And this is something that the municipalities actually are the ones who make a determination on whether or not they want to get into the program or not, and they also make a determination on risk.

I'll give you an example from my own municipality. I don't know if they've passed it or agreed to it, but what they decided in my municipality—in a municipality within my constituency of Taché there are two larger communities, two large LUDs within. Lorette and Landmark are the two largest communities in the RM. Well, they're making that program applicable to Lorette and Landmark.

I don't—I live outside of the—even though I have a backup water valve and I also have a sump pit in my home, many, before a certain date you weren't required to have it. So there are a lot of my neighbours who may not have a sump pit or a backup water valve. But the RM made the determination that it was just going to be urban. It's just going to be—Lorette and Landmark are the only two communities because that's the greatest risk for them as a municipality in the two large centres.

So people who live outside of town, as I do, are not able to tap into the program, but that's the determination that's made by the municipality. Even though I have many of the neighbours—my neighbours who built before we did in 1990 that never put—and didn't have to by law—put a sump pit into their home. They are unable to tap into this program. Well, that's something that the local municipality made the determination based on risk, and they make a decision whether to get into the program and where it's going to—where that money should go. Thank you.

Mr. Briese: Just a quick one, are there—is there a waiting list of municipalities? *[interjection]* A waiting list for this program?

Mr. Lemieux: There really is no waiting list, as such, because it—all have been able to be accommodated thus far that want to be into the program.

Mr. Briese: Livestock operation policies, and I asked these questions last year and I will ask them again for comparison purposes.

How many municipal governments have actually filed their livestock operation policies now?

And, if I've still got the mike, and I know there was a process of giving some municipalities extensions. How many extensions are being issued?

* (10:40)

Mr. Lemieux: Well, thank you very much for the question. I don't have those numbers at my fingertips. I'm endeavouring them to get them right now for you so I don't have to put that off to another time. The one staff person, my ADM, that has that in her book, had another meeting today. So, regrettably, we're endeavouring to get that number for you so we don't have to put it off to another day. Thank you.

Mr. Briese: Thank you, Mr. Minister. On the Capital Region—the whole Capital Region issue—and I attended a meeting out at West St. Paul that the minister actually spoke at, and we go back a long time on that one. The—there was the—there's been several Capital Region reviews done and the—it appears to me that they are making some progress on moving forward with capital regions. But the Province, I understand, funds that organization somewhat, and I'm just wondering if there's still a provincial planner that is, basically, dedicated to the Capital Region and if we are actually getting to the point where we're starting to get some agreements between these municipalities that will help the whole region work a little more closely.

Mr. Lemieux: There is a planner that is dedicated to the Capital Region, which is a good thing, in my mind. It's quite unique, and my critic has far more experience than I with regard to the issues related to the Capital Region, because he's been there and he was in the hot seat when the urbans and rural got together. And the Capital Region association, in my estimation anyway—and I know he feels the same way—it's very, very important. You've got the municipalities now—St. François Xavier just got together and joined, and so now you've got, really, all the municipalities that surround the city of Winnipeg in the association, and, before, there was a lot of us-and-them back and forth all the time with regard to a lot of issues in the Capital Region.

But now you're seeing a lot of co-operation, whether it's West St. Paul working with the City of Winnipeg on a lot of the issues related to infrastructure—and you have municipalities really coming together. I'll give you a quick example: In my own constituency, when the Delorme Bridge was washed—well, I wouldn't say it was washed out, but it was damaged by the—a lot of flooding and ice, and it had to be replaced. You had the City of Winnipeg

actually stepping up, to their credit, to help them with fire and ambulance because the fire and ambulance from the RM of Ritchot—they're on the east side of the river—they couldn't get across, maybe quickly enough to the west side of the river, and so the City of Winnipeg, they entered into an agreement where the fire, for example, and ambulance would take care of the west side.

So there's a lot of agreements. That may be a very simple one, but a very important one. So there's a lot of people working together these days in the Capital Region to make it work. I'll give you an example: As a province, we do fund the organization, and the monies have been increased just this past year. But also, we've entered into an agreement with minister from Thompson, the Minister responsible for MIT, and working with his department and local government; we're working with the Capital Region to develop a transportation network plan.

The growth is going to be unbelievable in the next 10 to 15 years in the Capital Region and Winnipeg, and we have to address the issues of how people are going to move in and out of the city, how people are going to move in and around the city, whether we're talking about ring roads or we're talking about new cloverleaves and overpasses. We're talking about possibly bypasses around Headingley; we're talking about maybe bypasses someday around St. Norbert.

So all of these are very important to make sure that the Capital Region is talking with the City of Winnipeg and vice versa, and so we've put a large sum of money forward to a Capital Region plan. You need a plan moving forward, and try to stick to that plan as much as you can in the future and be able to develop your transportation network around the Capital Region.

So that's just one concrete, specific example of how the Capital Region is working with the City of Winnipeg and vice versa on a very important item.

Mr. Briese: Thank you for that, Mr. Minister, and just kind of bouncing around here on some of these, but rapid transit is another one that I have a couple of questions on.

Can you provide an updated cost on phase 1 of the southwest transit way and indicate the Province's total share of the funding on that?

Mr. Lemieux: Well, just a quick answer while we're looking for the specific numbers, if we can. If we

can't find them, we will make sure we supply them, but—or certainly try to.

This is a truly—an important—an area for this—you know, rapid transit has been a real concern, I believe, in Winnipeg for a number of years, and the Province has always made a—we've always been there. We made a commitment with the previous premier. The current Premier (Mr. Selinger) is very supportive of rapid transit, the first phase, and as a Province, we've said we are there for the second phase, and we've told the City repeatedly that we need to determine what that number will be. There has to be a—I guess, a proper process in place to make sure that we find out what that number will be. There is a committee between the City and the Province that are working together to take a look at not only route selection, but also pursue funding, how the funding will be addressed, and how we're going to address the cost of that investment, and—but we've made a commitment publicly and as well as in the Legislature that we are there. We're there for our one-third. We always have been, and we were for the first phase and we're going to be there for the next phase as well. Thank you.

Mr. Briese: Thank you, Mr. Minister.

Mr. Lemieux: Sorry, I just received what the cost would be. The cost of the first stage hasn't changed. It was at \$138 million and it hasn't changed. That was the projected cost, and that number has not changed at all. Thank you.

Mr. Briese: Is that \$138 million the provincial share, or is that all the partners?

Mr. Lemieux: Yes. That's for the partners. Thank you.

Mr. Briese: Has there been a price put on phase 2 of the transit way?

Mr. Lemieux: No—well, the quick answer is no, but the committee that we are on with the City of Winnipeg—it's the City of Winnipeg's committee, but part of it is route selection, trying to determine the cost, and also trying to take a look at a funding mechanism that will work primarily for the City.

The Province is in. We've said we're in for our one-third and we made that quite clear. And our money's on the table, and the City is trying to determine how they're going to—how they're going to fund their portion.

A number of years ago they had money set aside for rapid transit, and I just read in the media the other

day a story that was done that they used the money for recreation or recreation centres instead. They removed the money from the rapid transit to recreation. I mean, the City of Winnipeg can do what they wish, quite frankly. They can—they're responsible for the monies that they have.

* (10:50)

But I just wanted to put on the record that the Province of Manitoba is in for rapid transit. We are working diligently not only on rapid transit, quite frankly, but also cycle ways and cycle lanes and biking paths around the floodway and to Birds Hill Park. So we're doing a lot on the transit side, as well as trying to address the issues around cycling and the many, many, many, many cyclists now that are determining that that's going to be their mode of transportation—thankfully so for health reasons, for the environment, a lot of good things. So that's a commitment that we've made as a Province to address a lot of these issues related to transit and transportation in the city of Winnipeg.

Mr. Briese: Last year you talked about \$3.5 million in the budget going toward Winnipeg Regeneration Strategy, and it was in response to some questions I had about tax incremental financing. Is—how much has the tax incremental financing expanded in this past year again? How many more projects are possibly under tax incremental financing?

Mr. Lemieux: We're just looking to get that information to try to be accurate. But I do have some—the numbers from a previous question that we were able to receive from my assistant deputy minister that's not here. So if I could just add that—add those to the record.

The Capital Region: the numbers we have with regard to funding the organization, 65,000 and a total of—*[interjection]*—pardon me, yes—oh, an increase, sorry, of 65,000 to a total of 100,000 for funding the Capital Region organization, and the transportation plan was 250,000 that the Province is investing in the transportation plan for the Capital Region.

The livestock operation question that was raised: there are 68 done, six extensions, and there're 14 under review. My critic asked how many have been submitted and so 68 done, six extensions, and there're 14 under review. Thank you.

Mr. Briese: I guess I would probably be remiss if I didn't talk briefly about the various municipal reviews by the Auditor General. I know we have another one ongoing right at the moment. I don't

think it's been submitted yet. At least I've never seen hide nor hair of it and that's Lac du Bonnet. I think there's some things in the newly proposed legislation that will somewhat help these situations. But I know we—I guess my frame of mind on this is that if we can intercept these and not have them going to the Auditor General, that's better for all of us because every time there's an Auditor General's review on a municipality, it reflects not only on all the municipalities in the province, it reflects on the department; it reflects on everyone; and the less we have, the better off we are.

So I guess, simply, I would certainly encourage them—and I think you're making some moves in the new legislation that will address some of it. But whenever these situations can be intercepted or intervened in some way prior to it getting to an Auditor General's full review, the better off we are.

Mr. Lemieux: I appreciate the question, and I know that the member opposite, being a former leader within the municipal government structure, will know this. And I'm sure he feels the same way. I would be surprised if he didn't.

He does not want and nor do I and our government, we do not want to be babysitting municipalities. We don't want to be—they are a legitimate government. They are duly elected. They have responsibilities that they are—that they have to take serious and the vast majority have for decades and decades.

Regrettably, once in a while, that there are mistakes made, and the proposed legislation we're talking about, the bill that we brought forward, Bill 23, it's really requiring all municipalities outside of Winnipeg to put in place policies and practices aimed at strengthening the accountability of municipal councils and supporting transparent decision making, including, if I could list them:

Just talking about following a code of conduct and also providing notice of information to the public about the capital projects prior to borrowing; and following a tendering procurement policy to ensure spending decisions are objective and fair and municipal resources are used most efficiently and effectively; and, also, following a policy to ensure practices for the private use of municipal equipment are clear; and also reporting on a council's response to any recommendations made in a report by the office of the Auditor General, so that the citizens are aware of the recommendations and be able to hold their councils accountable for responding to them.

The Auditor General, in some cases, have given a report, provide it to the municipalities, but there was nothing in place that said the municipality had to tell anybody. They—I mean, that could've just been on a shelf, buried with all kinds of dust and spiderwebs all over it and the public would not have access to it.

So what we're trying to say is that if you're going to be transparent and open, it doesn't mean you have to take it. These are recommendations made by the Auditor. These are suggestions made by the Auditor, but it doesn't mean the municipality has to accept it. But, when the public asks, why are you not accepting the Auditor's recommendation, then this legislation is put in place to say you have to explain to your public and to be accountable to say why you are not or why you are.

So, really, what this Bill 23 is, would also expand existing legislation to reduce the potential for conflict-of-interest situations when municipalities work regionally. In other words, if somebody's an employee, you have to make a decision. If you want to be reeve or mayor, you have to make the decision, do you want to work for the municipality or one of its agencies or a conservation district or do you want to be mayor?

So you have to make a decision, just like we all have to here. You know, if you're a current teacher, you have to take a leave of absence; if you're a professor at a university, you have to take a leave of absence if you want to be an MLA, and many other different positions.

So I appreciate the question very much, but the important point that the member opposite, my critic, is making is that if proactive action can be taken, I think that's where he's going with his question, is that it helps everyone. And I have to tell you on that front, my department, even though we have a small staff, work closely with municipalities, not necessarily as a mediator or intervener, but they're asked to help people work through some problems that they have and that already happens now, prior to the getting to the auditor in most cases. Many municipalities will ask staff, you know, to help them out, and so I just want to make sure that's on the record as well. Thank you.

Mr. Briese: Thank you, Mr. Minister, and I have one more here that I want to just touch on. We're being told that the—for 2012, the support for the main market roads and the 50-50 roads in the local—former local government districts, LGDs, has being changed

and will be now delivered through Local Government, through a grant basis, instead of through MIT. And the Local Government is saying that they will be establishing a working group which will look at the funding arrangements for those main market roads or 50-50 roads forward into future years.

I'm very well aware of the market roads and the 50-50 roads and there was a very legitimate reason when those—it was a trading block almost when those LGDs agreed to become municipalities. They have very low assessments, most of those former LGDs, and so that was part of the deal. And I think—I don't think anything's changed. The assessments have went up somewhat, but so have all the other costs along with them.

* (11:00)

And I would just look for a comment, but suggest that we need to be fairly cautious on what changes we make there. I travel those. I have a—one large one on my side of the lake, and that's Alonsa, and I travel those roads and they're not that great right now and I could see them getting worse, and so—

The Acting Chairperson (James Allum): Honourable Minister.

Mr. Lemieux: Main market roads and 50-50 roads are—have been important. And the member opposite is correct; he was there and he knows that when the issue came up in the '90s and LGDs changed and—I wouldn't say it was necessarily a negotiation tool, but—on the negotiation block—but there was an agreement at the time. I can't remember who. I think maybe—Albert Driedger was the minister at the time, of Highways. I can't remember the exact minister in the Conservative government of the day.

But this is something that we, you know—we sent out a letter out, and essentially the letter is saying that the Province is examining how it delivers its infrastructure funding programs in order to direct sufficient resources to address the infrastructure priorities. This includes examining the supports provided for municipalities, roads under main market and 50-50.

The bottom line, though, is when Jean Friesen was the minister of the day, when we first became minister of Intergovernmental Affairs—I believe the department was called then—the, you know, when the following conversions of LGDs to municipalities in 1997, the government committed to consult with the former LGDs prior to changing funding

arrangements for main market roads and 50-50 roads. Jean Friesen, immediately—was one of the first issues that ended up on her desk, maybe even brought forward by the member opposite, my critic at the time. He would have been the president of AMM. And Minister Friesen agreed. There will not be any changes made until consultation took place. Because the argument coming from the municipalities has always been, look, some of these roads are so busy, they—maybe they should be provincial roads, and maybe there is a case for that. So, if that's the case, then, okay, Province you take them over permanently. They'll be provincial roads.

And the other roads, which—all these roads, by the way, I just want to make sure it's clear to everyone that may be listening or will read *Hansard*, these are municipal roads. I mean, the roads are municipalities' roads. They are municipal roads even though the Province provides funding to assist in the maintenance of them and so on.

But we did make a commitment that there wouldn't be any changes without consultation taking place with those directly affected. And that's important, because through what I understand and, regrettably, bless his soul, he's now departed so we can't ask him directly, Minister Driedger, formerly Minister Driedger, what took place in conversations between him and AMM at the time, or at least the version of AMM at the time, the municipalities and the former LGDs when they were deciding this. He's not here to answer that, but my understanding, it was never meant to be forever and a day that the Province would be responsible for all these roads.

But there will not be any changes made and that's the reason why we are working with AMM, and we've made a commitment that we will consult and work with those affected by the former agreement on LGDs and—or, sorry, the main market roads and 50-50 roads.

So that's the reason why the letter went out in May, really, informing these municipalities that were examining how we deliver infrastructure now, but no changes will be made until we consult with the parties.

Mr. Briese: That's always looks—when some of these reviews get started that it looks like a cut in funding coming, to me.

So I'll conclude my questioning for this department now.

The Acting Chairperson (James Allum): Are there any further questions from members?

Mr. Lemieux: Not to be too cheeky, but that's why we opposed the Finance critic's proposal—or her motion—the other day with regard to a review, she called it. About spending review, exactly what the member opposite is saying about cutting and hacking and slashing; there's always that nervousness when people do reviews. Just to second what he's saying, but I understand where he's coming from. *[interjection]* Yes. Thank you.

The Acting Chairperson (James Allum): Move on to resolutions.

Resolution 13.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$31,590,000 for Local Government, Community Planning and Development, for the fiscal year ending March 31st, 2013.

Resolution agreed to.

Resolution 13.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$11,689,000 for Local Government, Provincial-Municipal Support Services, for the fiscal year ending March 31st, 2013.

Resolution agreed to.

Resolution 13.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$313,425,000 for Local Government, Financial Assistance to Municipalities, for the fiscal year ending March 31st, 2013.

Resolution agreed to.

Resolution 13.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,422,000 for Local Government, Infrastructure Programs, for the fiscal year ending March 31st, 2013.

Resolution agreed to.

Resolution 13.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$53,000 for Local Government, Costs Related to Capital Assets, for the fiscal year ending March 31st, 2013.

Resolution agreed to.

The last item to be considered for the Estimates of the department is item 1.(a) the minister's salary, contained in resolution 13.1.

At this point, we request that the minister's staff and the staff from the official opposition leave the Chamber for the consideration of this last item.

The floor is open for questions. Seeing none.

Resolution 13.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,744,000 for Local Government, Administration and Finance, for the fiscal year ending March 31st, 2013.

Resolution agreed to.

This concludes the Estimates for this department. The next set of Estimates that will be considered by this section of the committee are the Estimates of Aboriginal and Northern Affairs.

Shall we recess briefly to allow the minister and the critic the opportunity to prepare for the commencement of the next set of Estimates? *[Agreed]*

The committee recessed at 11:10 a.m.

The committee resumed at 11:12 a.m.

ABORIGINAL AND NORTHERN AFFAIRS

The Acting Chairperson (James Allum): Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Aboriginal and Northern Affairs.

Does the honourable minister have an opening statement?

Hon. Eric Robinson (Minister of Aboriginal and Northern Affairs): Yes, thank you, Mr. Acting Chair, and I just have a few comments briefly.

The department that I have responsibility over has been working on a number of issues in the last while. And, first of all, let me—I haven't—not had the opportunity of congratulating the re-election of the critic, the MLA for Agassiz. I know that he's represented his constituency very well in the last number of years, and it's always a pleasure to work with him.

In the area of treaty land entitlement, the department continues to focus on the implementation of treaty land entitlement agreements in the province of Manitoba. And at present, there are nine agreements covering 29 entitlement First Nations in the province of Manitoba.

There are two TLE land amounts owed to First Nations, totalling over one million acres; Crown

lands, about 1.1 million acres; and acquisition lands of 282,000 acres. Today, the total of approximately 588,000 acres, under all TLE agreements, have been transferred by Manitoba to Canada, and 574,000 of these acres have been set apart as reserve.

The Aboriginal consultation unit: we've discussed this in the House, in the Chamber, to some degree. One of the new realities that we're having to deal with before we can facilitate any development in many of our communities is the requirement as called for by various Supreme Court rulings, and that is the duty to consult on behalf—by the Crown, and that is something that is necessary.

As a result, the Province of Manitoba, through the department that I have responsibility over, created the Aboriginal consultation unit. And it continues to facilitate Crown-Aboriginal consultations with First Nations and Métis communities and other Aboriginal communities about government decisions that might adversely affect the exercise of Aboriginal treaty rights.

The current projects, the Aboriginal consultation into this facilitating on behalf of Manitoba, include: Lake Manitoba and Lake St. Martin flood relief emergency activities, including the channel project; the Interlake peat harvest licence appeal; the moose recovery strategy; Lalor project, the Keyask generating station project. As well, the communication on the Aboriginal consultation, in it remains available to the public, and is updated on a routine basis through the Web.

The Aboriginal Development Program is something else that we've been supporting for a number of years now. This includes funding to Aboriginal organizations like the Manitoba Keewatinook Ininew Okimowin, MKO, the Southern Chiefs' Organization, the Manitoba Association of Friendship Centres, including 11 friendship centres, AMC, MMF, ALM, which is the Aboriginal Languages of Manitoba organization, and MASRC, which is the Manitoba Aboriginal Sports and Recreational Council, tripartite costs for two Aboriginal organizations, the MMF and the Aboriginal Council of Winnipeg.

We also have the Aboriginal and economic resource development fund. This fund supports projects that have the potential to improve Aboriginal well-being by responding to community-identified projects. And, this is—this AERD fund, a-e-r-d—supported 47 projects with total grants of \$1.150,704 million. And this total budget value of

47 projects is \$8.337,387 million. The total revenue leverage, from other sources, from other than the provincial government for the projects, was in excess of \$4.7 million.

And, as well, we have the First Peoples Economic Growth Fund that we created. It's provided over \$19 million, and \$3 million will be provided in 2012-2013, for a total of \$22.9 million, roughly. It administers the resource and energy investment program, with contributions from Canada, which is roughly \$3 million, Manitoba Hydro's Affordable Energy Fund, which is \$750,000, and Manitoba, which is \$1.5 million, through the First Peoples Economic Development Growth Fund, for a total of \$5.25 million to support First Nations involvement in major energy and resource projects in the province of Manitoba. In February, the growth fund reported that 49 loans were approved to date for this year, for 2011-12, for over \$10 million.

We also had the Métis Economic Development Fund that the Premier (Mr. Selinger) announced, that that creation, to improve access to capital for Manitoba Métis entrepreneurs and businesses. And this is proving to be quite successful for the Métis people of our province.

And there's a number of other activities which is helping in some of the social issues in many of the communities. We have the Northern Youth Empowerment Initiative which is \$100,000. It's providing support for new and ongoing community-based youth focused initiatives. The activities include cadets, martial arts, outdoor education, cultural and recreation programs, northern water safety program, worth \$225,000.

And this program is delivered by lifesaving—the Lifesaving Society of Manitoba. It's entering its eighth year now. And last year, seven instructors travelled to over 40 communities and delivered the program—also on survival, boat and emergency first aid, CPR programs—to close to 1,700 participants.

So I don't want to get too detailed, Mr. Acting Chairperson, but that's just a brief overview of some of the activities that the department, that I have responsibility over, is currently doing.

The Acting Chairperson (James Allum): We thank the minister for those comments. Does the official opposition critic, the honourable member for Agassiz, have any opening remarks?

Mr. Stuart Briese (Agassiz): I thank the minister for his remarks. They were fairly good ones—what—

about four checkmarks on my lists to questions already. So we got off to a good start.

* (11:20)

I'm new to the critic's portfolio on this particular department. I haven't been at it very long. There are some fairly specific questions I want to ask, but I do want to commend the minister on—he's always been very willing to answer my questions in whatever way I present them. And the staff that is in his department, I know a lot of the times the bureaucratic staff doesn't get a lot of compliments. So it's—and I know a lot of the times they're understaffed and working very hard. So it's—I certainly compliment them on what they do.

I have a series of fairly, pretty much housekeeping questions and then I have some other things that I want to get into, but, once again, thank you.

The Acting Chairperson (James Allum): Under Manitoba practice, debate on the minister's salary is traditionally the last item considered for a department in the Committee of Supply. Accordingly, we should defer consideration of line item 1.(a) and proceed with the consideration of the remaining items referenced in resolution 19.1.

At this time, we invite the minister's staff and staff from the official opposition to join us in the Chamber, and once they are seated, we will ask that the staff in attendance be introduced.

Mr. Robinson: Mr. Acting Chair, the people that are in front of me include, to my left, Deputy Minister Harvey Bostrom, certainly no stranger to this place; Freda Albert, to my right, the executive director of Local Government; Mr. Robert Wavey, executive director of the Aboriginal Affairs Secretariat, just to my left; and also, to my far right, is Justin Nedd, director of finance and administrative services.

The Acting Chairperson (James Allum): Thank you.

Mr. Briese: I have Maureen Cousins here; she's the senior researcher for our caucus and—for the PC caucus. Thank you.

The Acting Chairperson (James Allum): Thank you. Does the committee wish to proceed through these Estimates in a chronological manner or have a global discussion?

Mr. Briese: Global, please.

The Acting Chairperson (James Allum): The floor is now open for questions.

Mr. Briese: As I said, I had a number of fairly routine questions that we ask pretty well every year. I'd like a list of any Cabinet committees that the minister serves on.

Mr. Robinson: Yes, I have responsibility for Aboriginal and Northern Affairs, the East Side Road Authority, the community economic development fund act, the Aboriginal education. The primary responsibility of that rests with the Minister of Education (Ms. Allan), obviously. But I do have a responsibility for that, given that the fact—the issue is that many—what many Aboriginal people face in Canada, and that is low graduation rates. And our government is determined to try and change that trend and, hopefully, in the time to come, increase the graduation rates of Aboriginal children in elementary and also post-secondary institutions.

Mr. Briese: Could I have a list, also, of all the political staff in the minister's office including name, position, and whether they're full time.

Mr. Robinson: Yes, Mr. Acting Chair, the special assistant is Jackie Joss. The executive assistant is Chad Anderson. And I will also give to the member from Agassiz the other staff members in our office. The appointment secretary is Barb Robson and the administrative secretary is Pat Chapko, and Marilyn Ringland also occupies a position of that same title.

Mr. Briese: You just chewed off another question that—before I got to it, so you're doing very well.

Have any of the positions been reclassified in the last year?

Mr. Robinson: No. No, Mr. Acting Chair.

Mr. Briese: How many of the positions in the minister's office, or the deputy minister's office, are vacant at the present time?

Mr. Robinson: Yes, I'm advised that there is one position vacant currently within the Department of Aboriginal and Northern Affairs and that would be in the EX category.

Mr. Briese: Is that in the whole department? Moving out through the whole department, you only have one vacancy throughout the whole department, or what's the vacancy rate through the whole department?

Mr. Robinson: Yes, that vacancy exists, Mr. Acting Chair, in the minister and deputy minister's area, not within the department.

Mr. Briese: Could you give me the vacancy rate in the department?

Mr. Robinson: The vacancy rate as of August—pardon me, March 31, 2012, is 3.41 per cent.

Mr. Briese: As—and I presume you're actively trying to fill those positions, or are they temporary leaves or something that are causing the vacancies?

Mr. Robinson: Yes, being a relatively small department within government, with a large amount of responsibility, we do have responsibility of 82 per cent of the province's land mass, after all. We are very active, currently, to try and ensure that two positions are currently under process and trying to fill them, and the remainder will be filled in due course.

Mr. Briese: Do you—has the department awarded any contracts in the last year, and I don't want the very small ones, but anything over, say, \$25,000—outside contracts from the department?

Mr. Robinson: To be completely accurate, I'll take that question under notice so I can be precise with my response to the member.

Mr. Briese: Have any positions in the department been relocated, for instance, from rural or northern or from rural to Winnipeg, or any movement that way in the department?

Mr. Robinson: No.

* (11:30)

Mr. Briese: One other that's fairly standard is—could the minister give me a breakdown on outside ministerial travel in the past year and the purpose of those trips?

Mr. Robinson: Yes, the information is pretty much posted online. I do recall going to Goose Bay, Labrador, in the past few months; as well, to Toronto for the Aboriginal Affairs working group, which is the Aboriginal Affairs ministers. And the remainder of it is online. And accompanying me there were the appropriate staff who are responsible for those areas and—including the deputy minister, and we are going to just direct the member to the website, I suppose, and if there's additional details I can provide I'd certainly be happy to do that.

Mr. Briese: Thank you, Mr. Minister. One other question I would ask is that are there any specific fees charged on any services out of your department? Like, for instance, for permits or licences of some sort or any specific fees that are—I just did Local

Government and one the fees they charge municipalities is for their assessment services, and I'm just wondering if there's any out of your department.

Mr. Robinson: Yes, I'll also take that question under notice. I want to be precise in my response here. I don't want this to come back at me at a later time. So I'll respond to the member by letter.

Mr. Briese: Thank you, Mr. Minister, and I'm going to turn it over now to my colleague from Portage la Prairie—I just had to glance over and make sure he was still there. He has some questions that he wants to ask right now.

Mr. Ian Wishart (Portage la Prairie): Thank you, Mr. Minister. Most of my questions actually relate to the East Side Transportation Initiative, the so-called East Side Road Authority. We did attempt to ask some of these questions in Conservation and Water Stewardship and were referred to your department for greater detail.

Could you provide us with information on the current staffing level of this particular project?

Government staff, not contractors.

Mr. Robinson: Well, as the member knows—and let me congratulate the member for Portage la Prairie in his election. I've not had the opportunity of saying too many words in this Chamber since the House came to be, but I know that, like the member from Agassiz, the member for Portage la Prairie has a strong history and a strong commitment to our province, as well, so I do commend him.

The staffing is done by a special operating agency of government and that being the East Side Road Authority and the CEO of that special operating agency is Mr. Ernie Gilroy, and he's got the responsibility of ensuring that the staffing levels are maintained at a reasonable level, and they've been doing a tremendous job in ensuring that the work as required is carried out. I can get the accurate numbers by providing the member with additional details on the East Side Road Authority, and this was really a carry-over from the floodway work that was done previously. And this is an agency we thought would do a good job in maintaining the work that is necessary on the East Side Road Authority.

And I know that the member will have additional details, but on this particular question, we are—we're reliant on the operating agency, the East

Side Road Authority, to carry on the work and the expectations of this government.

Mr. Wishart: Thank you, Mr. Minister, for your kind comments.

So anything related to detailing and staffing—and one of my follow-up questions will—you'll be able to provide additional detail on the staffing as to its current status and its long-term intentions, but we're also interested in the licensing process. A number of portions of this project require construction licences and a number of water licences are also required in the process because of the number of the bridges and the rivers and the various projects. Is that also something that he was holding the responsibility for and, if so, can that be provided to us as well?

Mr. Robinson: Yes, I'll avail myself to providing that information to the member. I—he is absolutely correct. There's a number of issues that require not only this government's permission, if you will, but also requires, when you're dealing with the issue of water, as an example, the consent of the Department of Fisheries and Oceans on the federal level. And, in some cases, we have to deal with the issue of First Nations requirements and the duty to consult, I spoke about in my opening remarks, and those are some of the thing.

And the member is absolutely correct. There's licensing considerations that have to be considered at some—on some occasions. But the project itself is an ongoing initiative and we're very happy about the progress we have made to date.

Mr. Wishart: Thank you, Mr. Minister. I'll appreciate the updates on that. We were looking for a bit of an update on the—where the construction process was at in terms of dollars committed and total size and also an update as to what projects are at what stage of completion. We would take that in writing, as well, if necessary to get that accurate. Could you supply that?

Mr. Robinson: Yes, I will. They're in various stages. The community benefits agreements have been signed off on with the 13 communities that are directly affected and have been advancing the issue of the need for an east-side road for a long time. These community benefits agreements ensures that the community members, individual members, benefit from the preconstruction activity. They're trained in various aspects of road construction. And I can certainly ask the appropriate staff to prepare a more adequate response than what I'm providing to

the member for Portage la Prairie on some of the outstanding issues that I can respond to, certainly, in this process.

Mr. Wishart: Thank you, Mr. Minister.

And you have, again, anticipated one of my follow-up questions, which is the community benefits agreements, and we would certainly appreciate some documentation on that as well as to where—what—who has received how much and what the particular projects were related to.

Moving on from that, then, we're also curious about the tendering process. As you probably are aware, when the floodway authority was operating in—here around the city, finishing up the upgrades of the Winnipeg floodway, there were special terms and conditions in the tendering process, and I suspect that that's probably the case too. I know there's a minimum requirement for Aboriginal labour as part of the tendering process requirements.

We'd like an update on what was in the agreements that are being offered for tender, and also whether that's been kept up-to-date. Are they keeping up-to-date with the number of Aboriginal workers in particular?

Mr. Robinson: Yes, Mr. Acting Chair, the—this functions through the public tendering process as to the laws that require it that govern our province and it operates under standard government guidelines. And—but additional details are required, will certainly be provided to the member, and I will avail to provide a response in a more thorough fashion, including the previous questions that the member has put forth, in terms of the community benefits agreements that exist.

* (11:40)

They're—vary in range from \$2.5 million per community, to a larger amount than that. My memory doesn't go back that far enough to recall the high-end of the community benefits agreements that exist with the communities. And certainly the project itself is in various stages of development.

The member will know that this government's commitment was \$75 million a year for 15 years. That amounts to about \$1.2 billion, I think, over the life—the lifetime of it. But what we are looking at here, is that the work itself in building an east-side road would probably take roughly 30 years or more.

With the participation of the federal government—and it's no shocking news to members

in this Chamber that we have been doing everything in our power to engage the federal government on a partnership basis, that we could get the project done in half or less the time than what I said, if we had their participation on a cost-shared basis to build this road on a east side which is desperately needed given the high cost of freight, the high cost of living, the basic need of transportation that most Manitobans and most Canadians take for granted.

These are things that we're challenged with and I—and we have been dealing with a national government on this, and to date their only involvement has been to cost-share a connector road with Bloodvein. But certainly I'm hopeful that the federal government will come to the table in the near future and to extend their participation in this project because it's something that is desperately needed in that region of the province.

Mr. Wishart: And thank you, Mr. Minister. We certainly agree that there is a desperate need for this and, I guess, we'd like to see completion as soon as possible. So I do wish you well in terms of your discussions with the federal government, but not sure how much we'll be able to help in regards to that.

But we are particularly interested in being clear on the tendering process, because there was a special arrangement for tenders on the floodway. And I understand that's been extended to the east-side authority, so I would like to be really clear that we want to be updated on that. If the minister would be able to provide that, that would be very good.

I guess, moving on from there, one of the things that has been of interest—and there's the transport institute at University of Manitoba, has done a great deal of work on the issue of using airships to supply goods into northern community. We were wondering, had the department done any analysis as to whether that might be feasible, given the number of locations that are remote and are likely to remain remote for the foreseeable future.

Mr. Robinson: Yes, we—actually we were there when Dr. Barry Prentice and others at the University of Manitoba had the demonstration of the airship, and certainly we wish them well in their ongoing work, and this government is quite interested in what they're doing.

As far as making any fiscal commitments to the project would be premature on our part. Certainly what we want to see is further exploratory work done on the viability of such an initiative, which is

something that I think all of us look forward to. But, certainly, staff from our department has been engaged in trying to gauge its success and also to monitor its progress on what is occurring with the project that's run out of the University of Manitoba for the time being, as I understand it. And also taking an interest in this, of course, is my colleague, the Minister of Innovation, Energy and Mines (Mr. Chomiak), and we're quite interested and we're wanting to see the progress reports on what they are doing, and we certainly wish Dr. Prentice all the best in what he's doing.

But, certainly, that's one element to deal with the issue of bringing down the cost of living in northern communities. It's something that has to prove itself in time, and I'm quite confident that in the years ahead, that this initiative with the hot air balloons will probably be something that will be of the normal practice, if you will, in the time ahead. But, certainly, the exploratory work and the pre-work is necessary in order for us to see the final result.

Mr. Wishart: Thank you, Mr. Minister. I do encourage you to follow up on these lighter-than-air craft. They may provide us some opportunities in the future, but they are certainly at their early stages in terms of development.

One other issue I'd like you to clear up if you could: On the east-side authority, given the combination of ownership of the properties with Aboriginal issues and ownership, and of course federal government and provincial government having some interest in the properties as well, it's a little unclear to me as to once the roads are constructed, exactly who is the owner of these roads and bridges. Could you provide us a little information in that regard?

Mr. Robinson: To the best of my understanding, roads and highways are maintained by provincial governments, and that would apply here as well. Certainly the construction and the proposed construction of the east-side road follows along provincial Crown lands. However, it touches upon areas that may be viewed as being the traditional territories of certain First Nations communities, and that is why it's a touchy issue, and that is why we have to ensure that the appropriate consultation takes place with First Nations.

Certainly, the project is moving ahead with the consent and with the support of the First Nations communities on the east side because to do otherwise would be obviously violating the laws of this land

and the common decency of doing business because First Nations people have had projects done in their— to their lands and their communities in years gone by without their consent, and we've lived to pay the consequences years later, sir. We don't want to repeat history in that regard, and we're trying to get it right, right from the beginning so that we don't make these mistakes that were made in years gone by so.

But to answer the question, as the laws stand currently, the laws of the land, the laws of this province, ultimately the road will be the responsibility of the Province of Manitoba, and we would assure of its maintenance and upgrading requirements and so on, when and whenever it's completed.

I don't anticipate to be around when the road is completed. It seems to be some ways down into the future, but I'd certainly like to be. I may be a very old man by then, but I certainly want to ensure that these are available for the generations that are going to be here in the future.

Mr. Wishart: I'll just turn it back over to the critic.

* (11:50)

Mr. Briese: I'd just like to touch a little bit on the Northern Association of Community Councils and some of their issues briefly. I was on the committee of the Canada-Manitoba Infrastructure program the last—well, two rounds ago, I guess, and they—the Northern Association of Community Councils were part of that committee. And at that time, they had a capital budget from the department to them of, I think it was about \$2 million, but I'm not absolutely sure on that figure.

But I'm just wondering if that's increased at all since. I knew there was—at the time, there was an extra million dollars put in so that they could access more of the funding under the infrastructure program. But I'm just wondering if there's been any increase in the capital budgets to those communities.

Mr. Robinson: Yes, the Northern Association of Community Councils has been in existence for a number of years now, and, certainly, we commend Mr. Reg Meade, who's also the mayor of Wabowden, for the great work that they've been doing. The capital budget that the department operates under is—operates within the parameters of The Loan Act of the Province of Manitoba, obviously, and the capital budget is given consideration, obviously, by Treasury Board and the guidelines set out by the requirements of this government.

To give an example of some of the things that we have done is the water and sewer facilities that are under our jurisdiction in the province of Manitoba. We are trying to ensure that these water and sewer facilities are running well, as the other Manitobans would expect. And to date, the department has replaced or upgraded 17 of 27 waste-water treatment facilities and two of them are currently in progress.

As well, the department is working in exploring innovative training opportunities in partnership with Workplace Education Manitoba to develop operators who have not yet received certification in such areas as operators of waste-water facilities. And those are among the areas that we have been dealing with.

We've replaced 16 of 35 water treatment plants and eight are currently in progress in the province of Manitoba in the Northern Affairs communities and under the jurisdiction of the department that I have responsibility over at the current time. The needs are tremendous as the member knows.

Representing some of the communities that are part of our jurisdiction, including Bacon Ridge, we have responsibility for that community, and the member knows the community of Bacon Ridge quite well. So we have that responsibility to ensure that these communities are taken care of, and I want to commend the staff of Aboriginal and Northern Affairs for the tremendous job that they have done in ensuring that these communities are accommodated in their requirements.

Mr. Briese: Thank you, Mr. Minister.

I know, when I was involved and I was there on behalf of the incorporated municipalities, and I was there working on their best interests. And Reg Meade and I knocked heads a few times in discussions, but at the end of the day, we worked very well together in those programs.

But the capital budget for the Northern Association of Community Councils was—somewhat tied their hands when you're looking for funding for—through the Canada-Manitoba Infrastructure program because they actually only had so much capital program and it was a matching program.

So it's just something that I'm sure Reg has brought to your attention many times over, but it—I'm very impressed with the amount of infrastructure you've been able to provide over the last few years. It's—I know what that budget is, and it's fairly impressive.

And you touched on something else there, and that was the training and certification of water–water and waste-water treatment plant operators. And I—you may have covered it, but I'm just wondering what the current standard is on the treatment plants' operators, how many of them are certified, and how you're going about getting to the point where they're all certified.

Mr. Robinson: Yes. There are currently 35 primary operators, of which eight are certified. They have roughly 25 backup operators, of which three are certified as per Manitoba Conservation requirements.

And as I said in my earlier remarks, the department works with these communities by providing certification course schedules as well as assisting with operator recruitment and operator training plans. And we're exploring with other departments, as I said, further opportunities to ensure that the certification occurs.

Mr. Briese: Thank you, Mr. Minister. And earlier, somewhat along the same theme, but earlier you did mention them in your opening remarks, the Métis Economic Development Fund. And I'm not absolutely clear on that, whether that—I know there was an announcement made two or three years ago about the—setting up the fund. And how was it—is there more money goes into it each year from the government, or is it a loan program? How exactly does it work?

Mr. Robinson: Yes. The Métis economic development initiative and the fund that we created is—was a \$10-million investment to run over a five-year period. Similarly, the First Peoples Economic Growth Fund is \$20 million over five years. And the reason why the difference in amounts is simply because of population numbers of First Nations and the requirements required by First Nations, obviously.

The Métis Economic Development Fund is proving to be very worthy, and I commend the leadership of the Manitoba Métis Federation, who have a large part in ensuring the Métis Economic Development Fund is administered properly. And certainly MMF President David Chartrand has been very instrumental in ensuring that the economic aspirations—economic development aspirations of the Métis people he represents are accommodated. And it's been a—it's always a pleasure working with President Chartrand and the great leadership that he has exhibited over the years, and he should be

commended for the work and his dealings with governments over the years. And I think that he's only got one thing in mind, and that is to ensure that the people that he represents are adequately represented.

* (12:00)

So to answer the member, it's \$10 million over five years. I believe that the initial investment was in 2010-2011, so we're currently in mid-cycle of that five-year period.

Mr. Briese: And so, yes, were both that then and the First Peoples Economic Growth Fund would be five-year terms, I presume. And they—their—I take it, probably, and I'm not absolutely clear on this, that their loan funds, their funds that if I'm starting a business of some sort or economic development of some sort, I can go in and take a loan out of, or are they straight grant process?

Mr. Robinson: Yes, the premise of the Métis economic development initiative, as an example, is a loan fund. And if there is a Métis start a business, for example, somewhere in the province of Manitoba, most times what these business operators do is leverage whatever amount of money they can borrow from the Métis economic development corporation, and with that leveraging ability, then they're able to make financial arrangements with—whether it be banks or other businesses or investments from elsewhere, and this the premise.

And I wish I could give an example as to some of the initiatives that the Métis economic development corporation has funded for Métis business entrepreneurs, as an example, but I don't have one off the top of my head that I could point to. But, certainly, a Métis business directory has been completed; it continues to be updated. An annual Métis procurement conference takes place and it was held on the 21st and 22nd of March of this past year. Last year, the—in 2010, rather, the Premier (Mr. Selinger) announced that—the creation of this economic development fund, and it has been incorporated since that time, that the member pointed out.

And we do have many positive responses so far on the operation of the economic development fund, and certainly the Métis people and the leadership of the Métis people has been something that's to be commended in the province of Manitoba.

Mr. Briese: So I take it at the present time, you're probably following and assessing these programs,

and one of the questions I had here, was will these programs continue? And I expect at the end of five years, you'll have an idea where you're going to go with that, but I expect you're assessing them and I guess I could ask that question.

Do you expect them to continue after the five years is up?

Mr. Robinson: It's dependent on the progress that the made—that is made. Obviously, if they're successful, we will consider an additional resource support for such things, but, like everything else, we have to measure the success and we have to determine whether or not they're worthy of support and—but I'm confident that things like the Métis economic development growth fund and the First Peoples economic development growth fund are going to be successes. And I have every confidence that in the days and years ahead, that these corporations that are being created at the current time, will be less reliant on government, and I'm quite confident that they'll succeed. And, certainly, what we're developing are First Nations and Métis entrepreneurs who did not ordinarily have that opportunity previously to engage in business activities, and the creation of businesses in the province of Manitoba.

Mr. Briese: Thank you, Mr. Minister. Some years ago, I think it was in 2007 in the Throne Speech, there was an announcement on the Northern Healthy Foods Initiative, and one of the promises at that time was a commercial greenhouse at Grand Rapids. And I know there's been some setbacks to that process. I—just wondering if you could give us an update on that initiative, and what some of the barriers have been to getting the project off the ground.

Mr. Robinson: Well, this is one of the successful, but not expensive, projects that this government has embarked upon. And the member will recall, that about a week ago, that I tabled the Northern Healthy Foods Initiative information guide that I have before me here, and, certainly, I'll make sure that there are copies provided to him. I'm not familiar with the specific project that he refers to in Grand Rapids, but, certainly, some of the projects that are currently under way are in remote communities that have not had gardening activities, as an example, for generations—slowly being reintroduced into their community. They have a greenhouse initiative in Wabowden, as another example.

And we have the engagement of the communities in northern Manitoba that support this;

groups like the Northern Association of Community Councils, the Four Arrows Regional Health Authority, which is primarily in the Island Lake region, Food Matters Manitoba. And this is something that's not expensive, but it has proven to be very worthy of support. And I think that other jurisdictions, as an example, are looking to our lead here in the province of Manitoba because of the success that we've had with the Northern Healthy Foods Initiative.

On a broader level, we, obviously, have tried to engage the national government to reintroduce what used to be the Nutrition North program, and previously known as the food meal program. That was scrapped by the federal government in 2010 and replaced by Nutrition North Canada. And the identification that they gave us were four major ones. Instead of freight subsidies for individuals, it was changed to freight subsidies for shippers. Secondly, the eligible list of food items was changed to, basically, only include foods recommended by the Canada food guide. And the funding was capped. And also, eligible communities was set by contradictions. For example, lac Brochet was not eligible, but Tadoule Lake and Brochet, who are just as isolated, with the same freight costs—did not qualify. So those are some of the challenges that we've had with respect to Northern Healthy Foods.

* (12:10)

You know, what I'll do, Mr. Acting Chair, is table, for the consideration and for the information of my colleague from Agassiz, some information that will give him more details on some of the challenges that we've had, and I will provide the required three copies for his review on some of things that we're dealing with. And also, that information that I've tabled outlines the—a table of what certain foods and what communities are classified as, as being level whatever, and it also gives a breakdown of the cost of certain food items in some of these communities. And I know this will be—this was very educational for me.

We have written to two successive federal ministers responsible for nutrition in the north, asking that they review their criteria to include the remote communities that we have here in Manitoba: Tadoule Lake, Brochet, Shamattawa. And we met last December with the federal minister, and our staff made it clear to their staff that we need a—we need to have this project looked at and to include these communities in Manitoba in the northern reaches of

our province. And to this point, this has not occurred yet.

Yet, but certainly, what is often cited as an example is that of four litres of milk. It has dropped in price by \$6 from \$13 to 49—from \$13.49 to \$6.79 in St. Theresa Point and other Island Lake communities. While this is positive, it needs to be remembered that high food costs are only one of the challenges of our remote communities.

So this is one example that I could—and I could talk about this particular initiatives, because one—this initiative, rather—because this is an issue that's quite fresh and we've been dealing with the federal government on this.

But, on our own, we've created the Northern Healthy Foods Initiative, and I know that the member would have received a copy of what we're doing in some northern communities, with respect to helping working with the communities and assuring that their diets, for example, are a little better than they have been. And, certainly, we are open to suggestions and ideas on how we improve this even greater.

Mr. Briese: And I certainly concur with the minister that there has to be work done on the healthy food initiative. It's a—I think it's very promising what's happening and it can't help but lead to better diets in a lot of those communities where the cost of moving fresh vegetables and fresh foods in is so high, anything that can be produced in the local area is certainly a bonus.

But, I did want to just touch back on the—it was my understanding that this greenhouse project that was proposed for Grand Rapids, that it was in the works, that the actual greenhouse had already been purchased, but they—there seems to be some problems in the implementation of—and getting it set up. And I'm just wondering what the holdups are, because it was certainly out there, and I'm told that it was bought.

I know the other aspect was the Mennonite Central Committee was somewhat involved in this and provided—prepared, I think, to put some funding into it. So I'm just wondering if you have any more information on that.

Mr. Robinson: The matter that the member is referring to was never part of any of our initiatives with Aboriginal and Northern Affairs. It wasn't part of the Northern Healthy Foods Initiative. It was undertaken by another group. Whether it was another

department that supported it, I don't know. But I'll try and get the details for the member and point him in the right direction. I'll ask the other members of this government. Perhaps they have better knowledge than I do. But, certainly, it was not—it's not under the healthy foods initiative of our department and it's—it falls under the responsibility of somebody else, if I may. But, certainly, I would concur with the member that Grand Rapids like other communities is no different. They want healthy foods for their citizens, both on the reserve side and non-reserve side. Certainly, I will avail myself to try to get additional details for the member on this.

Mr. Briese: Thank you, Mr. Minister, and I just—in the budget speech, and you touched on this a little, there was the commitment to lower the cost of milk for the northern communities. What role does your department play in that?

Mr. Robinson: The Department of Aboriginal and Northern Affairs, as I said at the outset, has responsibility of 82 per cent of the land mass of the province of Manitoba. We have responsibility directly for 49 Northern Affairs communities, including a couple in the member's constituency of Agassiz. They include, I believe, Rock Ridge is still in the constituency of Agassiz, certainly, Bacon Ridge is another.

As far as many of the First Nations communities the primary responsibility holder is the federal government because of the fiduciary responsibility based on treaties. However, having said that, it's long been—and I know when the member for Agassiz, when the former Progressive Conservative government were in charge in this province, always were of the mind that regardless of our residency, we're still Manitobans.

And that is the opinion of our government, that a Manitoban is a Manitoban is a Manitoban regardless of their residency, and that is why we've gone above and beyond what is sometimes the norm, if you will. We don't like being placed in the situation of being viewed as having—of sloughing off responsibility to our fellow human beings by playing the jurisdictional game.

So to the best of our ability we have tried to develop projects, work with communities on projects that are required. An example of this would be we've gone ahead with the east-side road that I talked about in some detail earlier. Rather than working—waiting for another level of government, we just went ahead and, as you know, Mr. Acting Chair, within our

government we found the resources over an extended period of time to make sure that does happen.

The other thing we've done is we've worked—this government has worked to develop a dialysis treatment facility in Garden Hill, the first of its kind in Canada on a reserve. We've done the same thing in Berens River, and it's located on the reserve. We've done the same for Hodgson, which serves the community of Jackhead, Peguis and Fisher River and the RM of Fisher itself.

And I was so proud to be there in late April at the opening with the reeve of the RM of Fisher, the chiefs of those three communities that I mentioned, including Chief Hudson from Peguis, Chief Crate and his representative from Fisher River and Chief David Traverse from Jackhead in opening up this facility in Hodgson to serve those communities. And that's the first time that any such initiative has ever been undertaken and, at the same time, Norway House has a dialysis treatment facility in their community as well.

*(12:20)

So those are projects that I could point to that we did not bother playing the jurisdictional game with people's lives at stake, if you will, in a lot of these cases.

And the Northern Healthy Foods Initiative is another example that we've gone outside of our perceived boundaries and our perceived areas of responsibility, and we want to work with people to the best of our ability.

And we certainly are doing the same in the area of retrofitting for water hookup by the federal government. Again, they have a fiduciary and a primary responsibility to ensure that all Manitobans, regardless of their residency, have clean running water. They have—you know, it's a shame that many of our citizens in the province of Manitoba still don't have running water to this current day, but we're working with the federal government on that, along with the Frontiers Foundation, and the Mennonite Central Committee has taken an active interest in this and we're proceeding on that.

The hydroelectric projects in northern communities, the Wuskwatim project is another one. It was done with the participation of the First Nations, and we proceeded because we are required by section 35 considerations, by the laws of this land, that we engage First Nations, and we've proceeded to do that and we've tried to ensure that their

participation is full and meaningful in these arrangements that we're—we have under way in the province of Manitoba.

So, in a roundabout way I've tried to respond to the member in my own way about how we're trying to address these requirements.

Mr. Briese: Yes, our time is growing fairly short here, but one question I did want to ask, and I've heard this in several places—Ebb and Flow and Sandy Bay, where there's outreach programs that do apprenticeship training and in various areas and then there's a real shortage. And I'm sure it's worse when you get into more remote communities, of journeymen for these apprentices to work with as required to arrive at journeyman status. And I just wondered if the minister would make a short comment on that. I see it as a major problem and there's got to be some way we can solve that.

Mr. Robinson: So we made efforts—I think that one area that he's talking about is particularly in a mould remediation area. This was an initiative that was led by the MIT department.

Certainly, what some of these folks were trained to do was through journeymen activities, or apprenticeship training rather, to attain journeyman status at some point in the future, was gave them the appropriate training on finding ways to deal with mould remediation in many of our communities, which many of our communities experience. And in northern communities the challenges are even greater.

The same idea is being pursued as we try to attempt—as we attempt to address the issue of running water in many of our northern communities, and the idea is to have the people that are trained to do the retrofitting initiative. The end result is that they be given—is to work towards the Red Seal status that the journeymen aspire to achieve in some of these initiatives that they're pursuing.

But I totally agree with the member, the challenges are tremendous, not only in those communities he identified but indeed in some of the other northern communities of our province. And we've been attempting to address that through those initiatives, including the mould remediation program, which I believe is what he was referring to earlier.

Certainly, this is something that we got to reactivate and we are giving consideration to, particularly, with the flood of 2011 and some of the communities in that region.

Mr. Briese: Yes, one of these cases, no—one of these cases was the Sandy Bay, was a number of students took an LPN course, nursing course—and there's no personal care home, there's no hospital facility, or anything, there for them to then, kind of, finish their practicum, you know, and it creates quite a problem. It's great having the training courses, but there has to be a methodology to take them to the next step to make them fully licensed LPNs or plumbers or electricians or carpenters or whatever may be. So it's just something I wanted to bring to your attention.

I think I've got time for one or two more. I'm just wondering about the update, very briefly, if I can, on the floods and on the modular homes at Gypsumville. What's the uptake been on those, to this date? And is—are—is there proceedings still going on with Lake St. Martin looking for acquiring land for a new reserve? And I do want to wind up here, Mr. Minister, so we have to watch the clock a little.

Mr. Robinson: Yes, the member asks a very important question and I'm afraid I can't provide it in just a couple minutes and I want to do justice to it. Certainly, there's a lot of work that has to be done and is being done. An evacuation site has been identified for temporary lodging until a permanent site is located for the folks at Lake St. Martin. And we're working on that; we're on top of it.

I will provide a detailed response to the question, and I will try and provide that within 14 working days to the member so that he'll—on that particular matter. I know there are some other issues that I took under notice, but on that particular matter, given its urgency and because of the interest on the issue, I'll provide that within 14 working days to the member. So that, I'll give him the history of what has been going on with respect to Lake St. Martin and the flood of 2011.

Mr. Briese: Thank you very much, Mr. Minister.

And we'll—that'll end questions, Sir.

The Acting Chairperson (James Allum): That concludes the questions.

We'll proceed with the resolutions now, starting with resolution 19.2.

Resolution 19.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$34,313,000 for Aboriginal and Northern Affairs, Aboriginal and Northern Affairs Operations, for the fiscal year ending March 31st, 2013.

Resolution agreed to.

Resolution 19.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$110,000 for Aboriginal and Northern Affairs, Costs Related to Capital Assets, for the fiscal year ending March 31st, 2013.

Resolution agreed to.

The last item to be considered for the Estimates of the department is item 1.(a), the minister's salary, contained in resolution 19.1.

At this point, we request that the minister's staff and the staff from the official opposition leave the Chamber for the consideration of this last item.

Floor is open for questions.

Resolution 19.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,113,000 for Aboriginal and Northern Affairs, Aboriginal and Northern Affairs Executive, for the fiscal year ending March 31st, 2013.

Resolution agreed to.

This concludes the Estimates for this department. The next set of Estimates that will be considered by this section of the committee are the Estimates of Housing and Community Development.

The hour being 12:30, committee rise.

Call in the Speaker.

IN SESSION

The Acting Speaker (James Allum): The hour being 12:30 p.m. the House is adjourned and stands adjourned until Monday at 1:30.

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, May 25, 2012

CONTENTS

ORDERS OF THE DAY

(Continued)

GOVERNMENT BUSINESS

Committee of Supply)

(Concurrent Sections)

Entrepreneurship, Training and Trade	1721
Education	1742
Local Government	1763
Aboriginal and Northern Affairs	1773

The Legislative Assembly of Manitoba Debates and Proceedings
are also available on the Internet at the following address:

<http://www.gov.mb.ca/legislature/hansard/index.html>