

**Second Session - Thirty-Eighth Legislature**  
**of the**  
**Legislative Assembly of Manitoba**  
**DEBATES**  
**and**  
**PROCEEDINGS**

**Official Report**  
**(Hansard)**

*Published under the  
authority of  
The Honourable George Hickes  
Speaker*

**Vol. LV No. 41 - 1:30 p.m., Wednesday, May 19, 2004**

**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Eighth Legislature**

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
AGLUGUB, Cris	The Maples	N.D.P.
ALLAN, Nancy, Hon.	St. Vital	N.D.P.
ALTEMEYER, Rob	Wolseley	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
BJORNSON, Peter, Hon.	Gimli	N.D.P.
BRICK, Marilyn	St. Norbert	N.D.P.
CALDWELL, Drew	Brandon East	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CUMMINGS, Glen	Ste. Rose	P.C.
DERKACH, Leonard	Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary, Hon.	Concordia	N.D.P.
DRIEDGER, Myrna	Charleswood	P.C.
DYCK, Peter	Pembina	P.C.
EICHLER, Ralph	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
GERRARD, Jon, Hon.	River Heights	Lib.
GOERTZEN, Kelvin	Steinbach	P.C.
HAWRANIK, Gerald	Lac du Bonnet	P.C.
HICKES, George, Hon.	Point Douglas	N.D.P.
IRVIN-ROSS, Kerri	Fort Garry	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
JHA, Bidhu	Radisson	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar, Hon.	The Pas	N.D.P.
LEMIEUX, Ron, Hon.	La Verendrye	N.D.P.
LOEWEN, John	Fort Whyte	P.C.
MACKINTOSH, Gord, Hon.	St. Johns	N.D.P.
MAGUIRE, Larry	Arthur-Virden	P.C.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McGIFFORD, Diane, Hon.	Lord Roberts	N.D.P.
MELNICK, Christine, Hon.	Riel	N.D.P.
MIHYCHUK, MaryAnn	Minto	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
MURRAY, Stuart	Kirkfield Park	P.C.
NEVAKSHONOFF, Tom	Interlake	N.D.P.
OSWALD, Theresa	Seine River	N.D.P.
PENNER, Jack	Emerson	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack	Southdale	P.C.
ROBINSON, Eric, Hon.	Rupertsland	N.D.P.
ROCAN, Denis	Carman	P.C.
RONDEAU, Jim, Hon.	Assiniboia	N.D.P.
ROWAT, Leanne	Minnedosa	P.C.
SALE, Tim, Hon.	Fort Rouge	N.D.P.
SANTOS, Conrad	Wellington	N.D.P.
SCHELLENBERG, Harry	Rossmere	N.D.P.
SCHULER, Ron	Springfield	P.C.
SELINGER, Greg, Hon.	St. Boniface	N.D.P.
SMITH, Scott, Hon.	Brandon West	N.D.P.
STEFANSON, Heather	Tuxedo	P.C.
STRUTHERS, Stan, Hon.	Dauphin-Roblin	N.D.P.
TAILLIEU, Mavis	Morris	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

## LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 19, 2004

**The House met at 1:30 p.m.****PRAYERS****ROUTINE PROCEEDINGS****COMMITTEE REPORTS****Standing Committee on Social and  
Economic Development  
Second Report**

**Ms. Marilyn Brick (Chairperson):** Mr. Speaker, I wish to present the Second Report of the Standing Committee on Social and Economic Development.

**Madam Clerk (Patricia Chaychuk):** Your Standing Committee on Social and Economic Development presents the following as its Second Report.

Meetings:

Your committee met on Tuesday, May 18, 2004, at 10 a.m. in Room 254 of the Legislative Building—

**Some Honourable Members:** Dispense.

**Mr. Speaker:** Dispense.

**Meetings:**

*Your committee met on Tuesday, May 18, 2004, at 10 a.m. in Room 254 of the Legislative Building.*

**Matters under Consideration:**

*Bill 9 – The Manitoba Immigration Council Act/Loi sur le Conseil de l'immigration du Manitoba*

*Bill 14 – The Gas Tax Accountability Act (Financial Administration Act Amended)/Loi sur l'obligation redditionnelle concernant la taxe sur l'essence (modification de la Loi sur la gestion des finances publiques)*

*Bill 20 – The University College of the North Act/Loi sur le Collège universitaire du Nord*

*Bill 26 – The Certified Management Accountants Act/Loi sur les comptables en management accrédités*

**Committee Membership:**

*Your committee elected Mr. Jha as the Vice-Chairperson.*

*Substitutions received prior to commencement of the meeting:*

*Hon. Mr. Selinger for Ms. Irvin-Ross*

*Hon. Ms. McGifford for Hon. Mr. Mackintosh*

*Mr. Loewen for Mrs. Driedger*

*Mr. Goertzen for Mr. Murray*

*Mr. Dewar for Hon. Mr. Sale*

**Public Presentations:**

*Your committee heard three presentations on Bill 14 – The Gas Tax Accountability Act (Financial Administration Act Amended)/Loi sur l'obligation redditionnelle concernant la taxe sur l'essence (modification de la Loi sur la gestion des finances publiques) from the following organizations:*

*Chris Lorenc, President, Manitoba Heavy Construction Association*

*Stuart Briese, Association of Manitoba Municipalities*

*Bob Dolyniuk, Manitoba Trucking Association*

*Your committee heard one presentation on Bill 20 – The University College of the North Act/Loi sur le Collège universitaire du Nord, from the following organization:*

*Michael Anderson, Manitoba Keewatinowi Okimakanak*

*Your committee heard two presentations on Bill 26 – The Certified Management Accountants Act/Loi sur les comptables en management accrédités, from the following organizations:*

*Len Hampson, Certified General Accountants Association*

*Carleen Mackay, Society of Management Accountants of Manitoba*

**Written Submissions:**

*Your committee received one written submission on Bill 20 – The University College of the North Act/Loi*

*sur le Collège universitaire du Nord, from the following organization:*

*Shirley Fontaine, Assembly of Manitoba Chiefs*

***Bills Considered and Reported:***

*Bill 9 – The Manitoba Immigration Council Act/Loi sur le Conseil de l'immigration du Manitoba*

*Your committee agreed to report this bill without amendment.*

*Bill 14 – The Gas Tax Accountability Act (Financial Administration Act Amended)/Loi sur l'obligation redevable concernant la taxe sur l'essence (modification de la Loi sur la gestion des finances publiques)*

*Your committee agreed to report this bill without amendment.*

*Bill 20 – The University College of the North Act/Loi sur le Collège universitaire du Nord*

*Your committee agreed to report this bill with the following amendments:*

*THAT the following be added after Clause 4(1)(a) of the Bill:*

*(a.1) facilitate the creation and sharing of knowledge in an atmosphere of open and critical thought;*

*THAT Clause 16(2) of the Bill be amended by striking out “culture” and substituting “cultures”.*

*Bill 26 – The Certified Management Accountants Act/Loi sur les comptables en management accrédités*

*Your committee agreed to report this bill without amendment.*

**Ms. Brick:** Mr. Speaker, I move, seconded by the honourable Member for Fort Garry (Ms. Irvin-Ross), that the report of the committee be received.

**Mr. Speaker:** Is it the pleasure of the House to adopt the motion? *[Agreed]*

**Standing Committee on Justice  
First Report**

**Mr. Doug Martindale (Chairperson):** Mr. Speaker, I wish to present the First Report of the Standing Committee on Justice.

**Madam Clerk:** Your Standing Committee on Justice presents the following as its First Report.

**Some Honourable Members:** Dispense.

**Mr. Speaker:** Dispense.

**Meetings:**

*Your committee met on Tuesday, May 18, 2004, at 10 a.m. in Room 255 of the Legislative Building.*

**Matters Under Consideration:**

*Bill 11 – The Manitoba Public Insurance Corporation Amendment Act (Protection of Crown Assets)/Loi modifiant la Loi sur la Société d'assurance publique du Manitoba (protection des biens de l'État)*

*Bill 15 – The Highway Traffic Amendment Act (Police Powers Respecting Unsafe Drivers and Miscellaneous Amendments)/Loi modifiant le Code de la route (pouvoirs de la police concernant les conducteurs dangereux et modifications diverses)*

*Bill 16 – The Manitoba Public Insurance Corporation Amendment Act (Denial of Benefits for Offenders)/Loi modifiant la Loi sur la Société d'assurance publique du Manitoba (refus de versement de prestations aux contrevenants)*

*Bill 29 – The Public Trustee Amendment Act/Loi modifiant la Loi sur le curateur public*

*Bill 41 – The Profits of Criminal Notoriety Act/Loi sur les profits découlant de la notoriété en matière criminelle*

**Membership Resignations / Elections:**

*Your committee elected Mr. Martindale as the Chairperson.*

*Your committee elected Ms. Irvin-Ross as the Vice-Chairperson.*

*Substitutions received prior to commencement of meeting:*

*Mr. Cummings for Mr. Schuler  
Ms. Korzeniowski for Mr. Schellenberg  
Mr. Faurschou for Mr. Goertzen*

**Public Presentations:**

*Your committee heard 2 presentations on Bill 15 – The Highway Traffic Amendment Act (Police Powers Respecting Unsafe Drivers and Miscellaneous Amendments)/Loi modifiant le Code de la route (pouvoirs de la police concernant les conducteurs dangereux et modifications diverses), from the following organizations:*

*Rod Sudbury, MADD Winnipeg  
Patrol Sgt. Rob Riffel, Winnipeg Police Service*

*Your committee heard 1 presentation on Bill 41 – The Profits of Criminal Notoriety Act/Loi sur les profits découlant de la notoriété en matière criminelle, from the following organization:*

*Ken Mandziuk, Manitoba Association of Rights and Liberties*

**Bills Considered and Reported:**

*Bill 11 – The Manitoba Public Insurance Corporation Amendment Act (Protection of Crown Assets)/Loi modifiant la Loi sur la Société d'assurance publique du Manitoba (protection des biens de l'État)*

*Your committee agreed to report this bill without amendment.*

*Bill 15 – The Highway Traffic Amendment Act (Police Powers Respecting Unsafe Drivers and Miscellaneous Amendments)/Loi modifiant le Code de la route (pouvoirs de la police concernant les conducteurs dangereux et modifications diverses)*

*Your committee agreed to report this bill without amendment.*

*Bill 16 – The Manitoba Public Insurance Corporation Amendment Act (Denial of Benefits for Offenders)/Loi modifiant la Loi sur la Société d'assurance publique du Manitoba (refus de versement de prestations aux contrevenants)*

*Your committee agreed to report this bill without amendment.*

*Bill 29 – The Public Trustee Amendment Act/Loi modifiant la Loi sur le curateur public*

*Your committee agreed to report this bill without amendment.*

*Bill 41 – The Profits of Criminal Notoriety Act/Loi sur les profits découlant de la notoriété en matière criminelle*

*Your committee agreed to report this bill without amendment.*

**Mr. Martindale:** Mr. Speaker, I move, seconded by the honourable Member for St. James (Ms. Korzeniowski), that the report of the committee be received.

**Mr. Speaker:** Is it the pleasure of the House to adopt the motion? *[Agreed]*

**TABLING OF REPORTS**

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, I would like to table the following: the Supplementary Information for Legislative Review, the 2004-05 Revenue Estimates.

**Introduction of Guests**

**Mr. Speaker:** Prior to Oral Questions, I would like to draw the attention of all honourable members to the loge to my left where we have with us Mr. John Angus who is a former Member for St. Norbert.

Also in the public gallery we have four new Legislative Building tour guides for the 2004 summer season. They are Vanessa Gregg, Laura Lussier, Chantel Mero and Abby Stanley-Melia. These tour guides are under the direction of Colette Delaurier. Also they are the guests of the Minister of Culture, Heritage and Tourism (Mr. Robinson).

On behalf of all honourable members, I welcome you here today.

\* (13:35)

## ORAL QUESTIONS

### **Bovine Spongiform Encephalopathy Compensation for Producers**

**Mr. Stuart Murray (Leader of the Official Opposition):** Mr. Speaker, as we are all aware in this House, throughout this country and this province, tomorrow marks the one-year anniversary of the start of the BSE crisis. For a year our farm families have struggled. For a year this government, the Doer government, has failed to offer meaningful financial support and long-term plans to deal with this crisis. The only thing this Premier has done is raised expectations that the border will open soon. It has been a year, and all indications are that the border will not open until after this November when the U. S. election is completed.

What long-term plan does this Premier have to deal with this crisis and help our rural Manitoba families that are in financial crisis?

**Hon. Gary Doer (Premier):** Mr. Speaker, first of all, I am pleased there is a resolution before the Chamber. I think it is important to express our support of the beef producers in Manitoba and in Canada. Secondly, the one cow in Alberta that was detected a year ago on May 20, we think it is important to continue to remind the U. S., and the member opposite mentioned that the border would not open until after the elections. I think it is very, very unfortunate that it is only the U. S. administration that would be making decisions on the basis of politics, not on the basis of science and not on the basis of proper markets.

I would point out to some of the U. S. politicians that they were the ones that stated that the Canadian food supply was unsafe. The Canadians have demonstrated very tangibly that they believe our food supply and the beef supply are safe in Canada. I would point out to our American neighbours that the one cow in Canada was detected, inspected and rejected. The situation in the United States was such that the cow was in the food supply so, on any scientific test, we believe that the supply of food and beef supplies are very safe for the consumers and we

would like the Americans to act accordingly in a scientific way.

**Mr. Murray:** Farm families have no money to pay their property taxes. In fact, some R.M.s have started a letter-writing campaign to the Premier asking him to remove school taxes from farmland. I quote, "We consider this an unfair tax and an unfair burden on an industry which is already depressed." The situation is so dire that some R.M.s are going to defer the payment of property taxes until next year.

Mr. Speaker, the Premier needs to move quickly to develop a new funding formula that will eliminate the education taxes off farmland and residential property. He needs to move quickly to implement a strategy that will deal with this BSE crisis. It is not a history lesson we need from this Premier. We need a long-term plan to deal with this crisis. What is he waiting for?

**Mr. Doer:** Following comparable advice from the Leader of the Opposition in writing, we introduced a low-interest loan program. I believe the amount of money that we made available has been developed, or a much higher participation rate than what was predicted by members opposite. We adjusted the program to deal with the slaughter program because it was not meeting the needs of our producers. We developed it and changed it to be more appropriate to the situation here in Manitoba.

We also, Mr. Speaker, developed a drought transportation program. We lobbied hard for the federal government to deal with the 8 percent of cows that would normally be culled, the older cows that would be culled, to deal with the gap between the cost of carrying those cows and the cost that the federal government should be responsible for. The federal government has since amended the program to include cows that are not slaughtered, as recommended by the Province of Manitoba and other western Canadian provinces.

\* (13:40)

We continue to believe that other measures are necessary. I would point out in subsequent questions some of the history and where we have to go into the future.

**Mr. Murray:** Mr. Speaker, the border is not opening in the near future. There are very real concerns out

there that producers are leaving the family farm, and their children will move out of the province to find hope and opportunity elsewhere. That lies at the failure of this Premier.

A Canada West Foundation report released today shows that 73.6 percent of Manitobans feel that policies aimed at retaining young people should be a high priority for government. Yet here we have a government that is only pushing away people out of rural Manitoba.

When will this Premier provide meaningful assistance to our farm families? When will he provide a long-term plan to deal with the crisis? It is not a history lesson we need, we need some action from this Premier.

**Mr. Doer:** Members opposite did not want us to join in on the framework agreement with the federal government. I recall members opposite were giving us advice not to join in, which allowed for cash payments. I remember the farm organizations and the municipal organizations and leadership, when they met with us they said, "You have to sign on." Members opposite said, "Do not sign on." So we listened to people that are in the communities, the leaders in the communities on this issue. We did not listen to members opposite.

They also said no beef would move for seven years here in Manitoba or in Canada. We had a situation after they made that prediction that the boxed beef has moved.

I am surprised the Leader of the Opposition would be a defeatist. He would say that politics should make the decision in the United States. He says the borders should not open until November. We say the Prime Minister with his meeting with George Bush should get the border open immediately, and I think that is what we have to work on here in Canada.

#### **Rancher's Choice Beef Co-op Government Support**

**Mr. Glen Cummings (Ste. Rose):** Mr. Speaker, there is huge concern in this province about being able to move aged cattle into slaughter position. A young rancher at Amaranth clearly demonstrates the folly of the policies that this government has put in place. He took his government loan, he ended up

selling his cattle at a value that was not sufficient to cover it and now his only decision left is whether he leaves the ranch now or later.

Does this government realize they are asking an industry that is desperately short of cash to raise \$3.5 million for a co-operative slaughterhouse to deal with our aged animals? I ask the Minister of Agriculture: Does she realize they have passed their first two deadlines and does she have a Plan B?

**Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives):** Mr. Speaker, since the time of the first case of BSE, producers and government and all people realize that one of the challenges we have here in Manitoba is the fact we have no slaughter capacity, or very little slaughter capacity, an issue that was neglected by the previous administration, I can say, for 11 years. Eleven years, they chose to neglect the issue that there is no slaughter capacity.

The producers in this province came together and formed Rancher's Choice and have a proposal to take over a facility. This government has been there with them. Our money is on the table. We have also put money in place for loan authority for them. The producers are trying to raise their share of the money, and they continue to work on that issue. I hope they will be successful.

**Mr. Cummings:** Mr. Speaker, we have heard lots of rhetoric from this government about how they are going to fix slaughter capacity. I am asking them if Rancher's Choice, having missed two deadlines already, has difficulty raising cash from an industry that is very cash short. Does the government have a Plan B?

\*(13:45)

**Ms. Wowchuk:** Yes, Mr. Speaker, we do have a plan.

**Mr. Cummings:** Mr. Speaker, I think there are an awful lot of ranchers out there including a lot in the Interlake and on my side, the west side of Lake Manitoba, who would be very interested to hear that information, because the only sign of understanding this government has given the industry since the BSE crisis struck is they recognize there is a need for slaughter capacity. They did not help McCreary. They did not help Beausejour and they are giving

this co-operative an untenable and impossible task to raise money from an industry that is currently flat broke. Does she care to share her Plan B?

**Ms. Wowchuk:** I am not sure how the member opposite would operate, but Rancher's Choice is still operating. That is Plan B. That is the plan that the producers have put forward, Mr. Speaker. That is the plan that we are working on with them. We have been working with producers. Our government has been very supportive through the Minister of Industry's department, through my department. They have been working with these people. I have not heard the people from Rancher's Choice say that they are giving up. I am just disappointed that the members opposite are giving up on them this soon. Shame on you.

### **Bovine Spongiform Encephalopathy Supports for Farm Families**

**Mrs. Leanne Rowat (Minnedosa):** Mr. Speaker, the BSE crisis continues to have an incredible toll on Manitoba farm families. One wrote, and I quote, "We call on our government to respond immediately and effectively to the farm crisis faced by our friends, neighbours and families with more than empty words and ineffective gestures. The farmers need financial help beyond low-interest loans and they need it immediately. It is our responsibility, as neighbours, to care for those in need but we simply cannot do it alone."

My question is to the Minister of Family Services: How many farm families in crisis has this minister met with?

**Hon. Christine Melnick (Minister of Family Services and Housing):** I would like to thank the member for the question. It gives me the opportunity to say that this government is working in partnership with other departments as we do on many issues. We have provided a psychosocial support committee through Family Services, Agriculture and Health to establish and ensure the provision of an integrated and co-ordinated response and support to farm families and communities. We are monitoring client needs, monitoring the system's ability to meet these needs, monitoring demands and stress. In short, we are working as a team as we have always done.

**Mrs. Rowat:** Mr. Speaker, there is the lingering feeling in rural Manitoba that the Doer government

does not have an understanding of the circumstances or of the realities of rural life. From a letter I received from the R.M. of Glenwood, I quote, "This is a real crisis and producers will not be able to hang on if they do not receive help. We cannot stand by and watch an industry be systematically destroyed because of a failure to act."

Mr. Speaker, on the eve of the one-year date since the BSE crisis began, can this Minister of Family Services tell us why she has abandoned the farm families and why she has not met with the families who are in need?

**Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives):** You know, Mr. Speaker, when I listen to the member opposite talk about farm families and imply that we do not know what is out there, I can tell her we do know what is out there. We have met with many farm families. We have visited farm communities. We have met with their leadership, Mr. Speaker.

I live on the farm. My neighbours are farmers. I know how they are impacted. The programs that we have in place were designed with the cattle producers involved. The members opposite may not like the programs. They want to criticize them. Those programs that the producers told us that they wanted may not be all of the programs that they wanted, but they were part of designing these programs and cash has flowed.

Is it enough, Mr. Speaker? It is never enough. The best thing would be to have the border open. I hope the members opposite will recognize that.

\* (13:50)

**Mrs. Rowat:** Mr. Speaker, I appreciate the words from the Minister of Agriculture but she is not meeting with the individual producers that I have been meeting with, and she is definitely not in sync with the community. The BSE crisis has had a massive and devastating effect on rural prairie communities and farm families. To say that many of our rural families are struggling would be merely to state the obvious.

Mr. Speaker, what is the Minister of Family Services offering farm families desperate to feed and clothe their children?

**Ms. Wowchuk:** Mr. Speaker, I can list all of the programs that we have put in place, but the member



opposite is talking about farm families. I want to remind her that it was the government of her party that cancelled the Farm and Rural Stress Line, a very important tool for farm families.

Mr. Speaker, our government has put that service back. We have a committee that is working. We have met with many, many farm people. We will continue to work with them. The programs are moving cash into their hands. I would like to hear the opposition say something about the federal government, and getting a little bit more support from the federal government on what is a national issue rather than being critical. I find it very interesting that they are critical of the programs that we have, but the member from Arthur-Virden took an ad out in the paper advertising the programs.

### **Bovine Spongiform Encephalopathy Compensation for Producers**

**Mr. Jack Penner (Emerson):** Mr. Speaker, we all know that the livestock industry in this province is up to its neck in debt. I think cattle farmer Randy Geisler, when he said, and I will quote, "He will probably sell his cattle off. I am not going to go further in debt. It does not pay so there is no point in me taking on more debt. The cows are worth nothing. The border ain't going to open. There are too many things against us to keep going." He is one of the many producers that have lost all hope. I want to ask the minister today: What plans has the Minister of Agriculture, Food and Rural Initiatives got that will prevent the loss of the total livestock industry in this province?

**Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives):** Mr. Speaker, there is no doubt that this is a very serious situation that is facing all producers of ruminants in this province. We have heard the most important issue that can be addressed is opening the U.S. border in order that livestock can begin to move. However, we all know that we have to address slaughter capacity in this province. As a province, we have been working with the producers. We have been working with the meat processors with this.

One of the things we have to also remember is that people thought that the border was not going to open for seven years, that no product would go. There has been a new precedent set by having the boxed beef go over the border that started in August.

A lot of meat is moving out, not only into the United States but into Mexico. That product is moving. We have to continue working on the issue.

**Mr. Penner:** Families like the Geislars will take small comfort in what the minister has just said. The Geislars have lost all hope that the border will open, and would rather sell off their cattle at fire sale prices than carry the weight of debt on their shoulders that they have now.

Will the minister today admit that burdening farmers with additional debt load of thousands of dollars is not an effective method of sustaining agriculture and the industry in our province, especially the smaller family farms?

**Ms. Wowchuk:** Mr. Speaker, if you look at the programs we have put in place, many of those programs have been designed with the producers. Producers asked us to help with cash flow through the Canada-Manitoba BSE Recovery Program which was a federal-provincial program. They asked us for feed assistance. We put in place a feed assistance program. We then put in place a Manitoba Slaughter Deficiency Program. We put in place a Drought Assistance Program and a cull-cow program. All of these programs flowed cash into the producers' hands. Is it as much as they would have got by selling their cattle? Of course not, and farmers would much rather get their money from the marketplace than from government programs.

\* (13:55)

What we have to do is look at how we can improve our slaughter capacity and work to open that border. Mr. Speaker, United States Secretary Veneman has said they will make that decision based on science. President Bush has said he will move towards opening that border. We have to continue in that vein as well as looking at new markets for our beef products.

**Mr. Penner:** I think the Minister of Agriculture should have added a few words into Mr. Bush's statement. He said, "As soon as possible." I think that says the whole story.

I think people like the Gieslers do not want to put up their whole farm as collateral as they will have to do if they cannot meet the conditions of the MACC loan that this government minister has

offered. If they cannot sell their cattle within the next year, they are going to have to put up their whole farm as collateral. The Geislars have said, "We will not put up our farm as collateral. We will not lose our whole farm."

Can the Minister of Agriculture then tell this House what is her NDP government's plan to save the young farm families from the disaster that she has imposed because of her inaction to put in place a realistic plan to save the young farmers of this province of Manitoba?

**Ms. Wowchuk:** You know, Mr. Speaker, we are a year into the crisis and the member opposite still does not get it. This is not a Manitoba problem, this is an international problem. It was a cow in British Columbia that was diagnosed with BSE that closed the border, a cow in Alberta, an Alberta cow.

Mr. Speaker, the member opposite talks about young farmers. I am surprised that he would even raise an issue when his government did absolutely nothing for young farmers. It was this government that recognized that there was a need to transition from one generation to the other and put into place the program called Bridging Generations, and the program has worked.

With regard to the debt that the farmers have with MACC, again the member does not understand the program. There is the ability to extend the program, Mr. Speaker, and the staff at MACC work on a client-by-client basis with each of the members.

#### **Family Violence Intervention Program Funding**

**Mr. Stuart Murray (Leader of the Official Opposition):** Mr. Speaker, last Thursday during Estimates, the Justice Minister (Mr. Mackintosh) was repeatedly asked if the Doer government would provide funding to ensure that the critically important Family Violence Intervention Program could continue. Instead of giving that commitment, the minister talked about fiscal challenges and suggested that the City may have to make do with the funding that they have received.

Mr. Speaker, our police and those living in dangerous, high-risk situations need support from this government to keep this program alive, and a funding commitment of \$500,000 will allow that to

happen. Will the Premier provide this desperately needed funding? Will he commit to it today?

**Hon. Christine Melnick (Minister of Family Services and Housing):** Thank you for the question. I am very happy to let the House know that we have indeed provided funding to the City, \$1.45 million which will flow from the photo radar in fines. We did discuss with the City that a million dollars of this has been set aside specifically for policing initiatives. Clearly, this is a municipal policing initiative falling squarely under the mandate of the City of Winnipeg. So we encourage the City to take that funding, which is more than enough to not only support the current program but also expand it, as they have expressed a will to do. We are hoping that they will reconsider this offer and carry on with the program.

**Mr. Murray:** Mr. Speaker, the reality is that this critically important Family Violence Intervention Program is going to end on June 30 if this Premier (Mr. Doer) does not provide funding to this much-needed program.

It is outrageous that the Premier is going to force non-unionized workers to pay union dues and maybe even force them to join a union, a move that would add some \$65 million to the cost of the Floodway Expansion Project. How does this Premier possibly justify the offensive additional expense to the floodway? How can he stand in this House and justify and tell Manitobans that there is no more money for police, there is no more money for women and children living in high-risk situations? How can he possibly do that?

\* (14:00)

**Ms. Melnick:** I am not sure how much louder I would have to speak to inform the member opposite that we have indeed provided more than enough for the current program.

We agree that family violence is a societal issue and we all have a role to play, which was why we in the provincial government have increased overall funding for family violence prevention, for a total of \$10.8 million provincially. We have also increased funding over the last few years to the City of Winnipeg by over \$10 million, a total of \$2.5 million which is unallocated funding that they are free to allocate as they wish. It is disappointing that the City has not lived up to the commitment of supporting

this program, but again, we would ask the City to reconsider with funding that we have already given them to keep this program alive.

**Mr. Murray:** Mr. Speaker, rather than the Premier of this province hanging his minister out to dry, perhaps he will stand up and take the question.

It is because of him that there is a possibility we are going to see forced unionization of the floodway adding some \$65 million to that cost when, in fact, \$500,000 is required to make this much-needed program stay alive. Without it, it could end on June 30. The Family Violence Intervention Program is a critical program. A recent study showed that more than 80 percent of 278 families involved said it improved their situation.

Will this Premier please stand in the House today and say that he will commit to funding that very important program?

**Hon. Gary Doer (Premier):** The member has just indicated there was a letter that went to the City of Winnipeg, signed by Gord Mackintosh and Christine Melnick, the ministers responsible, on February—

**Some Honourable Members:** Oh, oh.

**Mr. Speaker:** Order. I was already standing on my feet, trying to get order, when I heard the First Minister. I was going to remind all honourable members that ministers are to be addressed by their portfolios and other members by their constituencies. The honourable First Minister had stated a little later that he corrected it, and I accept that.

**Mr. Doer:** —sent on February 23, 2004, indicates that as a result of the decision by the Province dealing with fines, an additional \$1.4 million will flow to the City of Winnipeg. Of this, approximately \$900,000 will flow to the Public Safety and Policing Initiatives. We believe that these new revenues provide the City of Winnipeg with an opportunity to consider continuation of the family violence intervention teams.

This was sent on February 23. This project was established based on a promise made by the former mayor, a pilot project that was part of his election campaign a couple of years ago. There is money provided for the City to make a decision to continue this program on a permanent basis.

I would point out to the members opposite, pilot programs are identified potentially in 195 municipalities here in Manitoba. I would suggest strongly that if any municipality is going to have a program, if they want provincial support, they get it at the front end. Mr. Speaker, notwithstanding the fact that they started it on their own, there is money to prioritize from this fund to have this program continued. That was communicated in February by the two ministers, and I would like to communicate that to the House here today.

### **Family Violence Intervention Program Funding**

**Mr. Gerald Hawranik (Lac du Bonnet):** Mr. Speaker, the Family Violence Intervention Program is in danger of closing. This program works. A study by the University of Manitoba indicated that 80 percent of families who received help from the program experience less violence. A provincial funding commitment of \$500,000 will be enough to keep the program running. It is as simple as that.

Will this Justice Minister—

**Mr. Speaker:** Order. The honourable Member for Fort Whyte (Mr. Loewen) and the honourable Minister of Energy, Science and Technology (Mr. Sale), if you want to have a conversation we have two free loges and there is lots of room out in the hallway. We need to be able to hear the questions and the answers.

**Mr. Hawranik:** Thank you. My question is to the Minister of Justice (Mr. Mackintosh): Will this Minister of Justice commit today to spending \$500,000 to ensure that this important program is continued?

**Hon. Christine Melnick (Minister of Family Services and Housing):** We are very happy to hear that the opposition is in support of this program.

I would like to read from Hansard, Legislative Assembly of Manitoba, March 8, 2004, where the member from Southdale said, "I know the City of Winnipeg is doing a very good job with its police force and its areas of concentration of trying to combat crime. I noticed this afternoon in Question Period, the Minister of Finance (Mr. Selinger) announced some additional funding for the City of Winnipeg. I believe he is giving to the City of

Winnipeg police force approximately \$1.3 million. I will have to wait for Hansard tomorrow to make the exact amount. I believe this is a good initiative." We believe this is a good initiative which is why we provided the City of Winnipeg with more money than the program needs.

**Mr. Hawranik:** Mr. Speaker, the Justice Minister introduced Bill 17, an amendment to the domestic violence legislation which was passed by committee—

**Some Honourable Members:** Oh, oh.

**Mr. Speaker:** Order.

**Mr. Hawranik:** The Justice Minister introduced Bill 17 which is an amendment to the domestic violence legislation, and it was passed by committee a few weeks ago. On the one hand, he introduces legislation and penalties for violence yet, on the other hand, he says no to a program that would prevent violence in the first place. Where are this minister's priorities? Commit to co-funding this program with the City of Winnipeg.

**Ms. Melnick:** Again, on the subject of funding and family violence prevention, I would like to remind the House that this government has increased funding by over 50 percent since 1999. Indeed, we support family violence prevention. We are supporting women's centres, crisis centres across the province, second-stage housing and crisis lines, so I believe that continuing to encourage the City to fund this program, to continue this program with the funding we have already provided to them, fits within the mandate of this government.

**Mr. Hawranik:** Mr. Speaker, Chief Ewatski said he does not have the money to keep the program going without the Province's help. Those are his words. Family violence prevention is under the jurisdiction of the provincial government. The City has been doing the minister's job over the last few years. Will the Justice Minister speak to the Premier (Mr. Doer) to scrap plans to force floodway workers to pay union dues and use part of that \$65 million to co-fund the Family Violence Prevention Program?

**Ms. Melnick:** It is disappointing indeed, Mr. Speaker, to hear the opposition pit victims of domestic violence against the workers of this province. I would like to perhaps inform, perhaps not

remind, but inform members opposite that the prevention of family violence is a societal responsibility. It is not solely a provincial responsibility. It is a municipal, provincial, federal and, in fact, individual responsibility. This government is playing the role that we should be playing. We have increased funding. Again, we have given the City more than the amount that they need to not only keep the program going but to expand it. I would invite members opposite to join with us to encourage the City to do that.

\*(14:10)

### **Rancher's Choice Beef Co-op Government Support**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, tomorrow will be a year after the confirmation of the first case of BSE in Canada. A year ago it was very quickly apparent that the border would not open for a long time to animals over 30 months. As a result of the inadequate approach by the Minister of Agriculture, the number of cows which are ready to be culled has risen very substantially from about 50 000 a year ago to probably between 70 000 and 100 000 now. The problem is worse, not better.

I ask the Minister of Agriculture why eight months after first being approached by Rancher's Choice there is still no start to this facility. Can the Minister of Agriculture tell us the precise nature of the conditions the provincial government is imposing on the money that it is talking about providing and why is this effort stalled?

**Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives):** It is a serious challenge for cattle producers because of the issue of animals over 30 months. Our government has worked very closely with the producers. We have put money on the table. I have to tell you that we have also suggested that they go to the federal government. We have suggested that they go to the federal FCC and, in fact, they have been denied money by the federal government, Mr. Speaker. Our government is working closely with them. The federal government is refusing to recognize that there is a challenge here. We will continue to work with the producers. The provincial government has their money on the table. The Minister of Industry and Economic Development and I have worked very closely with the producers. It is our hope that this program will become a reality.

**Mr. Gerrard:** Mr. Speaker, we know the federal government and the FCC are reviewing this but—*[interjection]* No, they are reviewing it. The lending agency is reviewing it. *[interjection]* No, just hang on a minute. It is my question.

**Some Honourable Members:** Oh, oh.

**Mr. Speaker:** Order. I would just like to inform the House that we can only entertain one question at a time, and the honourable Member for River Heights has the floor.

**Mr. Gerrard:** Mr. Speaker, the people from Rancher's Choice first approached and talked to the provincial government, I believe, in October. Rancher's Choice was ready to go in April, but because of poor advice from this provincial government, their efforts were delayed several weeks before they could start raising money.

I would ask the minister: Why was her department and her advice to Rancher's Choice so poor that it delayed them for several weeks at such a critical time and made it harder to raise the funds that need to be raised from ranchers?

**Ms. Wowchuk:** Mr. Speaker, our government has worked very closely with Rancher's Choice. Rancher's Choice hired a lawyer. It was not a government lawyer, but Rancher's Choice hired their lawyer and their lawyer gave them advice. As it was, there were changes that had to be made but I can tell you the member opposite tells us that the federal government is reviewing the program. I will remind the member that the federal credit corporation has denied. They have denied. They have told Rancher's Choice that they are not putting money in. The Province is prepared to put money in and is working with Rancher's Choice and the producers in Manitoba to try to increase slaughter capacity. I would encourage the member opposite to use his contacts in the federal government and have them recognize how serious the situation is, how hard the producers of Manitoba—

**Mr. Speaker:** Order.

**Mr. Gerrard:** The Minister of Agriculture I know has had trouble getting facts straight and communicating well on this file. I mean, the FCC venture capital has turned it down, but the FCC lending

institution is reviewing it. It is as straightforward as that.

Now, the problem here is that time after time, this minister has not done a good job in helping people from Rancher's Choice and giving them the opportunity that they should be. The fact is that right now, a year after this problem began, the number of cows which should be culled has gotten larger rather than smaller. We still have no slaughter facility.

I would ask the Minister of Agriculture why we are now a year after, and we are still no further ahead. In fact, we are worse in terms of slaughtering cows.

**Ms. Wowchuk:** I am glad the member opposite understands agriculture. Of course, if you are keeping more animals on the farm, you have not got slaughter capacity. Cows are having calves. You are going to have a problem. There is a problem, there is no doubt about it. That is why we have been working with the ranchers, Mr. Speaker. That is why we have been working with people who are looking at increasing their slaughter capacity. We will continue to work with them, and we are looking at other options as well.

### **Green Team Program Employment Opportunities**

**Ms. Bonnie Korzeniowski (St. James):** Mr. Speaker, as high school and post-secondary students are looking for summer employment, can the Minister of Education, Youth and Citizenship advise the House about the employment opportunities available through Green Teams, Urban Green Team, Conservation Green Team and Hometown Green Team?

**Hon. Peter Bjornson (Minister of Education, Citizenship and Youth):** Mr. Speaker, I am pleased to stand in the House today to put on the record the good work that we are doing with respect to the Green Team program. We have no less than three programs in place, the Urban Green Team, the Hometown Green Team and the Conservation Green Team, that will provide employment for 1400 students between the ages of 16 and 24. Some terrific opportunities for the conservation program for students to work in the Conservation offices and in the parks, working with volunteer community groups and working for hometown improvements.

Many times, these youth get the skills that they need to seek and achieve meaningful employment with these organizations. The employers have told us that they could not make these programs work without the support of the Hometown Green Team. We were very pleased to announce that last week, Mr. Speaker.

**Mr. Speaker:** The time for Oral Questions has expired.

**Some Honourable Members:** Oh, oh.

**Mr. Speaker:** Order.

#### Point of Order

**Mr. Speaker:** The honourable Official Opposition House Leader, on a point of order.

**Mr. Leonard Derkach (Official Opposition House Leader):** Yes, on a point of order, Mr. Speaker. Without wanting to set a precedent, I am wondering if we could allow some latitude this afternoon to allow the member from—

**An Honourable Member:** Turtle Mountain.

**Mr. Derkach:**—Turtle Mountain. I have even forgotten where he is from, and I might say the future Member for Brandon-Souris, to stand up and ask his last question.

**Hon. Gord Mackintosh (Government House Leader):** Well, Mr. Speaker, I know we would all like to hear from the member again, but I do not know, if it was his final question, surely it would have been arranged to be the first question today. I do not understand the nature of the question because I am not aware of a federal election having been called.

**Mr. Speaker:** Is there leave? He has asked for leave. Is there leave? Agreed?

**Some Honourable Members:** Agreed.

**Mr. Speaker:** Okay, agreed, so we will continue Question Period to allow the honourable—

**Some Honourable Members:** Oh, oh.

**Mr. Speaker:** Order. Can I have order, please? We will continue Question Period to allow the

honourable Member for Turtle Mountain to put a question, but I have to clarify for the House, when you say a question, is it a question and two supplements, or one question? Okay. *[interjection]*

Order. The honourable Member for Turtle Mountain will ask one carefully crafted question, I am sure.

\* (14:20)

#### Federal Agriculture Minister Meeting Request

**Mr. Mervin Tweed (Turtle Mountain):** Thank you, Mr. Speaker, and I thank the House for the opportunity.

Mr. Speaker, the federal Minister of Agriculture was recently in the province of Manitoba over two days, covering parts of western and the Interlake area. My question is for the Minister of Agriculture (Ms. Wowchuk). Did the federal Minister of Agriculture request a meeting with the minister to discuss the BSE crisis?

**Hon. Gary Doer (Premier):** The Minister of Agriculture has met on a number of occasions with the federal Minister of Agriculture. I would say that the new federal Minister of Agriculture, in our view, has been much more effective on some of the programs that he has put in place after we have made a number of recommendations. I think he has done a much better job in Washington. Hopefully it will bear fruit. They did not request a meeting this time.

I think it is pretty safe to say we are in very, very much a pre-election period, it seems now, between the federal government and all levels of government. I know in that spirit, Mr. Speaker, we would wish the member well on a personal level. All the speeches he has made about supporting agriculture and new, strong national programs; if he is elected federally, we will be able to read back to him if he is in Parliament. Thank you very much, Mr. Speaker.

**Mr. Speaker:** Order. We will move on. We will move on to member's statements.

#### MEMBERS' STATEMENTS

##### Bravery Awards

**Mr. David Faurshou (Portage la Prairie):** Mr. Speaker, it is my pleasure to rise today to acquaint all

honourable members with the heroic actions of two residents of Portage la Prairie, Brent McDonald and Ken Klassen. Mr. Klassen and Mr. McDonald have recently received provincial awards of bravery for their heroic actions when they risked their lives to rescue three children trapped in their burning home. Both men were honoured with the awards and commended for their heroic actions in a special ceremony at Portage la Prairie's City Council meeting on May 10, 2004.

On October 29, 2003, these two men were alerted to the emergency when they heard their neighbour, Monique Lavallee, crying for help. The 23-year-old woman had managed to only pull two of her five children out of their burning home and three remained trapped.

Klassen immediately ran into the house and found Ms. Lavallee's six-month-old twins. After rescuing the twins, Klassen along with McDonald again entered the burning building to search for the young mother's six-year-old son. McDonald discovered the boy hiding in a closet near the front door and eventually was able to pull him to safety.

Mr. Speaker, these two extraordinary gentlemen entered a burning home, not once but twice, and thought not of themselves but only of others. I am honoured to rise today to recognize Mr. Brent McDonald and Mr. Ken Klassen's courageous action that saved the lives of three young children and to say thank you for their selfless active caring on behalf of all honourable members.

Thank you, Mr. Speaker.

### **Maples Collegiate Unity Programs**

**Mr. Cris Aglugub (The Maples):** Mr. Speaker, there are many students from the Maples Collegiate in my constituency who are intently striving to eliminate racism and who dream of achieving peace and tolerance in the community. The students come from a diversity of cultural backgrounds. These past nine years the Maples Collegiate and some of the students have been devoting their time to the pursuit of peace and tolerance in their school, in the constituency of The Maples and in the city of Winnipeg. These students have organized two major annual events: Unity Day and the March for Unity. They have also been awarded this past year with a peace medal for their efforts.

Unity Day is a school-wide event held in conjunction with the International Day for the Elimination of Racial Discrimination. This event gives the students, staff and the community an opportunity to raise awareness about the detrimental effects of racism and the impact of racism on our daily lives.

Today, they took part in what is their biggest yearly event, the March for Unity which has taken place every year since 1995. This year many students joined in the walk from the Maples Collegiate to the Manitoba Legislature. This walk of 12 kilometres is a demonstration of their commitment and dedication to the values of peace. This march is also a symbol that criticizes violence, discrimination and racism, and praises the ideals of respect, tolerance and peace.

I would also like to take the time to thank the organizers of this year's event: Melissa and Miranda Bittern, Bojan Dulabic, Nicole Bruce, Tristan Jose, Martin Dulabic, Lisa Koenig and staff advisers.

As the representative for this constituency, I feel fortunate that these students are part of our community and a part of the greater city of Winnipeg. Their contributions and ideals are inspirational and I would like therefore to thank them.

### **Faculty of Medicine's Rural Week**

**Mrs. Mavis Taillieu (Morris):** Mr. Speaker, May 16 to 22 is Rural Week, a one-week learning experience for all first-year medical students enrolled at the Faculty of Medicine at the University of Manitoba. Rural Week provides an opportunity for the students to get first-hand experience and exposure to not just rural and northern medicine but rural and northern life. It is an opportunity for these communities to promote their opportunities and benefits of rural and northern medicine.

Rural Week 2004 will see students travel to 24 different communities in groups of two to five students. The sites are Altona, Carman, Dauphin, Flin Flon, Gillam, Gimli, Hamiota, Hodgson, Island Lake, Garden Hill, Minnedosa, Morden, Morris, Neepawa, Portage la Prairie, St. Pierre-Jolys, Ste. Anne, Ste. Rose du Lac, Swan River, Teulon, The Pas, Thompson, Virden and Winkler.

Medical education literature has shown that longer, earlier undergraduate experiences have a

positive predictive effect on choice of rural practice locations in the future and increase the likelihood that a graduate student will choose a rural practice. It is hoped that this short experience will stimulate desire for a greater variety and more lengthy rural undergraduate and post-graduate training opportunities in rural and northern Manitoba.

Thank you, Mr. Speaker, for the opportunity to put a few words on the record about Rural Week and encourage medical students and graduates to consider rural life as a way of life and choose and locate in rural Manitoba.

### **Dakota Forest Clean Up**

**Ms. Theresa Oswald (Seine River):** Mr. Speaker, there are students and teachers from Collège Jeanne-Sauvé in the constituency of Seine River who have been taking the initiative to transform a strip of forest behind their school into a nature preserve while at the same time engaging in active and relevant learning.

I am pleased to stand before the House today to commend and thank these students, their teachers and all those involved for helping to make our constituency a clean and beautiful place for all of us to enjoy; and for preserving a part of the natural heritage in our area. The area to which these students have devoted their attention is a part of the Dakota forest which extends from beyond the school, all the way to the Dakota Community Centre and beyond.

It is an annual event that was started by the now retired Madame Hélène Roy. This practical, responsible and motivational exercise not only encourages a positive community attitude and pro-environmental activity but also affords young people in the community the opportunity to conduct hands-on research and analysis. The clean-up exercise is one part of the overall goals of the environment committee at CJS, headed by Monsieur Lesage. He teaches geography and math and uses the exercise to collect data about species in the forest. The data is used in his geography class discussion in the analysis of plant life and land that is in close proximity to the students' day-to-day travels.

They have also been working with Mr. Penner from the City of Winnipeg to develop trails in the forest.

J'aimerais remercier les élèves, Monsieur Lesage, Monsieur Penner, le comité environnemental et le CJS pour leur engagement et leur enthousiasme à préserver les diverses plantes et animaux de la forêt Dakota ainsi que pour le travail assidu qu'ils font afin de garder la forêt propre pour l'agrément de nous tous. Je loue vos efforts. Félicitations.

### **Translation**

*I would like to thank the students, Mr. Lesage, Mr. Penner, the environmental committee and the CJS for their commitment and enthusiasm in preserving the many species of plants and animals in the Dakota forest, and for working so diligently to keep the forest clean for all of us to enjoy. I commend your efforts. Congratulations.*

### **English**

Thank you, Mr. Speaker.

### **Bovine Spongiform Encephalopathy**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, tomorrow is a one-year anniversary of the discovery of a cow with BSE in Canada. It is sad that a year later, the NDP government of Manitoba still does not have a clear plan to address either the animals over 30 months or the situation if the border does not open to animals under 30 months.

It is a real problem. It is inadequate. When I asked this question in Estimates, the minister gave a short answer. She was not able to table a plan and, unfortunately, we must conclude that a formal written plan for dealing with the situation probably does not exist with this government. I have argued for some time for the need for testing of all animals over 30 months in Manitoba as a way of guaranteeing to consumers that our beef is BSE free, those that are slaughtered here, and providing access to markets by being able to show to people, not only in Manitoba but elsewhere, that we have done everything that we can.

\* (14:30)

The slaughter capacity in Manitoba, the efforts, whether through Rancher's Choice or other, has still not come to fruition. It seems clear that the provincial NDP government and the Minister of Agriculture (Ms. Wowchuk) have stumbled in a number of ways in trying to move this forward.



So it is a year later tomorrow, but unfortunately it is a sad year and a sad time, in part because this NDP government has not performed in the way that many would have expected.

## ORDERS OF THE DAY

### GOVERNMENT BUSINESS

#### House Business

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, would you please canvass the House to see if there is agreement for one section of Committee of Supply to meet in 255 to consider Energy, Science and Technology, followed by Civil Service Commission, while the House meets to consider other business with the understanding there are no votes or quorum in Supply, today only?

**Mr. Speaker:** Is there agreement for one section of the Committee of Supply to meet in Room 255 to consider the Estimates of Energy, Science and Technology, followed by the Estimates for the Civil Service Commission, while the House meets to consider other business with the understanding that there are to be no votes or a quorum required for the Committee of Supply? *[Agreed]*

**Mr. Mackintosh:** Would you please canvass the House to see if there is agreement to consider the resolution on the Notice Paper at page 5 in the Order Paper?

**Mr. Speaker:** Is there agreement to consider the resolution on BSE today, which is on page 5? *[Agreed]*

**Mr. Mackintosh:** Following the question on the BSE resolution, would you please call debate on second readings of the bills in the following order: Bill 21, Bill 5, Bill 12, Bill 24, Bill 25, Bill 30?

**Mr. Speaker:** As agreed, in Room 255 will be the consideration of Estimates of Energy, Science and Technology.

### PROPOSED RESOLUTIONS

#### BSE Crisis

**Mr. Speaker:** In the House, I will now call the resolution in the name of the honourable Minister of Agriculture and Food. On the proposed resolution.

**Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives):** Mr. Speaker, I move, seconded by the Member for Emerson (Mr. Penner), that:

WHEREAS May 20, 2004, marks a full year since a single case of BSE was detected in an Alberta cow; and

WHEREAS the U.S. federal government responded immediately by closing their border to all live ruminants imported from Canada; and

WHEREAS this decision has cost the Canadian cattle industry more than \$3 billion since May 20, 2003; and

WHEREAS the economic impact to Manitoba has been in excess of \$1 million a day; and

WHEREAS the emotional and psychological impact on producers across Canada and in Manitoba has been immeasurable; and

WHEREAS there is no scientific basis on which to keep the border closed to live ruminant imports from Canada; and

WHEREAS ruminant producers such as goat, sheep, and bison producers have been adversely affected without any scientific basis for their inclusion in the ban; and

WHEREAS Canadian and Manitoba livestock products are among the safest in the world; and

WHEREAS producers and the rural economy continue to struggle as a consequence of BSE and the closed border; and

WHEREAS the agriculture industry has been further stressed by low crop prices, a potential U.S. countervail on hogs, the significant downturn in the PMU industry, the potato industry, and subsequent decreases in farm income levels; and

WHEREAS early federal programs did not provide Manitoba producers equal access to program funds; and

WHEREAS international trade is a federal responsibility.

THEREFORE BE IT RESOLVED that this Legislative Assembly urge the federal government to increase and strengthen their efforts to open the U.S. border to live ruminant trade; and

BE IT FURTHER RESOLVED that this Legislature urge the federal government to fully implement the findings and recommendations of the international panel which investigated Canada's single case of BSE; and

BE IT FURTHER RESOLVED that this Legislature request additional support from the federal government to assist Manitoba in building their slaughter capacity; and

BE IT FURTHER RESOLVED that this resolution be forwarded to the Canadian Prime Minister, the President of the United States, the federal Minister of Agriculture, the federal Minister of International Trade, and all Manitoba Liberal members of Parliament.

**Mr. Speaker:** Yes. Before I put the motion, the motion should read as written, but the minister was deviating a bit here and there. I am going to ask the minister to follow along with me and either use the words that she put on record or if you would just—I just have to correct this first and then it will be up to the minister to say, for example, if you go to the second paragraph: WHEREAS the U.S. federal government responded immediately by closing their border to all live ruminants import—she put an "s" in there and then instead of "imports" she puts "imported," so—

**An Honourable Member:** As written.

**Mr. Speaker:** As written there. Okay. Also on the top of the page, the first paragraph, where "Canada and in Manitoba have been immeasurable" she substituted the word "have" for "has." Would you like to leave "has," "have"?

**An Honourable Member:** Mr. Speaker, I would like it as written.

**Mr. Speaker:** As written. Okay.

Okay, so, but for the record I will have to correct one, two, three, four, five, six, seven, eight—one, two, three, four—okay, it is to save time for the House. I ask the co-operation of all honourable members to

put on record that according to Hansard we will record as written. Is that agreed? *[Agreed]* So I will now put the motion.

It has been moved by the honourable Minister of Agriculture, Food and Rural Initiatives, seconded by the honourable Member for Emerson (Mr. Penner),

WHEREAS—

**Some Honourable Members:** Dispense.

**Mr. Speaker:** Dispense.

**Ms. Wowchuk:** Thank you, Mr. Speaker, and I apologize. I had anticipated that the motion would be printed as written. I may have digressed a little.

However, Mr. Speaker, I am pleased that we are able to have all parties join together today, the day before the anniversary of the BSE case, just to emphasize this case. Indeed, this has been a very difficult year. We can talk about how difficult the year has been for people in this House, but in reality it is how difficult it has been for farm families. This has been just something that has been unprecedented to have an industry that is so important to the economy of this province and to Canada to be shut down to the level that it has been.

*Mr. Conrad Santos, Deputy Speaker, in the Chair*

I just want to recognize those people. We have worked very closely with them. I know that sometimes people give up hope, but in reality, we have to continue to work on these issues. We have to continue to work towards getting the border open, a border which is closed for reasons that we cannot understand, a border that should not be closed if the decisions were going to be based on science.

We also recognize that, in this province, our hands were really tied because we do not have slaughter capacity in this province. When programs were introduced, such as the Canada-Manitoba BSE Recovery Program, we found that Manitoba producers were suffering more than other producers. The impact of this is significant. The figures that we have is that the losses to Manitoba are in the range of a million dollars a day. When we look at the various programs, and we had a discussion earlier in the day about the various programs, we have in place programs that have flowed money into producers'

hands. Is it enough? Probably not. The producers could always use more money. They are carrying much more cattle than they were normally carrying. There was a drought that reduced their hay supply. All of those issues have put pressure on producers.

The fact that the border was open to boxed beef was an important step and has resulted in a product under 30 months moving into the United States. But, again, we do not have the slaughter capacity in this province to do those things, to take advantage of that opportunity for boxed beef going across the border.

\* (14:40)

Our government has worked very closely with producers in designing programs. I want to inform this Chamber that our government has put and flowed more than \$98 million into the hands of producers and into all ruminants. We often talk about the cattle industry, but we have to remember also that it is all of those other ruminants that should not be caught up in this significant problem that we have here, but they have been. We are working with producers. I have visited with my counterparts in the United States trying to convince them that they should open the border. The Premier (Mr. Doer) has been to the United States trying to convince the U.S. government that the border should open. Secretary Veneman has said that this will be open.

But we want the federal government to take a stronger role in this. We want the federal government to push harder to get that border open. We want the federal government to implement the recommendations that came out of the international committee. We have to take every step that we can to get our product out into other markets. As a country, we also have to look at new markets. How can we develop new markets for Canadian products so that we are not so dependent on the U.S. market? And, certainly, we have to increase capacity in this province.

That is why we have been working so closely with Rancher's Choice to try to get that facility up and running. It is unfortunate that the federal minister was here the other day. The federal minister was not able to deliver anything. He was invited to meet with Rancher's Choice. He did not deliver any money. The Province has money on the table, and we will continue to work. We will continue to work on other options, but we have to send a strong message to the federal government, and I am so pleased that

we have been able to get all people together today to talk about the importance of this issue, to recognize the hardship that the people in the cattle industry and in the other ruminant industries have been carrying. Indeed, others will say that there should be more work, more funds put in; and, if you compare what the Province has done in comparison to what the federal government has put in place, the federal government has not put that much support in place. We were pleased that they finally came forward with funds for the cull-cow program.

Mr. Deputy Speaker, as I talk about what we have to do, and others have asked where are we going on this industry, we put together the BSE task force that was chaired by Mr. Ron Bell, a group of people that has been looking and meeting with groups across the province, meat processors, marketing experts and consumers, to look at the entire industry and search out new opportunities for growth in Manitoba production and processing.

This task force has clearly identified, as we have and others have said, the fact that we need more slaughter capacity. My thoughts are outlined in the resolution. I certainly want to recognize the producers in the impacts that they have had, the very serious emotional challenges that they have been facing.

We will continue to work towards opening the border, Mr. Deputy Speaker. We need the federal government on board to help us with developing new markets. We need the federal government to look at implementing the findings that are recommended by the international committee and we need the federal government to increase and strengthen their efforts to open the U.S. border to all live animals.

We will continue to work in that vein, Mr. Deputy Speaker, and I look forward to seeing this resolution passed so that we can forward it on to the federal government and continue to work closely with them. I want to say that the federal minister, we have had discussions and he has been out to listen to producers.

We have not seen the real action and leadership that we want from the federal government, Mr. Deputy Speaker, and I think on this anniversary it is important that we send a very strong message. Thank you.

**Mr. Stuart Murray (Leader of the Official Opposition):** I would like to put a few words on the record with respect to the resolution that was introduced by the Minister of Agriculture and Food and seconded, quite rightly so, by the honourable member from Emerson.

I want to say that, as we stand the one day before the anniversary date of a cow that was diagnosed with BSE on May 20 in Alberta, it has had a devastating impact on our cattle and beef industry in Canada because it just slammed the border shut.

Producers got up every morning, as they normally do, expecting to go out and look after their inventory, Mr. Deputy Speaker, and they were given the news that the Canadian border for exporting product had absolutely come to a full, complete-stop. Shut.

What were they to expect? I mean, here were some of, probably, the best producers of beef in the world, Mr. Deputy Speaker, only to find that for some unknown reason and through no fault of their own they were in a position where they could no longer export their product. I understand that the impact was so sudden that the day that border closed, there are reports that some cows were reportedly sold for 20 percent less than the day prior.

I know that all of us in this House would like to ensure that there is an opportunity to have the border opened because we have said, and I support what we have heard from members opposite, that is the right thing to do, that the way to solve this, to get this moving, to get product moving again, frankly to give product that I think Americans are probably suffering because they do not have the quality of beef that we produce. I think that we all want it to go in that direction.

I do think it is interesting, Mr. Deputy Speaker, to note that the recent change at the federal level with the new Prime Minister coming in, there were a lot of concerns that the former Prime Minister, Mr. Chrétien, did not have a relationship with the current President of the United States, Mr. Bush.

There was a lot of hope that with the new Prime Minister coming in, Mr. Martin, that perhaps by setting up a meeting with President Bush, that there would be some resolve, because I do believe, Mr. Deputy Speaker, and I certainly cannot prove this,

but I think from all reports there is more than a science-based issue here. We think that the science is where it should be, but we believe that there are some politics in this process that are having a negative impact on what is happening here in Canada.

So I want to make a comment to say that, yes, this is a federal issue, that the federal Liberal government of the day, I believe, should be more proactive than they have been. I say it simply on the basis that we should all be more proactive until we ultimately achieve what we need; and that is to ensure that the borders become open, and that product is once again being able to be exported from Manitoba to customers south of the border.

I would say, Mr. Deputy Speaker, there is an issue that I think is important also to put on the record. We were surprised in this House in the last budget that was just introduced by the Doer government in April that there was very little, if no, mention of agriculture in that budget except as I was called probably within 48 hours of the budget going in.

I was called from some producers whom I have met through this process by visiting their homes, sitting with them at their kitchen tables, discussing some of the very, very severe issues and some of the heart-wrenching stories that they tell because of the situation that they find themselves in through no fault of their own. They called and said that they were somewhat surprised and maybe a little taken aback. There was a sense that in this budget that was introduced by the Doer government, there was some reason to talk about a crisis and part of that crisis was forest fires, and part of it they talked about SARS, but part of it was BSE.

The sense I got from talking to these producers is, they were feeling somewhat let down by the Doer government, (a) because there was very little mention of them in the budget that was introduced in April of 2004, and (b) because there seemed to be a blame on the producers in Manitoba for this crisis.

I think that is unfortunate because I think if we, in this House, and we in Manitoba, can probably take some umbrage, some sense of lessons learned. I think those lessons learned, Mr. Deputy Speaker, are out there in an abundance by listening, meeting, working with and understanding how it is that our

cattle producers have stared down a crisis. Yes, it has been traumatic and continues to be so because, of course, we know the border remains closed. But only because they have, perhaps, run out of options are some of our producers not sure where to turn. It is not because of their tremendous desire to be successful, their tremendous desire to stare down the odds that have been put upon them through no fault of their own; through their tremendous desire to say that we know we produce the best beef in the world and we want to continue to do that. They want to look for ways their own selves to try to get through this most unfortunate crisis.

\* (14:50)

I think it is important that we recognize that this industry—and I was reminded by my honourable colleagues both from Emerson and from Ste. Rose who are part and parcel of this industry and understand it immensely—has never, ever in decades turned to government for assistance. It is not what they do. These are entrepreneurs of the finest kind, because they are always looking for ways to survive, regardless of what the economic climate is. I think we would all agree in this House that closing the border, shutting off, it is turning off their water, shutting off their ability to be those entrepreneurs I think are odds that Superman himself would have difficulty with. These people have found it very difficult to survive and, again, the unfortunate part of this is through no fault of their own.

I want to just say a couple of words on behalf of our member from Emerson, who, I think, did a tremendous job following the May 20 closure of the border and into the summer. I think he organized a number of events and, certainly, on his leadership the caucuses on both sides of the House got involved in trying to say to Manitobans that it is okay to eat beef, that we should not be afraid of what took place in Alberta. To the public's credit, they came out and supported this industry then. They continue to support it today. I know they will continue to support it tomorrow, because we will not be deterred by supporting our industry because of one incident that took place back on May 20 in Alberta.

Producers know, and I believe have taken some comfort, be it small, Mr. Deputy Speaker, that we in this province of Manitoba are standing with our producers ensuring that we support them, because we

will buy their product and continue to buy their product.

The one issue that I would just hope that our Premier (Mr. Doer) and Minister of Agriculture (Ms. Wowchuk) would continue to do, we asked about it in Question Period today, is to ensure that there is some real, long-term strategy, a real plan B, because we do not know when this border is going to open. I think it would be unrealistic for any of us to try to project and put a date out there.

That is not what producers want. They have been led to believe that this border is going to open next month, possibly the month after that, maybe in a couple of weeks. What they are looking for is a real plan B. Of course, when the border opens, people, I think, will be thrilled and delighted, although there will still be issues out there.

I do not, for one thing, believe that just by opening the border all of a sudden everybody should start celebrating on the basis that our problems are over. There are going to be problems. That speaks to the long-term plan from the current government.

What is it exactly that they are going to do to ensure that our producers are looked after? Again, I think we always have to go back to remind everybody in this process that this closure of the border had nothing to do with those producers.

The fact that there may be some assistance that is required, I do not think anybody should be doing anything other than proudly standing beside those producers, because they do not come cap in hand. They never have. I know that they are going to, through again no fault of their own, be in a situation where they have to have some support.

We on this side of the House will be there to do exactly that. I would like to again say that we have to work together with the federal government to put some heat on the Americans to do the right thing. I would hope that we in this House can send a very strong message to the Americans to do the right thing and open the border.

I hope in a very small way that we can send a very strong message to those human beings, those families in Manitoba who for the last year have been wondering what does tomorrow bring and what does the day after that bring, those families who have

suffered something that is so emotional that I think all of us should try to send a message to them that yes, we will stand with them today, tomorrow and the next day because we believe in them. Thank you very much.

**Hon. Gary Doer (Premier):** I would like to commend the member for his comments and commend the House for this resolution. I know that everybody in this House would prefer the border would be open, that we would talk about how we implement a transition that is a year overdue today as opposed to how do we continue to work to get that border open.

I know that people are sincere in this Chamber. I have had an opportunity to meet people from all parts of rural communities and city communities, because a lot of people are just one or two generations removed from the family farm. Given the number of family farmers in Manitoba that are mixed operations, including cattle and livestock, we know it is affecting a lot of people and having a real impact.

All of us have met young people in different communities. I was in Neepawa. I could mention all kinds of communities. It is real. Uncertainty is very difficult to manage and uncertainty for young people is even more difficult to manage, because people want to make decisions on their future.

It is very, very hard for the family to be able to make decisions on investments in post-secondary education and other longer-term decisions in this very, very serious issue of crisis and very serious issue of uncertainty.

So I want to thank members for this resolution. I know that we would prefer to have action on the border rather than speeches in the Legislature. I know that is shared by everybody. I know that people in the community in this Chamber, some represent more directly agricultural producers and cattle producers than others. Certainly, I know that I feel that the comments people are making are sincere and are motivated to do what is best for cattle producers.

I want to give credit where credit is due. I think that we felt for the first number of months that everything that we had come with in ideas, and this started with the western premiers at the meeting

shortly after the BSE crisis, we knew that there would be a certain containment at the border, immediately, and we knew that we had to have an immediate bridge for that economic loss. We tried to propose that there be a 90-10 program from Ottawa to deal with this crisis. There had been precedents in the past to deal with this economic emergency in that kind of way. We thought that the program should be flexible because one size would not fit all, and then we had a program that was very inflexible, just dealing with slaughter. In Alberta, probably, they are still reviewing what kind of distortions that made on the marketplace in Canada.

We did have to adjust our program based on advice from the cattle producers, and we did want to increase the amount of money for slaughter. The amount of incremental money we have put in has aided, a bit, the marketing of beef in Manitoba, and the slaughter, but it has not been as successful to date as we have wanted and we remain committed. Some equity from the producers will result in equity from the provincial government. We do, and are prepared to, share the risk. We would like the federal government in, specifically on slaughter capacity, because, even if the border opens, the rules have changed. The old rules of totally putting all our eggs in an export basket have changed.

In 1988, we slaughtered some 450 000 cattle here in Manitoba. I think the number was down in the early nineties to 250 000, and almost all the slaughter capacity was eliminated with the closure of the Burns plant in 1993-1994. So we were down to under 19 000 cattle slaughtered in Manitoba when this BSE crisis took place; and, when the issues of how we will manage that, when we were confronted with it, our capacity was very low. Even with that capacity, even if we were to get the capacity up, we also need more federal inspectors to be engaged, because we obviously know that that meat would be used beyond the Manitoba borders and would require the federal inspection agency to engage more staff.

We did look at different operations in Manitoba with other groups. We met with Maple Leaf and McCain's family on the potential for the cattle producers' co-operative. I say again today, decent equity will result in equity and risk from the provincial government, and hopefully risk from the federal government, to increase the slaughter capacity here in Manitoba. So we really remain committed to this issue.

\* (15:00)

We have tried to work on the legislative side and we continue to have our contacts across the border. I want to applaud members of the Midwest legislative forum last year. I think that is the reason why we want to join that organization. The members that went to that meeting, I believe it was in Milwaukee, had got a very good resolution passed that we have used with governors, we have used with the State Department, we have used with the Secretary of Agriculture's office, we have used with the Prime Minister, we have used with other premiers to try to move the debate along.

This is a conflict in the United States on the political side, and the Leader of the Opposition knows this. There are some cattle producers opposed in the short run to opening the border, because of its advantage to price for them. There are other cattle-producing organizations in the American Meat Institute that are in favour of opening the border because they recognize that this really is an international market, that it should be based on science and not politics, and that short-term political considerations will, in the long, run deter long-term economic decisions in the best interest.

I would point out that some of the contacts we have have been helpful. Just the other day, there was a resolution passed by the State Legislature of Idaho and the State Senate of Idaho to put a "C" on every cow, "C" for Canada being branded on every cow going into Idaho. The governor, Governor Kempthorne, who is the chair of all the governors in the United States, vetoed that bill, and I want to thank him publicly. I have thanked him privately for doing so. We have had some good relations with some governors.

When governors raise issues like the purple tongue—*[interjection]* blue tongue, okay. Here the tongue looks almost purple sometimes, but blue tongue—*[interjection]* I know, well, it is like my tongue. When they raise issues such as happened in South Dakota, we went back to the federal government. I phoned the Prime Minister and said, "Listen, they are really concerned about this seven-year protocol. Can you get your people working more urgently?" The Americans do not want this seven-year proposal. When they raise issues of blue tongue, we go back immediately to Ottawa and say, "Listen, you are holding up the blue tongue file. It is

going to affect some of the support from people in Montana and Wyoming." So we have tried to instantly be responsive.

I would say that the opening of the border for boxed beef has been positive. We thought we were right close to getting the live cattle under 30 months; we thought we were within days of getting an announcement there. Then, of course, we had the other cow in Washington State, the American cow. Of course, I am sure that everybody heard the huge sigh of disappointment with Canadian producers when that happened and, of course, the huge issue for Americans.

We have met with, as I say, people that are allies of ours, the American Meat Institute, other governors, other senators, on this file. We know that, hopefully, the border will be open shortly, but we will be inviting members of the Legislature to a reception where the international Meat Congress is being held here in Winnipeg, which will include people from Europe, people from Brazil, people from United States. We can continue to lobby, but obviously we would like not to have to wait another three weeks to do so.

I want to say, Mr. Deputy Speaker, that the Prime Minister felt he had a very good meeting with the president. The proof was always in the pudding. I think over the next couple of weeks it is crucial because the Americans now are going to test, I think, 600 000 what they call high-risk cattle, sometime after June 1. Obviously, that will raise the risk level of detection but lower the risk level to the public.

I think it is important to note that we did remove the cow out of our food supply. The Americans did not, and when American politicians say that Canadian beef is not safe, that is just not factually true.

The bottom line, Mr. Deputy Speaker, I actually believed right from the beginning that we needed a national program in this regard. I think Bob Speller is doing a better job than the previous minister. I think we need national programs across the country to deal with the border, with science, with protocols, with feed policy, with rendering policy, with rendering alternatives, with transitions on our markets, with the transition in our marketing. Here in Manitoba we need transitions to take from a situation where all our cattle eggs are in one external export

basket, and we have to repatriate some of those decisions closer to home, closer to our communities. That is why we do believe ranchers' co-op, with proper equity and risk from us, should hopefully proceed. We think that that, in the long run, even if the border is opened, will make more sense.

When the minister mentioned that the federal government is not assisting us on slaughter capacity, I have raised this before, we would like your help in this regard. It is important. We are prepared to risk Manitoba taxpayers' money on slaughter capacity. We know producers are trying to get more risk for their own future, and we wish them well in doing so. If we can share the risk with a third set of risk-takers for this slaughter capacity, it is helpful.

The first decision made by the federal agency was no. We have, as the Leader of the Liberal Party pointed out, some further initiatives pending, but we are not saying we are pending. If the equity risk position is there, not in substantive numbers, but just in reasonable numbers, then we will proceed with our risk and proceed with this slaughter capacity.

I want to thank members of the House for this resolution. As I say, we have to continue to work together to get this industry developed and opened with the border. The resolution's WHEREASES include other issues such as hogs. Manitoba has hired separate counsel on hogs because we know it is not a homogenous view in Canada on how to deal with this industry. We are ahead of some of these initiatives in Washington in terms of legal advice. We have discussed this with some of the major players in Manitoba. The issue of potatoes, I think we have to get some of the more honest messages out about diet and potassium and energy levels as opposed to some of these one-year fad diets that are causing so much difficulty.

Certainly, we believe that this resolution is helpful. I want to thank members for this resolution. We certainly stand with our cattle producers here in Manitoba. I think a testimony to that is the fact that the consumption of beef has gone up because of the confidence in the food supply here in Canada.

**Mr. Jack Penner (Emerson):** I want to thank the honourable minister for the co-operation that she has and her department have extended to many of the producers as well as the issues that have been raised in this Legislature time after time. I want to,

however, say that from a perspective of reality I think one needs to look at not only the border situation but one needs to deal with and look at the sincerity of the government of Manitoba in how they have dealt with the issues. I want to spend just a few minutes on doing something like that.

I want to indicate to the House that a \$3-billion loss has been incurred by the agricultural community, probably more than that. What is far more important than even the \$3-billion loss that has been incurred by the agriculture community is the emotional and psychological impact that has occurred in the agricultural sector and indeed all of rural Manitoba.

It is not only the farmers that have suffered through this crisis. It is all people living in rural Manitoba and indeed, I believe, families of members that live in rural Manitoba that reside in the major urban centres such as Brandon, Winnipeg, Portage and Steinbach and others.

\* (15:10)

I think they all realize how difficult this has been for the young farmer that has spent a decade trying to build an operation and held many times two jobs to see to it that he could make his payment. Yet this farmer now is saying, "Sorry, I had no idea that I would have to face this kind of crisis alone." His family suffers along with that young farmer. When that young farmer is throwing up his hands and saying, "Sorry, I am not going to drag my whole family, my mother and my father, my brothers and sisters through this crisis with me in order to try and keep the family farm."

It is not going to happen. He is not going to jeopardize all that. Therefore, "I am throwing up my hands, I am going to sell my cattle at fire-sale prices and get out of the business." That is what I am hearing time after time.

Never before in my life as a member of the Legislature or a farm leader have I seen more farmers, grown men, sit and cry at my kitchen table. It has been one of the most gut-wrenching, emotional experiences that one could imagine, because they are losing what they have worked for all their lives.

What are we seeing from the provincial government? What are we seeing from the federal



government? We have seen a lot of rhetoric. We have seen the former Prime Minister, Jean Chrétien, poke his finger in the President of the United States' eye time after time, critical. What has ever happened in this country to true diplomacy? What has happened to when you deal with water issues such as we are dealing in Manitoba now with North Dakota to try and sit down in a diplomatic way, discuss and make your case for not taking certain actions that might damage our waterways? Whatever has happened to diplomacy? The first thing we do is run to the courts and challenge our neighbours in the courts. To what result? To what end? I think we are seeing to what end; we are having to deal with this crisis. If you had taken all of the scientific analysis that you could and applied it here, and just based your decision on that, the borders would have been open long ago.

However, there are two issues that are probably preventing this.

Number one, the diplomatic relations, the deteriorations of that over the last while between Canada and the United States, and the inability of politicians to be able to meet each other face-to-face and deal with the issues and crisis.

Secondly, I think what is really important here is that the government of Manitoba has time after time told people that the border will open, based on discussions that they had with people like a group of state senators from North Dakota and South Dakota and Minnesota. Those state senators had no power at all in the United States in Washington to influence. Oh, they might have had some friends that they might have been able to influence a little bit, but they had no decision-making power. Yet, when the minister came back from the meeting in South Dakota, she said, "I believe the border is going to open soon."

It led farmers to believe that, and it led farmers to make decisions to hold their cattle when they should have been selling them, when there was a bit of an upturn in prices. They said that, well, if the border is going to open sooner, then prices will increase and be levelled out with the American prices. It did not happen; it has not happened yet. A year later it still has not happened, although the minister has at least on three or four different occasions indicated to farmers the border will open soon. I think it is sad that a minister would resort to

those kinds of tactics when she knows how emotional this matter is and how integral the integrity of a minister must be, and how important it is to maintain one's integrity. We have seen little of that.

This government has advertised, spent hundreds of thousands of dollars advertising that they have put out \$180 million for the farmers, including such things as the CAIS program and the loans program, and five other programs that they initiated; plus programs that had been in place for many years that have nothing to do with the BSE crisis. They listed them all to try and come to that position and still could not reach the \$180 million. I think it is unfortunate that governments have to resort to that sort of action.

I think it is important to note that the use of the farm community by government as a tax cash cow to fund education is unfortunate. We see this time and time again, that these people are constantly increasing via the values of the property increase and assessment, and they use then other tactics to try and tinker to lower it a bit. But, in essence, in reality, the price increase continues and the cost increase to the farmers continue on the tax side.

They portrayed their loans program as being the same as a cash advance. Well, not so at all. A cash advance program only takes the inventory on your farm and advances money against that, and when you sell the inventory it comes right back to government, no cost either way. Yet these loans are interest-bearing.

At the end of two years, when those loans have not been met, they take a mortgage on the whole farm, and that is what this government is up to. That is what the fear is out there, and that is why the Province of Manitoba has not been able to extend the whole hundred million dollars in loans to farmers. They are afraid they are going to have to put up their whole farm and the government is going to take it over if they are not able to meet their commitments. That is the problem with this.

The third one is that we believe that the Americans know that Canadian food and food products, such as meat products, are some of the safest in the world. We have every reason to believe that. I talk to my American friends all the time and they have said, "We know your food products are

safe because of actions you take and how your farmers deal with putting food on the table."

In this last three-, four-year period we have seen low crop prices, a potential for U.S. countervail on hogs, a significant downsizing of the PMU industry, the potato industry and many others. Never before in my history of farming have I seen a greater number of crises hit the agricultural community than we have seen in the last four years of the NDP administration. Yet we are blaming this all on the BSE crisis.

I found it distasteful, Mr. Deputy Speaker, that our Minister of Finance (Mr. Selinger) in this province would point to the BSE issue as being an issue for them to be able to say they could overspend and use that little clause in their balanced budget legislation to say that BSE actually caused them to overspend.

Well, when you look at the real numbers, there was \$43 million budgeted under Agriculture for disaster. Hardly any of that money was paid out. If you even take the whole \$31.9 million that the government has indicated that they paid out, and those numbers came out of the minister's office, if you deduct that you still have a \$10-million surplus, as a matter of fact, an \$11-million surplus. If you take the \$46 million that the Minister of Finance said they had allocated, you have a \$14-million surplus.

How can you blame the stricken farmers that cannot sell their cattle for the overspending of this government and blame them for their deficit? How can you, when it was budgeted for realistically and never spent?

I would suggest, Mr. Deputy Speaker, far more could have been done in a realistic way to encourage the Americans to open their borders sooner. One of them would have been if we would have recognized the importance of the agreement that we had and, No. 2, to recognize that the international relationships need to be maintained on an even keel. I believe our Minister of Agriculture (Ms. Wowchuk) could have played a much more significant role, and I think our Premier (Mr. Doer) could have played a much more significant role in that matter.

I want to, however, commend the minister for agreeing to put this joint resolution forward, and I hope we are able to agree to pass it here today and pass it on to the federal government as well as the

U.S. federal government. Thank you very much, Mr. Deputy Speaker.

\* (15:20)

**Hon. Jon Gerrard (River Heights):** Mr. Deputy Speaker, we in the Liberal Party agree and support this resolution requesting additional support from the federal government with respect to the situation which has arisen after the discovery of BSE in a cow in Canada, May 20, 2003.

We recognize the extraordinary difficulties that many farmers are facing. It is not just cattle producers, it is those who have sheep and goats and bison and elk and other ruminants who are also having a great deal of difficulty. We need to recognize their needs, as well, and their difficulties.

Mr. Deputy Speaker, we also believe that there is a real need, not just for better provincial support but for a clear, written provincial plan to address, first of all, animals over 30 months, second of all, the situation of what Manitoba is going to do if the border does not open. We all want the border to the U.S. to open to cattle, to other ruminants from Canada as soon as possible.

Indeed, I am pleased that copies of this will go to the President of the United States because anything we can do to help open that border as soon as possible will be beneficial to all producers.

Certainly, we know that, while we are hopeful that it will open for those animals under 30 months, it has become quite clear that it will not open for animals over 30 months and there needs to be a clear plan here. Mr. Deputy Speaker, we are already facing a situation where the number of cows which are ready to be culled has gone from probably 50 000 a year ago to somewhere between 70 000 and 100 000 now. This situation is getting worse and not better.

I have for many months been an advocate of testing all animals slaughtered in Manitoba over 30 months as a way of sending a very strong signal that we are going to make sure that any animal slaughtered in Manitoba is BSE free. It would have been easier to do in Manitoba because we slaughter fewer cattle than in Alberta or Saskatchewan or Ontario. It would have also been easier to do here because we have the Canadian Centre for Human and Animal Health where they do the testing here in

Manitoba. We are closer to that facility, but the provincial government, unfortunately, has failed to deliver on this and is not showing any inclination to move on with what would have been an important initiative.

Mr. Deputy Speaker, we also believe that it would be very desirable, indeed it has become imperative, to have increased slaughter capacity for animals over 30 months in Manitoba. Given the nature of the situation, we are disappointed that things have progressed as slowly as they have from October of last year when a major proposal came forward. Today we still do not even have a shovel in the ground or a project approved. There is clearly a need for a provincial government with the will to get the job done, not just to sit and provide arguments and dicker back and forth. This job is important to be done and it should be done.

There needs to be a plan if the border does not open. We need to be able to look realistically at the situation and how we are going to position Manitoba, how we are going to deal with these older animals, but where we are going, what markets we are going to go after if the U.S. border does not open. But there is, as far as we can determine, no written Manitoba plan of action and that certainly is disappointing.

The plans for other ruminants, sheep, goats, bison and elk, clearly there is no reason at all for the border to be closed to these animals. Clearly, there should have been a huge effort to get the border open. Important as it is for cattle producers with respect to reasons and science and so on, these are producers who got caught as innocent bystanders and these are people who should have been supported even more but they have been tended to be treated as if they were minor players and they should have been given a better role and better support.

I note that there was a federal committee on beef prices that was investigating why prices in the store are still so high when prices to farmers are so low. This is clearly a problem. It is an issue and this committee was seeking financial information. It clearly was unfortunate last week, when the Conservative members blocked the initiative to get more information, but we will now I guess have to wait until after a federal election expected very soon.

Mr. Deputy Speaker, we are pleased to see that the Prime Minister and the federal Minister of

Agriculture put a full-court press on down in the United States when they visited with the President recently and that there was a positive response from President Bush. But, clearly, the outcome measure that we are all seeking, which is the border opening up, is really the measure that we have to go by and we will continue to hope that that happens, even as it is very important to plan for circumstances where it may not.

So I conclude, as Liberals we support an effort to have more federal government involvement, particularly with respect to the support of developing the slaughter capacity in Manitoba. We recognize that in the final analysis, because this is in Manitoba, the responsibility, the need to get it done, is at the provincial level. But we would sure welcome that federal support and we hope that it will come.

\* (15:30)

**Mr. Tom Nevakshonoff (Interlake):** Normally, I begin my speeches by saying it is a pleasure to rise on an issue, but certainly this is not a pleasurable occasion. It has been a year now, tomorrow, that our farmers have faced this crisis, and I speak on behalf of the producers of the Interlake, one of the regions that has been most severely hit by this crisis. Not only did we have to deal with the issue of BSE itself over this past year, but the drought hit particularly hard in my constituency and particularly hard in the northwest of the constituency where most of the cattle production takes place. It is an area that has next to no annual crop production whatsoever, meaning that when farmers were looking for alternative sources of feed, meaning straw, even then they had to travel literally over a hundred miles to get anything. It is an area that was most severely hit and it is a crisis that we continue to face today.

I want to speak today in a spirit of non-partisanship because I believe that we are faced with a crisis of unprecedented proportions, certainly in my memory as a member of the Legislature for the Interlake. I believe that it is important that we send a united message to those that are listening. We are going to forward-on this resolution to the President of the United States, for example, and I think we have to show all people outside of this province that we are united on this issue.

I know that some members opposite have digressed a little bit from that spirit, but I am not

going to rise to the bait today, and I would like to just focus on the main issue, which is to send the message abroad and to the government in Ottawa, our national government, that this is a national crisis; that they should be stepping up to the plate to the fullest extent of their abilities. Also a message to our friends south of the border that this is something that is killing us here in Manitoba and in Canada. We have been friends for a long time, and this is something that is causing a lot of strife between our countries. I hope that at the end of the day they do make their decision sooner than later based on science so that we can get back to continental trade in beef at the very least.

I do not want to speak too long because I know other members in the House want to put their thoughts on the record, but I do want to make mention of the Rancher's Choice, which is the one proposal on the table of any substance to deal with the cull-cow problem in the province of Manitoba here given that we have virtually no slaughter capacity. This initiative is in a critical stage right now and we have to get the message out to all of our friends in whatever party it is, whatever constituency, that they should be looking very seriously towards this. We have only got 20 or so days left before the time runs out on this, so I ask all concerned to do what they can to get the message across to their producers, and at the federal level as well.

I understand that the FCC has looked at this and denied us on this front. The Leader of the Liberal Party tells us that they are now re-evaluating it, so I sincerely hope that he uses his office to stress the critical nature to his friends in Ottawa to see that this proposal goes forward. So, in respect to my colleagues across the House here, I will conclude my remarks on that note and pass the mike over to them.

**Mr. Glen Cummings (Ste. Rose):** I want to preface my remarks by saying that it is very important that this resolution be appropriately aired and supported on all sides of this House because, regardless of whether or not we are critical, and we are on this side of the House, of what the government has or, as we believe, has not done in many areas in response to the BSE, we know that this was not a made-in-Manitoba problem.

But it is certainly a Canadian and Canada-wide problem which Manitoba has a major portion of.

Compounded in this province and in others by what unfortunately is nice weather for those who want a vacation, but for those who are dependent on Mother Nature, developed into a drought which compounded problems for those who are very dependent within the cattle industry to carry their stock at the same time as they saw their markets crumbling around them.

One of the things I wanted to be very clear about is that this industry has purposely for decades shunned any kind of government involvement, other than government certification of the quality of the product that it produces; and government staying out of the way sufficiently so that free trade and free trade agreements, or whether you call it free trade or just bilateral agreements for trade, can function not only with our American neighbours but around the world.

I am reminded by my colleague from Portage that in fact there are a number of countries that are prepared to take our product. They say that they will take it on the basis of sound science and proper testing of the animals that are being put into the food chain. So there is a responsibility in all levels of government to push forward to make sure that adequate resources are applied to develop the technology so that we can continue to access those markets.

Tying to that the fact is that there are a lot of people out there, including some cattlemen, who have said, "Well, what is so sacrosanct about the American market? If they are going to cut us off and they do not deal in an open-handed way, as we think they should, we have such good beef we will just ship it somewhere else in the world."

I say to my colleagues "This is the premium market in the world." Japan comes close, but it is much further away. In the case of Canada, a premium market absolutely within trucking distance across the border at a premium price demanding a product that we have an ample supply of. That is why we want access to the American market. We should never apologize for that, but we should never avoid that discussion either. We need to have other world markets and we need to open them up.

But the one that will return the coin that the operators believe they need in order to successfully operate their cattle business is very likely tied in part

at least to the American market, the access to a society and to a community that is well paid and likes high-quality food products. So we should never overlook that and we should be ever conscious of the fact that we have a free trade arrangement. Are we going to fight this on the basis of free trade or are we going to fight it on the basis to prove that all good science and all health of animals and other requirements can be met in order to access that market? I think that is the most important part of it.

I would only close, and I will be closing momentarily by saying that I believe there were better ways that the Province of Manitoba could have interacted with the industry. They put a lot of money on the table, but the way it was put there seemed to impede some parts of the industry taking advantage of the support that they were offered. Unfortunately, that is now going into the next phase, which is where we all acknowledge that better killing capacity would be welcomed. In doing so, I think the government needs to recognize and we on this side have begun to feel some urgency from the government that they should be dealing with this more aggressively. That is while they were during the height of the concern around BSE, talking about increasing killing capacity. We have had literally dozens of ideas and suggestions that have been put on the table to increase killing capacity. I do not think we have adequately responded.

I have the good fortune to have at least one of those new plants that have been built within my riding. The fact is I do not think they got a nickel's worth of government support except for some training. They also did not get a lot of leadership or assistance in terms of developing their plan. That is not a reflection on the people within the department, but I think it reflects perhaps a lack of enthusiastic direction from leadership that would have caused that to be more aggressive.

So I say to all of us in this House that this is not just about the cattlemen in my riding or across the province, it is about the rural economy. It is about the fact that there are a lot of people out there who do not know one end of a cow from the other who are about to get hit by something financially that they do not know is coming. Some of those people will be right here in the city of Winnipeg. It will have a negative impact on the gross product of this province and on the jobs that are created and the opportunities that flow in the long term within this province.

I think we need to commend this motion to our federal government and to ourselves to rededicate ourselves to dealing with this issue. Thank you.

\* (15:40)

**Hon. Scott Smith (Minister of Industry, Economic Development and Mines):** It is my pleasure to get up and speak to this resolution that has been brought forward by our Minister of Agriculture and certainly supported by the members here opposite. As many members in the House have spoken and the member previous to me has spoken, this issue is certainly a national issue. It was obviously identified by an animal that was inspected and identified and detected, not from our province but certainly from elsewhere. In fact, what it did do is identify that certainly the Canadian system here does work. In fact, our products are some of the safest products in the entire world. The federal government certainly has not stepped forward with the programming that is needed.

Obviously, with our producers, and certainly the member opposite previous had spoken that it is not just the cattle, but certainly the cattle industry has been massively affected by this. In fact, it has certainly been all ruminants that have been affected by this decision to close the border. We have shown that our system here in Canada is certainly one of the best in the entire world.

*Mr. Cris Aglugub, Acting Speaker, in the Chair*

In fact, if inspections were done in other jurisdictions and certainly in other nations as well as we do here in Canada, I think the world industry would be very, very proud.

The federal government, on this issue, certainly has been less than responsible. International trade is a federal responsibility. Certainly in large part our producers here in Manitoba, as in Saskatchewan, Alberta, B.C., Ontario and right across Canada in fact, have identified that our largest trading partner, certainly that trade has grown with our partner, the United States. It has been expanding. It has gotten to the point where in fact our producers do have one of the best products in the world. Certainly, they have had a good relationship, a good trading relationship with our American neighbours. I know the producers themselves in America value and respect the product that we have in Canada.

With their elected officials, I know many that I have spoken with want to base it on science. They want to look at this issue happening certainly on both sides of the border and how we react to it.

I think the federal government, with this resolution in the House, I am hopeful will certainly agree to this resolution in its entirety. It certainly has an obligation to get into this—it is not a game, I will not use that term—but certainly get themselves involved in what is a critical trade issue. It is a critical issue for Manitoba, for our rural communities. Certainly, the member opposite highlighted, as well, all of our smaller communities, as well as our larger urban centres here in the province.

Agriculture is a backbone, certainly, as well, still here in the province of Manitoba. We recognize that on this side of the House. Members opposite, I know, recognize that and it is time the federal government begins to pay attention to what is truly an international trade issue. We need to identify this up as far as the President of the United States. I know it has been. I know that there have been signals sent back and forth, certainly over the last period of time, that it is an issue and we all are very, very hopeful that that border opens up.

Just in closing, I know other members want to be on the record here. This is a good resolution. I am hopeful that the House will support our agricultural producers and certainly all of Manitoba. So, with those short comments, thank you very much.

*Mr. Deputy Speaker in the Chair*

**Mr. Ralph Eichler (Lakeside):** Mr. Deputy Speaker, again I want to put on the record a few words and thank the minister and especially the member from Emerson for all the work that they have done in putting the issues forward and us trying to address them in the House the best way that we can.

I feel very strongly that there are two issues that have been holding up the opening of the border and I think we need to look at other markets as well.

The first issue is, of course, the federal government. They have a very important role to play and our former prime minister definitely did not do us any good. In fact, our Doer government, second, got in the way of probably opening the border by

taking our neighbours to court. I cannot see how that is going to help our relationship one little bit, definitely not something that we would have liked to have seen on this side of the House.

They announced some hundred and eighty million dollars in programs. We are here trying to work together when one program, very simply put, a cash advance program would have caused us a lot less grief and had a lot less stress on the family farmer.

Young farmers are right in trouble. They were forced to sell some of their cows off to take advantage of this program to try and make their payments; people like Thorgardson [*phonetic*], and Vorgs [*phonetic*] and Geislars and Johnsons. These people are grabbing at every straw they could have grabbed at, and it is very unfortunate that this government did not listen to our cash advance program where they were not forced to sell their cattle. It is such a simple program and we would have made this a lot less stressful on our young farmers.

There are a number of other issues that I am trying to rush through, to get through here, because there are a number of speakers that do want to speak, but I would be remiss if I did not bring forward the agricultural program through the CAIS program. The government asked what can the opposition bring forward. Well, it is very simple. We have asked, not only for the cash advance program but the finalization of the CAIS program so that the farmers know where they are going to go without another extension. That would be one of the issues that we need to move forward very quickly on. I would urge the government to do so.

I would also like to, because I too, like the member from Interlake, a large part of my land is very marginal in the constituency of Lakeside and without a processing plant here in the province of Manitoba we would be remiss, and I stress that we would be remiss, in not moving forward on this program. We are not even close to trying to alleviate the problems for the producers within the province.

Anyway, we would like to assure the government we will be bringing these issues forward each and every day until this border is open. We need to look for new markets, worldwide, not just to the south but to the east, and the west, and wherever

the market has to go, we need to be there. I am going to leave it on the record as that. Thank you, Mr. Deputy Speaker.

**Hon. Peter Bjornson (Minister of Education, Citizenship and Youth):** It is hard to believe that it has already been a year since this crisis has arisen as a result of one cow in Alberta. The impact has been enormous and there is no doubt about that. Members of this House, to bring this resolution forward on the eve of the anniversary, it is critical that we stand together and talk about the importance of getting that border open and lobbying our federal government to do their part, as that has not been the case.

The Province has been providing a number of different programs over the course of the year. The Feeder Assistance Program, the Cull Animal Program, the Manitoba Slaughter Deficiency Program, the Canada-Manitoba BSE Recovery Program. In only one of those programs have we had any support from our federal partner, so is critical that we get our federal government involved in helping address the hardship that this one cow from Alberta has caused for our producers.

As a rural member with many producers in the Gimli constituency, I recognize the impact that this crisis has had on my constituents. These programs that we have provided for these constituents of mine and for all Manitoba producers, the low-interest loans, as had been suggested by the Leader of the Opposition (Mr. Murray), have been providing the farmers the operating capital that they require to weather the storm, to weather this crisis.

The pattern has been repeated in many provinces where provincial governments have identified the needs of the industry and stepped up to the plate again and again and again. The provinces have designed programs, provided what funds they could and stood with the industry as it weathered these tough times, but again, we need more partnership from our federal government. We need more input from our federal government to help us through this crisis.

The Canadian Food Inspection Agency and other bodies have worked tirelessly to address the situation. It seems their political masters have not shared the same dedication to addressing it. Here we are a year later and we have not seen the full implementation of the recommendations that the

international expert committee that was charged with investigating Canada's lone case of BSE.

With that, again I cannot emphasize enough how important it is that we continue to lobby as a province for our federal government to step up to the plate. Our Premier has travelled to Washington to speak to the policy makers and the other opinion leaders to press the Canadian case.

A full year after the border closure, it is important that we look forward. We all know that the reality has changed for our livestock producers. It is important that we give them the tools that they need to move forward with this new reality. I know that there are many members who would like to put words on the record, and I will leave it at that. Thank you.

\* (15:50)

**Mrs. Mavis Taillieu (Morris):** Mr. Deputy Speaker, I just want to put a few words on the record in regard to this day being almost the one-year anniversary, that being tomorrow, of the BSE crisis. Remembering a year ago: hearing the news about the one case in Alberta and recognizing that that was going to change the whole future of agriculture in our province, visions of the mounds of animals that were burned in the United Kingdom after they suffered their BSE crisis in 1999.

What happened is the border slammed shut, feedlots emptied, cattle prices plummeted, the trucking industry ground to a halt, and farm families were struggling under financial burdens. This has cost the industry more than \$3 billion, and the economic impact to the Province has been about a million dollars a day.

There is really no scientific basis for this. We know the science is done. We know that our beef is among the safest in the world. We would encourage that we need, as we have said right from the very beginning, cash advance programs are what is necessary. A lot of the programs that were put in place were just not accessible to people. Money did not flow. It looked like it was flowing, but it was not flowing to farm families. Many told us that many times.

The funding of the CAIS program needs to be finalized. The processing plant, we need to have that

processing plant. We need some support from the government to do that, and we also need the government to lobby hard with the federal government because, as we know, getting the borders open is the most important thing. We encourage this process to be ongoing.

With that, thank you very much, and I will turn someone else on here.

**Mrs. Leanne Rowat (Minnedosa):** I am pleased to rise today to speak to the Agriculture Opposition Day motion. The closure of the American border to Canadian beef has not only harmed the cattle industry, but it has also had an extremely negative impact on whole communities. The NDP government has failed miserably in its lobbying attempts to have the border reopened, and we learned today that the federal Agriculture Minister was in rural Manitoba and he failed to meet with our provincial Agriculture Minister and this is shameful. For younger producers just starting out it has had a drastic effect. They are more likely to be in debt than they were prior to, and there seems to be no end in sight. Many farmers have lost all hope that the border will open. The pain etched on faces of farm families who do not know where their next paycheque is going to come from is something that this government needs to erase.

Connie Kruk and her husband, Paul, raise cattle and sheep in Souris and she worries about the future of her farm and hopes someone can do something to make the storm clouds pass. She has no elusive solution and things would have to be a lot better for everyone and no one wants a handout, but I do not know where the answer is, Connie has been quoted. Business owners have held their own and supported their producers, neighbours and friends. However, they will soon have no choice but to call in the many loans and payments that that have turned a knowing cheek to. This next step is a crisis and the crisis is inevitable.

I have received many letters from municipalities within my constituency; Minto, Odanah, Whitewater, Glenwood, all have indicated they will not sit back and let this government destroy the farm families in crisis. We cannot stand by and watch an industry be systematically destroyed because of the failure to act. It is our responsibility as neighbours to care for those in need. The government of Canada and the provincial government must act decisively and immediately

to help our farm families with meaningful acts and well-founded supports.

**Mr. Kevin Lamoureux (Inkster):** Mr. Deputy Speaker, if you want unanimous support for resolution, I truly believe what you need to do is you should be working with members of all Chamber or representatives from the different groups within the Chamber. I truly believe that is the most effective way to get a resolution where you acquire unanimous support.

Today, the Liberals inside the Chamber will support this resolution, but it does not necessarily mean that we agree with every aspect of the resolution. I personally have some concerns with one of the WHEREASes, where it states, "WHEREAS early federal programming did not provide Manitoba producers equal access to program funds." All the other WHEREASes, Mr. Deputy Speaker, I feel quite comfortable with, but if we were wanting to take a very critical approach at this whole BSE crisis, the provincial government has got to take its share of the responsibility, ultimately. I truly believe that the province has failed Manitobans more so than Ottawa has failed. Having said that, I still see the merits of this particular resolution passing.

If we take a look at the BE IT FURTHER RESOLVED that the Legislative Assembly request additional support from the federal government to assist Manitoba in building their slaughterhouse capacity, Mr. Deputy Speaker, this is a wonderful thing, a great thing that would be fantastic to see in the province. The Standing Senate Committee on Agriculture and Forestry, I believe, acknowledged that in one of their recommendations, talking about the importance of venture capital being announced at value-added capacities for livestock sectors in western Canada and eastern Canada be established.

Mr. Deputy Speaker, we all come to this Chamber and we bring certain assets with us. For me, I had the opportunity to talk to Dr. Rey Pagtakhan in regard to this issue this morning, talking about the resolution. The Conservative caucus have a wealth of knowledge because of the numbers from rural Manitoba that they could bring to the table. The New Democrats are the governing party today. We all have assets that we bring to this Chamber. We could have resolutions, good quality, I would suggest to you, better resolutions than what we have before us right now that would receive the



unanimous support of this Chamber, if in fact, we were to work together. What I see is a resolution that has been brought together. In most part, it is a good sound resolution. In other areas I believe that they have missed out. In other areas, as I pointed out with the one WHEREAS, I think that they could have done a better job.

In conclusion, my recommendation to the government is that we will support this resolution, but, hopefully, in the future, Mr. Deputy Speaker, for the sake of our farmers, that they will work more with other members of the Chamber in order to make a better resolution into the future that would reflect the wishes of all Manitobans in terms of what would be the best way to resolve this. With those few words, we are prepared to see the resolution supported.

**Hon. Stan Struthers (Minister of Conservation):** It is a certain amount of mixed feelings that I stand to speak on this motion. Usually, we talk about all the good ways we co-operate in this Chamber, but what an issue to have to deal with, a year from the detection of the first case of BSE in our country.

Mr. Deputy Speaker, I will never forget the feeling first thing in the morning when my little clock radio blasted to me the news of this detection. It made me feel sick. It made me think about all the nasty ways this was going to play out in rural Manitoba and in our province altogether. But, if it made me feel that way, how do you suppose it made some of my constituents feel, whose only source of income is cattle? Those people who live in the Rorketon area of my constituency, the Ste. Rose area, the Eddystone area, Cayer, all that northern part of the Ste. Rose constituency, in the eastern part of my riding, which is absolutely dependent on cattle—those are families who have suffered; those are communities who have suffered; those are people who have contributed to this province over a number of years, decades, communities who have been vibrant.

If you wanted to know how to really hit hard the rural economy, if there was something you could do specifically to inflict as much damage to the rural economy, this could have been it, Mr. Deputy Speaker. This has really hit rural areas hard, and I am very proud to be part of a government that has addressed this situation, who has been there for producers, who has worked with our counterparts at

the federal level, at the provincial level, and south of the border to try to get this border reopened again and then go back to a situation where cattle producers can look forward to some kind of stability.

So, with those very few words, Mr. Deputy Speaker, I am very pleased to be able to rise on this motion and support it. Thank you.

\* (16:00)

**Mr. Leonard Derkach (Official Opposition House Leader):** Mr. Deputy Speaker, I want to put a few comments on the record with regard to this resolution. First of all, I am going to begin by congratulating the Minister of Agriculture (Ms. Wowchuk) and the member from Emerson for co-sponsoring this resolution which addresses the horrific issue that we have before us in agriculture.

Mr. Deputy Speaker, we have never in my lifetime seen this kind of devastation in the livestock industry of our province as we see today. We were on a path in this province of building a livestock industry that we could be proud of. Traditionally, we have always been in the cattle industry in this province, because many parts of our province are conducive to livestock rearing, especially cattle.

Over the last decade, we have expanded that livestock base to include things like bison and elk. We have increased that to also include a greater propensity, or density of hog operations across this province, and our poultry industry is very healthy in this province.

Mr. Deputy Speaker, what we have seen in the last year because of one cow in Alberta has devastated this industry and brought it to its knees. In my particular part of the world that I represent, many, many farmers, farm families are feeling extreme pain, financial pain and stress because of this issue. Now the government has put some programs in place, both federally and provincially, but I do not believe that they understand the depth of the devastation that this has caused.

Of course, no government can put in enough money to shore up an industry and carry it for long periods of time. But, Mr. Deputy Speaker, we have a situation here where we are facing a crisis. We are facing a situation that, if the border does not open within the next while, we are going to see an industry

begin to disappear off the face of our province. We cannot afford that so we are calling, through this Resolution, on the federal government to pay even greater attention to this issue over the course of the next little while.

At the same time, we call on the Minister of Agriculture provincially to also pay greater attention to this issue and to bring in what we have always called for from day one and that is a cash advance program that will assist in ensuring farmers can live through a period of time when a border is closed. Once the border is opened, we can revisit the program whether or not it has done its job.

I have appealed personally to the minister. I have appealed to her publicly and I have said, "Let us lay aside our political differences here and look at the industry from the perspective of saving it." The loan program was one that was accessed, of course. There are other programs the minister has put in that have been accessed, of course. I am saying to the minister, it is now time for us to perhaps open the door to a cash advance program and allow the industry to survive whether it is over the next four months or over the next six months. If the minister sees that after that period of time the border opens we do not need the program anymore, I will be the first one to say to her, I will support you in closing the program. If in fact the program has done its job, then I say we have done our job as legislators here. The minister has done her job. We have done our job as legislators in this Assembly by making sure that we save an industry.

If this were another industry, we would be moving full force ahead to do whatever it was to keep that industry. You know, if we can take \$100 million and spend it on buying new lottery machines, I say, "Let us put that on hold. Let us take some of that money and let us save an industry." Maybe tomorrow when the industry is saved and is strong again, we can give that money back and we can say, "Now let us go and buy those machines." Is that not how we run our affairs privately as well? We look after the most important elements, the most important issues, the most fundamental principles in addressing our family and our financial situation.

Mr. Deputy Speaker, in closing, I am glad that this resolution cosponsored is going to be sent to the Prime Minister, is going to be sent to the Minister of Agriculture. We are entering a time of election,

maybe something will happen. At the same time I call on this Minister of Agriculture to work cooperatively with our critic for Agriculture to make sure that we open our minds, open our political ideologies to allow for a program to be developed for the future of our industry, for the future of the youth of rural Manitoba, for the future of families so that we, in fact, can survive and that our rural communities can continue to build and stay strong in the province of Manitoba. I thank you for that time.

**Mr. Deputy Speaker:** Is it the pleasure of the House to adopt this resolution? *[Agreed]*

**Hon. Steve Ashton (Deputy Government House Leader):** Mr. Deputy Speaker, I believe it is passed unanimously.

**Mr. Deputy Speaker:** It has been stated that this resolution has passed unanimously.

#### DEBATE ON SECOND READINGS

**Mr. Deputy Speaker:** We are now going to resume debate on second readings on bills as suggested by the Government House Leader.

#### Bill 21—The Non-Smokers Health Protection Act (Various Acts Amended)

**Mr. Deputy Speaker:** On the proposed motion of the honourable Minister of Healthy Living (Mr. Rondeau), Bill 21, The Non-Smokers Health Protection Act (Various Acts Amended), standing in the name of the honourable Member for Charleswood (Mrs. Driedger).

Is it the pleasure of the House to remain this bill standing in the name of the honourable Member for Charleswood. *[Agreed]*

**Mrs. Mavis Taillieu (Morris):** I am pleased to rise today to speak on Bill 21, The Non-Smokers Health Protection Act. This little private member's bill introduced into the Legislature by the member from Carman certainly struck a chord with the government and the people of Manitoba. I would like to take this opportunity to congratulate Mr. Rocan and the task force on smoking and the many people around the province who took their time to come and put their thoughts and ideas—

\* (16:10)

**Mr. Deputy Speaker:** Order, please. The members of the House should be referred to by their constituencies.

**Mrs. Taillieu:** Thank you, Mr. Deputy Speaker. I am sorry. I correct myself, the Member for Carman (Mr. Rocan). I would also like to commend the Minister of Healthy Living (Mr. Rondeau) for introducing the bill with all-party support, but recognizing the seed of the idea was the Member for Carman's, and he should receive the accolades today.

Even though a ban on smoking in indoor places across the province has been controversial, 54 percent of Manitobans do support a province-wide smoking ban and 34 percent are opposed. We are sensitive to the plight of many small-town establishments as they are the focal points in communities. In rural Manitoba the community meeting place is often the coffee shop, the local hotel, the local bar, where people will meet to discuss the issues and the concerns of the community and just to gather the local news.

Many in the hospitality industry do fear that if smoking is not allowed they could be driven out of business. Indeed, I would like to assure the people in that industry that we are indeed sensitive to this issue. We are also sensitive to the many women and men who fought for our freedom, those people who are members of legions and who want to continue to patronize legions and enjoy their much-earned cigarette if they choose to smoke.

But I do believe that the social climate of our times has changed and is changing. There was a time when everybody, it seemed, was smoking, and smoking was acceptable everywhere. Probably there was a time, I know there was, where people would smoke sitting at the desks here in the Chamber. They were smoking in movie theatres, on airplanes, but through knowledge and education over the years the number of smokers has been reduced, and more and more people do recognize the devastating effects of smoke and, just as importantly, of second-hand smoke.

I can remember as a child going on trips with my parents and being in the back seat of a smoke-filled car and just being gassed out with that. But, of course, growing up with that, I learned to be a teenage smoker because it was just a cool teenage thing to do. I think it is a teenage way of rebelling.

All teenagers, not all, not all, but a lot of teenagers do tend to try out smoking before they realize that not only is it a very bad addictive habit, a very health risk, but it is far too expensive to smoke these days.

Second-hand smoke does touch us all. I think we have probably all known people that have gotten ill from cigarette smoking or have died from cigarette-smoke-related diseases. I can tell you that if you have ever seen the lungs of a smoker at autopsy you would never smoke again.

Even though there are concerns regarding, as I said, the province-wide smoking ban, but I think the idea of a smoke-free Manitoba is catching on even in rural areas. As I said before, in rural areas people like to congregate at the local café and they like to have their cigarette. At least some still do, but I think that it is becoming more and more acceptable. I have heard many times from people, that people have said, "I know I should quit and maybe this time I will do it." I have also heard people say, "It is just a nuisance to be a smoker these days. It is just too inconvenient."

Another recent concern brought up to me by some younger people that frequent a bar in Winnipeg where one young person was injured in a fight outside the bar trying to break up another fight, these young people were telling me the reason they were out in the parking lot is because that is where they had to go to smoke and what happens when they are outside in the parking lot, there is no supervision and no control as to what is going on. At least inside the bar there is, but in every good act of legislation there always lurks the law of unintended consequences.

Speaking again about the rural areas, even in the local restaurant in the community where I live, I happened to be there one day when the A-Channel came in to do interviews with people that were eating lunch, asking them what would be their reaction to frequenting this restaurant when the smoking ban came into effect in the rural areas. The one fellow interviewed said, "Well, I came here to eat; I didn't come here to smoke." I think those kind of attitudes are catching on. There are many new places that are being built in rural areas that are smoke-free, smoke-free signs are up. It is being recognized as one of those things you just have to take outside.

Just in conclusion, I will not speak very much longer because others would like to speak, I would

just like to reiterate my support for this bill and congratulate the member from Carman for introducing this private member's bill and the government for its support. I think the member from Carman has spoken very passionately about the inclusion of all Manitobans in this protection act, and we certainly encourage the government to encompass all Manitobans and protect all Manitobans from second-hand smoke.

I think this bill is legendary as a leader across Canada in terms of addressing the health care costs associated with second-hand smoke. We now see Saskatchewan looking at bringing in this legislation and North Dakota bringing in this legislation.

So, with that, Mr. Deputy Speaker, I will end my comments and thank you very much for the opportunity to speak on this bill.

**Mr. Deputy Speaker:** Are there any other speakers because we will be adjourning debate? *[interjection]* He will not be able to speak. *[interjection]* Yes.

**Mrs. Leanne Rowat (Minnedosa):** Mr. Deputy Speaker, I too would like to put a few words on record regarding this historical bill which is the first in Canada. The impact of the support that we have seen on both sides of the House show great leadership in the country, and actually leadership across the country in the sense that Saskatchewan is also looking at a bill similar to ours and North Dakota, which would show us that we are national leaders in our vision in wanting to move a historic bill such as the non-smoking bill.

I would like to congratulate the Member for Carman for his vision and his efforts in helping create a healthy community, healthy population and in a sense helping create a healthier nation. His efforts to move the bill forward have proved to be greatly appreciated by most members or all members of the House and to most people throughout the province.

I would also like to congratulate the all-party task force that went throughout the province to learn of people's views and personal experiences, how smoking has personally affected their lives or has affected their businesses, and were kind enough to take time out of their day to come and present their views.

I would especially like to mention the Member for Fort Whyte (Mr. Loewen), who provided strong leadership in the task force process and also in his efforts to ensure that his caucus or our caucus were aware of the issues that were being presented throughout the meetings that were going on in the province. We appreciated his efforts in doing that.

It would also be important to indicate that there were lots of presenters who provided their views. They also should be congratulated for doing that.

We need to be sensitive to the concerns that were expressed by the hoteliers and the legions throughout the province. Their views need to be taken seriously and considered. We need to work proactively with them to ensure that their concerns are addressed and that we work to help make sure that they remain economically viable and continue to provide the services that they do, to not only the legionnaires but also to the constituents or the community members throughout the province.

\* (16:20)

Each of us has had personal contact, either through a family member or a friend having a disease that could be directly related to smoking. I personally have lost an aunt to second-hand smoke. I know that this was very devastating for my family as well as my aunt's children. I think that it is something that we as a society need to ensure that less and less of this does happen.

I want to speak briefly on a business in the community of Souris, Forbidden Flavours, who opened their doors approximately two years ago and had the vision to consider, without any type of regulation, to go non-smoking and be smoke-free. They have been very successful and have been probably been probably leaders, not only in the community, but also through the province, in providing an opportunity to enjoy a coffee or a meal without having to worry about somebody smoking next to them. We have been very fortunate to have them in the community and wish them many more years of success.

As a mother of a young child who has had allergy problems, I would like to speak of a situation where he had recently attended a bowling alley event. He and his hockey player friends were having a great time bowling and having a great time just

being with each other. Suddenly, next to us sat a couple, and they were smoking. My son had indicated to me that this was making him ill, and we had to leave the premises. I felt this was very unfortunate, as we were there as a family enjoying our children and having a great time at this indoor physical activity, and we had to leave because we could not handle the smell of the smoke.

In closing, I would just like to say that this bill is important to me for my family. I think that by moving it forward we are demonstrating that we are committed to having a healthier community, a healthier province and a healthier nation. Thank you.

**Mrs. Myrna Driedger (Charleswood):** As the Health critic in the province, I am pleased to add my comments regarding Bill 21, a historic bill that is going to ban smoking in all enclosed public places in Manitoba. Well, just about all places, I guess, but I will comment on that a little bit later.

I would like to personally congratulate the member from Carman for his commitment to see this change come about in Manitoba. He has taken his own personal experience, and from it he has drawn strength and perseverance to keep pushing this issue forward. His commitment to this issue, to produce a supportive environment that will encourage people toward a smoke-free lifestyle, will leave a legacy in this province, a province which is going to benefit in the future in many ways.

The member from Carman knows from his personal experience the damage that can be caused by smoking. He also recognized the devastating effects that second-hand smoke can have on people. He speaks so highly of Heather Crowe and her admirable contribution to this debate and this fight for a healthier Canada.

He took his knowledge of the issue and his passion for this cause and he guided this bill forward to the stage where it is at today. So, Mr. Deputy Speaker, I do congratulate him for all of his efforts. Because as I have said, I think what we are going to see in this province because of those efforts is quite a legacy in the future.

I would also like to congratulate the Minister of Healthy Living (Mr. Rondeau) for bringing this bill forward. I think it was the right thing to do. I applaud

the efforts of the Doer government for moving forward on it.

Mr. Deputy Speaker, my dad was a smoker, and it contributed to his death. I watched what it did to him, and I know in my heart as a daughter and as a nurse that Manitoba is on the right track with this legislation.

I do, however, regret the harm that it may cause businesses in the hospitality industry and the concerns it is raising for legions in this province. I was pleased to hear that the Minister of Healthy Living is attempting to find a common ground between the business community and Bill 21. I hope that can be the case made for the legions as well.

I also want to acknowledge the hard work of the all-party committee who travelled the province to solicit public input on this issue. I think that was an important process, and I do commend the members of that committee who did go out and seek comments from people in the province. I would like to especially congratulate and recognize the member from Fort Whyte also, as a member of that committee, for his tenacity in also addressing this issue.

Mr. Deputy Speaker, the MMA and, in particular, Dr. Mark Taylor, are also to be congratulated for their persistence in keeping this issue at the front of people's minds, for pushing the envelope, for getting the public's attention focussed on the merits of the province-wide ban. It has been interesting to watch. I cannot recall another health issue that has been, not in recent time anyway, that has been so supported and encouraged along by the Medical Association. I commend them for their perseverance in doing that.

Mr. Deputy Speaker, we have all been made aware of the harmful effects of smoking or inhaling second-hand smoke, as well as the health-related economic costs of tobacco smoking. So I am not going to repeat what others have so eloquently already put on the record. I think their comments already speak for themselves.

But I would like to add a few comments about the serious risks of this disease, of diseases to women that smoking brings. In *The Globe and Mail*, in December of 2003, there was an article entitled "Evidence Mounts Against Second-hand Smoke." They address a study that had just been published that day, on December 22. I would just like to

indicate that that particular study, the research from that study by California Environmental Protection Agency, concluded that exposure to second-hand cigarette smoke can cause breast cancer, particularly in younger women.

It is the first time, they say, this link has been made so directly. The report says that second-hand smoke can also cause lung cancer and heart disease, exacerbate asthma and bring on sudden infant death syndrome in babies and reproductive problems in adults.

On top of all of the other health issues that have been indicated that are caused by smoking, certainly this whole issue of how tobacco smoke affects women's health is also of significant importance.

Health Canada has also posted something on their Web site called "Women and Tobacco." They say that smoking trends among women are cause for concern. They indicate that the number of young women who smoke is increasing, and there is an overall slower decline in the rate of smoking among women compared to men.

They say that smoking is the main risk factor associated with lung cancer and one of the factors in heart disease and stroke and respiratory diseases, that it is also linked to a variety of other cancers, including cancer of the mouth, throat, larynx, esophagus, pancreas, kidney and bladder. The same article on their Web site indicates that smoking affects women differently than it does men. For example, smoking among women is linked to lower fertility, cancer of the cervix, osteoporosis and menstrual and menopausal problems. Smoking during pregnancy has been found to be associated with lower birth weight babies. Recent research suggests a link between second-hand smoke and breast cancer, as I just indicated by the study that was released in December from California.

They indicate that according to a recent survey, overall, 26 percent of women in Canada smoke. The percentage of women aged 15 to 19 who smoke is 31 percent compared to 27 percent for men the same age. The rate of smoking for women aged 20 to 24 is 32 percent compared to 39 percent for men the same age. They go on to say that a breakdown of women smokers in 1998 indicated that women in lower income groups are more likely to smoke. They also said that the same survey also showed that 71.7

percent of women who were lone parents were smokers.

\* (16:30)

Health Canada has also indicated that pregnant women who smoke have higher rates of miscarriage, stillborn babies, premature birth, low birth weight babies and babies who die of sudden infant death syndrome, or SIDS. The Health Canada information is all posted on a 2003 document on their Web site.

They also go on to say that approximately 85 percent of deaths attributable to lung cancer are due to smoking. Lung cancer death rates have surpassed breast cancer death rates among women, 6500 deaths as compared to 5300 deaths in 1998, making lung cancer the No. 1 cause of cancer-related deaths among women.

Certainly, this has become a significant issue for women and women's health. Over the past 25 years, female smoking rates have declined at a much slower pace than those of males. I think in looking at some of the health issues for women, the effects that this legislation is going to have on women's health is certainly going to be significant.

The Manitoba Women's Advisory Council, also, in a document, has indicated some concerns they had related to women and smoking. They indicate that smoking brings serious risks of disease for women of all ages. I would just like to put on the record some of the reasons they have put forward to consider reducing or stopping smoking and the importance of that for women.

They say that death by stroke is five times higher in women who smoke. They also say that smoking doubles the risk of cervical cancer. They also say that women who smoke have decreased bone density and an increased risk of fracture and that smoking depletes the body of certain nutrients, especially vitamin C, which are essential for bone building. In addition, they say that smoking adds dozens of toxic substances to the body which interfere with calcium absorption and directly damages bones. They also say that women who smoke tend to experience earlier menopause than non-smokers do by one to four years.

So, Mr. Deputy Speaker, you can see from these comments from Health Canada and from the

Women's Health Clinic, information from the Manitoba Women's Advisory Council, that there are some serious, serious consequences and effects of smoking caused to women that is certainly disconcerting, and hopefully, that these issues can be certainly decreased and eliminated if this bill is brought forward and women start to look at this in a way that they realize that smoking is damaging to their health and that they will decrease or eliminate smoking from their habits.

Mr. Deputy Speaker, also, the *Canadian News Digest*, Sunday, March 29, an article by *The Canadian Press* talks about an Aboriginal health study revealing significant health concerns. And a synopsis of that particular article said that widespread smoking among First Nations and Aboriginal people will lead to explosive growth in lung cancer and other health problems if nothing is done today to stop it, according to a new study.

The two-and-a-half-year study of Canadian First Nations and Inuit, the first conducted by and for Aboriginals, produced some startling information on their health. One finding says that while fewer Canadians smoke today than did 30 years ago, smoking among Aboriginals is on the rise. According to Dr. Jeff Reading, a research consultant, he said, and I quote, "We simply don't know why." He also goes on to say, quote, "We characterize it as a pandemic, an epidemic of huge proportions. Left untreated, it will lead to an epidemic of lung cancer and other associated conditions that we know are associated with smoking."

So, Mr. Deputy Speaker, it absolutely begs the question why will smoking be allowed in Aboriginal casinos. Just from that study, and the dramatic effects that it is predicting, I would think that this government needs to have a very, very serious look at why they are willing to allow smoking to occur in Aboriginal casinos. If this bill is about health, it should be about the health of all people, not just some people. Why is this bill discriminating against workers who happen to work in an Aboriginal casino?

Mr. Deputy Speaker, this is problematic. The Premier of Manitoba (Mr. Doer) also initially rejected this bill. He felt that cigarettes and a beer go hand and hand in the pubs. He has now come full circle and supports the legislation and was recognized last week with an award by the Manitoba

Medical Association, an award for the role his government has played in addressing the smoking issue and bringing forth this legislation.

Mr. Deputy Speaker, this Premier also now needs to fully come full circle and have it apply to Aboriginal casinos. He can do that by ensuring that a licensing agreement with an Aboriginal casino like Brokenhead includes a clause that it will be a non-smoking facility. It is that simple. If we value the health of all people of this province, that is the road that this government needs to go down. Then this will really be about the health and welfare of all people of this province.

I want to touch a little bit on comments made by the Minister of Healthy Living (Mr. Rondeau) when he introduced the bill, and also comments he has made more recently. When he introduced the bill, he made misleading comments, Mr. Deputy Speaker. He took credit for being part of the task force when, in fact, he never participated at all. He tried to leave the impression that he was an integral part of the task force, which is unfortunate and so obviously incorrect. One has to wonder why he would make such absurd assertions. It was obvious he was not part of the task force. To go forward and try to tell people that he was and how wonderful it all was is certainly very misleading.

The Minister of Healthy Living also said that the committee heard from thousands of people, when in fact all they did was hear from 225 people. He seems to be embellishing his facts and, certainly, ramping up the rhetoric.

Last week he made comments publicly that the opposition was obstructing the passage of this bill. I take great exception to these misleading comments, because never once was there any discussion between the House leaders to rush to bring back this bill to conclude its second reading. The bill was moving forward amongst about 45 other bills. With that full agenda it certainly has come up in a timely manner. For the Minister of Healthy Living to run around and make those accusations, they were totally, totally unfounded, misleading and damaging, I think, more to himself than to anybody.

This minister needs to be very, very careful with this loose tongue and careless rhetoric, because comments such as he has made can compromise sensitive negotiations and in the future could get him

into a lot of trouble. He has obviously got a lot to learn. He has embarrassed himself and his government, and he needs to learn from his mistakes.

We are pleased to have been part of weaving this tapestry with this historic legislation. Bill 21 is indeed a historic document whereby Manitoba will be the first province in Canada that will see non-smoking in all enclosed public places. It has been an interesting debate and one that all members on our side of the House have had some interesting times to think about and to reflect on what this is going to do for the future of this province. We certainly look forward to hearing further comments from the public.

With that we are very prepared to move this bill forward to committee.

\* (16:40)

**Mr. Deputy Speaker:** Prior to recognizing the honourable Minister of Healthy Living, who will be closing debate, are there any other members of this House who wish to speak on this bill?

**Mr. David Faurshou (Portage la Prairie):** I appreciate the opportunity just for a couple of brief comments in regard to Bill 21, which I do support. I recognize that this bill is one that we want to see go forward. However, I do want to make suggestions to the government in regard to implementation of this bill. One is that there is a co-ordination with our neighbouring provinces as well as the federal government.

We have seen in the headlines of our newspapers about one individual in particular that wanted his sentence of incarceration within the judicial sector so that he could serve his time at the federal penitentiary rather than a provincial corrections facility. This particular request was granted, however, recognizing that this request will cost the taxpayers of Manitoba and Canada additional dollars so that this individual could go to a federal penitentiary where smoking is allowed. So we have to move forward in a co-operative, in sync with other governing jurisdictions, and I also too, want to say to the Doer government that there are more than 25 percent of Manitobans do indulge in smoking.

Mr. Deputy Speaker, I would like to see that this government recognize that particular situation and to

afford all of those who are addicted to smoking the opportunity to quit by showing leadership and incentive, to do so through tax credits or tax deductions, at the very least, on quit-smoking aids that would help persons withdraw from their addiction to smoking.

Also too, Mr. Deputy Speaker, I believe in education rather than regulation, and this is an issue that has shown very, very effective in other jurisdictions. Here in Manitoba we have not been overly aggressive in educating the next generation as to the ills of smoking, and here in Manitoba, almost a third of our young people are engaging in smoking and continuing that on into their young adult years.

Other jurisdictions that have focussed on educating the next generation have seen significant reductions in persons starting smoking in their teenage years. In fact, instead of seeing almost one in three, jurisdictions that have implemented such actions have, effectively, seen persons starting smoking at rates of less than 4 percent.

That, Mr. Deputy Speaker, is something that should be considered by this government. As well, I do believe that there are individual rights that, as a Conservative, we should not be imposing upon and if persons are wanting to have an organization, a club per se, that the heavy hand of government should recognize that individuals that collectively come together in a club organization can operate those facilities without the infringement of government, in many cases, provided we recognize the health and safety issues of those that do not smoke, as well, in these types of premises.

So air exchange is very, very critical in maintaining the health considerations of the environment in which these clubs operate. This is the approach that the province of B.C. has done. It has been widely accepted and is getting the end results that everyone is looking for, and that is a smoke-free society. So, Mr. Deputy Speaker, with those few words, I appreciate having the opportunity to participate in debate of Bill 21 at this time. Thank you.

*Mr. Speaker in the Chair*

**Mr. Speaker:** Before I recognize the honourable minister, because if the honourable minister speaks he will be closing debate, are there any other



members that wish to speak? No other members, okay.

**Hon. Jim Rondeau (Minister responsible for Healthy Living):** First, I would like to acknowledge the efforts and persistence of the honourable Member for Carman (Mr. Rocan) who took the lead on this wonderful bill and moved ahead on this important health issue, and I would like to publicly commend him for his tenacity and hard work.

Secondly, I would like to thank all the efforts, MANTRA, AMA and the many organizations that have worked tirelessly for years to move forward so that we can actually move ahead on this legislation where we will be the first province to have a complete ban on indoor and workplaces. I think that they have to be commended for their multi-years and dedication to this task.

I thank the all-party task force who went throughout the province, listened to many Manitobans, to come with a wonderful report on which the bill is based. I look very much forward to the public hearings and the passage of the bill and being the first province to have a smoking ban.

**Mr. Speaker:** Is the House ready for the question?

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is second reading of Bill 21, The Non-Smokers Health Protection Act (Various Acts Amended).

Is it the pleasure of the House to adopt the motion? *[Agreed]*

#### House Business

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, would you please canvass the House to see if there is an agreement for Enabling Appropriations to be considered in the section of Supply meeting right now in 255 to follow the Estimates of the Civil Service Commission.

\* (16:50)

**Mr. Speaker:** Is there agreement for Enabling Appropriations to be considered in the section of Supply meeting in Room 255 to follow the Estimates for the Civil Service Commission? *[Agreed]*

**Mr. Mackintosh:** Mr. Speaker, I would like to announce that the Standing Committee on Social and

Economic Development will meet on Tuesday, May 25, 2004, at 6:30 p.m. to consider the following bill, Bill 21, The Non-Smokers Health Protection Act (Various Acts Amended).

**Mr. Speaker:** It has been announced that the Standing Committee on Social and Economic Development will meet on Tuesday, May 25, 2004, at 6:30 p.m., to consider the following bill, Bill 21, The Non-Smokers Health Protection Act (Various Acts Amended).

#### Bill 5—The Manitoba Public Insurance Corporation Amendment Act (Claimant Advisers)

**Mr. Speaker:** We will now resume debate on second reading on Bill 5, The Manitoba Public Insurance Corporation Amendment Act, standing in the name of the honourable Member for Turtle Mountain (Mr. Tweed).

Is it the will of the House for the bill to remain standing in the name of the honourable Member for Turtle Mountain?

**An Honourable Member:** No.

**Mr. Speaker:** Leave has been denied.

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, I would like to put a few words on the record in regard to Bill 5. My understanding is that it creates the office of a claimant adviser. By doing this, a claimant adviser will serve as a role in assisting claimants through an appealing review process or decisions. All in all, I think that is an encouraging thing to see.

My concern, whether it has been MPI or WCB, is that as much as possible we will provide services to claimants that have been denied benefits for whatever reasons that they might be. I know that all of us inside this Chamber receive concerns and have, actually, caseloads of individuals that are going through the MPI or WCB and are in need of some level of expertise as they try to appeal a decision that an adjudicator or, possibly, even the first review officer might make in regard to their specific case.

I look at this particular bill and I see that it is a positive thing because it helps the consumer of that service, or the individual that is trying to ensure that

his or her entitlement, if they are, in fact, in need of that entitlement and can demonstrate that entitlement, that they will get some sort of assistance, that there is no need for them to, necessarily, have to go to a lawyer.

I know when we go into committees, whether it is Workers Compensation or MPI, one of the questions that I often refer to is in terms of the process. How many cases are, in fact, being turned down where they are going into the appeal system? How are these cases being dealt with in those appeal systems?

I think that we have to do, as legislators, whatever we can to ensure that this is not a complicated or a costly system for the consumer, Mr. Speaker, and one of the things that you watch for is, for example, to what degree are individuals that are appealing the process requiring the services of lawyers, because there is a significant cost to that. One would like to think that the processes we have in place will ensure, allow for, someone that has been denied a benefit at whatever level is such that they do not need to have or feel that they have to have a lawyer in order to ultimately prevail. I think that is really important for us to recognize.

I know when I talk to constituents that have some form of ailment or they are enduring some form of pain because of an injury at work or in a motor vehicle accident, these individuals at times get denied, and sometimes I would argue that they have been denied out of a bad decision that has been made at MPI from the adjudicator. It is not to say the adjudicators do not know what they are doing, we just know there are mistakes that are indeed made. We need to ensure those mistakes are minimized and there is little, if no cost to the individual in terms of getting reinstated to their benefits.

In that sense, as I say, I do not have a problem with Bill 5 going into the committee stage at this time in case there are individuals would like to express what their thoughts are. Thank you, Mr. Speaker.

**Mr. Speaker:** Any other speakers? Seeing none, is the House ready for the question?

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is second reading of Bill 5, The Manitoba Public Insurance Corporation Amendment Act.

Is it the pleasure of the House to adopt the motion? *[Agreed]*

**Bill 12—The Highways and Transportation Amendment and Highway Traffic Amendment Act (Trucking Productivity Improvement Fund)**

**Mr. Speaker:** Resume debate on Bill 12, The Highways and Transportation Amendment and Highway Traffic Amendment Act (Trucking Productivity Improvement Fund), standing in the name of the honourable Member for Pembina (Mr. Dyck).

Is it the will of the House for the bill to remain standing in the name of the honourable Member for Pembina?

**An Honourable Member:** No

**Mr. Speaker:** No. It has been denied. Any speakers?

Is the House ready for the question?

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is second reading of Bill 12, The Highways and Transportation Amendment and Highway Traffic Amendment Act (Trucking Productivity Improvement Fund).

Is it the pleasure of the House to adopt the motion? *[Agreed]*

**Bill 24—The Travel Manitoba Act**

**Mr. Speaker:** Bill 24, The Travel Manitoba Act, standing in the name of the honourable Member for Pembina (Mr. Dyck).

Is it the will of the House for the bill to remain standing in the name of the honourable Member for Pembina?

**An Honourable Member:** No.

**Mr. Speaker:** No. It has been denied.

**Mr. Glen Cummings (Ste. Rose):** Mr. Speaker, I would like to place a few thoughts on the record regarding this change to how tourism is supported in this province.

First of all, the concept of an independent agency that can manage and contribute to the tourism

opportunity in this province is not entirely a new or novel idea. It is one that has considerable merit. But one of the issues that does concern me is that I would be more than a little concerned about the manner in which, or possibly the direction, any future government would take in appointment of people to the board. I believe very much that will be the key to the success of this body. Otherwise, it will still continue to be run by civil service and their direction might even be less directive, if you will, than what they are receiving today if the board is not composed of people who are actively engaged and aggressively committed to the improvement of the tourism opportunity in this province.

I took the opportunity to raise this matter with the minister in Estimates. One of the things I think differentiates the government from my own position is that the wording presumes that the good will of the minister of the day will prevail and the best interests of the tourism community will be taken care of in the appointment of the board members.

I would like to see this bill be more directive in the responsibility of the minister and who he brings to the table. It does, under clauses of the bill, talk about areas that should be represented. I would suggest that there is an opportunity for the minister to consider amendments that would put in place a mechanism that says that the minister shall appoint on the recommendation of, for example, the hotel association. That way there would be clear understanding that whoever fills the minister's chair and fills that responsibility at the time would indeed go to the hotel association and ask for their recommendation for someone to sit on the board. That would normally be the wise thing for any minister to do whether the legislation was directive or not, but I would suggest that that may well be one weakness in the way this bill is currently structured.

It seems to me that there are a number of branches within the responsibility of this department, current department, that reach out into so many different parts of the tourism industry that a future minister would welcome something that directive, encouraging him to appoint a responsible board that is fully representative of the industry that is being affected.

I understand the reason to have sectors of the broad community represented, the North, the ethnic backgrounds of people who might become involved

in tourism within the province. I understand that and I recognize that, and I support that, but I would suggest that there are other aspects to this bill that could be improved by moving in the direction that I have suggested. I will be waiting to see what happens in committee. If there are people in the industry who feel the same way or as strongly as I think they should, then perhaps the minister would be considering making some changes that would reflect what I am talking about. With those few words, Mr. Speaker, I would be prepared to see this moved to committee.

\* (17:00)

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, I do have a number of words that I would like to put on the record in regard to this particular bill. Tourism in the province of Manitoba has great opportunities to add to our economy, both socially and economically. It is an important bill in the sense that it could in essence set the future framework for a lot of benefit in the whole area of tourism. So, all in all, I think it is a good bill. It is recognizing an industry that has just phenomenal potential for growth. We have seen first hand how governments acting on initiatives can really make a difference.

If one looked at The Forks, as an example, and you were to date it to its pre-existence in terms of its commercial development there, there were very, very few people that went there. Today it likely attracts more tourists than any other area in the province. It is a beautiful area to take your family and friends, visitors and to really experience Winnipeg in a very real and tangible way. It has added a lot to our city.

In fact, you even see, whether it is the postcards and so forth, that sort of active involvement where you had the different levels of government involved, you had stakeholders from the different industries involved have combined, have done a fabulous job in tourism in that part of the city of Winnipeg.

Ultimately, one would argue that there are tourists and potential tourist activities that could be enhanced or even started up throughout the province, Mr. Speaker, northern Manitoba, southern city of Winnipeg, wonderful opportunities. I see the establishment of this particular corporation or body will, in fact, go a long way, or could go a long way, in ensuring that we continue to grow in the area of tourism.

The member from Ste. Rose brings up an issue which I have had a great deal of concern with in regard to another bill, that being Bill 9, in terms of the make-up of a board. Once again we see legislation that I think could have been better legislation. The member from Ste. Rose makes reference to the Manitoba Hotel Association. I think that there are other rural organizations, Manitoba municipalities association, there are others that are out there that we believe could have contributed to this whole venture.

The government taking the approach that it has in terms of its appointments, I think, is really disrespectful for the different groups that are out there that would welcome the opportunity to be able to participate, and, ultimately, in this case, because, you know, I do not want to draw too close of a correlation with Bill 9, because even the subject matter is quite different.

With this bill here I would still argue that there is merit, strong merit, to follow the advice that the member from Ste. Rose has put on the record. I think it would be a healthier bill. Keep in mind that even if they followed that advice, there are still going to be three directors that are going to be appointed representing the government. So the government of the day is still going to have its opportunity to have its ears and eyes within that group.

I do not buy the argument that the government makes when they say, "Well, we want to make sure that there is representation from the North. We want to make sure that there is representation from this region. We want to make sure that this kind of representation is there," and so forth. I do not buy it. The simple reason is, I believe, that we have enough umbrella organizations that have the expertise that if they were provided the opportunity to come up with, whether it is one name or a list of three names to be presented to the minister of the day, that we would have a healthier board.

That is why it is hard at times when you have legislation that comes before us in second reading, and the concept is of a positive nature. It could have a very positive impact, but when you see fairly significant, what one would say, oversights to it, that is why, in just going through the bill—you know, we do not have a problem with it going into the committee to hear if there are going to be other presenters commenting on the bill, but it sure would

be welcome news if the minister responsible for this bill would seriously look at the need to try to get, in a more formal way, some of the other groups, umbrella groups, if I can put it that way, directly involved in terms of the makeup of the board.

It is not good enough just to say, "Well, we have consulted with them." I think that it should be more formal than that. It also then gives a stronger sense of independence. I do not know why the government of the day would oppose something of that nature. In this particular bill it states that you are still going to have government representatives on the board itself.

So they will have that direct, very direct link. I think that is fine. I do not have a problem with that. But I would appeal to the minister who is responsible for the bill to possibly rethink and at least comment on it in third reading. I hope to be there for committee, but I am not sure if I am going to be able to make it, Mr. Speaker, so I am not too sure in terms of who might be making a presentation. I just truly believe it would be a better piece of legislation if, in fact, an amendment that would give that consideration were to be brought forward, and I think it would receive even that much wider support.

With those few words, Mr. Speaker, we are prepared to see the bill go to committee. Thank you.

**Mr. Speaker:** Is the House ready for the question?

**Some Honourable Members:** Question.

**Mr. Speaker:** The question before the House is the second reading of Bill 24, The Travel Manitoba Act.

Is it the pleasure of the House to adopt the motion? *[Agreed]*

\* (17:10)

#### **Bill 25—The Amusements Amendment Act**

**Mr. Speaker:** Bill 25, The Amusements Amendment Act, standing in the name of the honourable Member for Morris (Mrs. Taillieu).

Is it the will of the House for the bill to remain standing in the name of the honourable Member for Morris?

**An Honourable Member:** No.

**Mr. Speaker:** No, it has been denied. Any speakers on the bill?

**Mr. Glen Cummings (Ste. Rose):** I would ask the clerks to be sure that I have not spoken previously.

**Mr. Speaker:** No, you have not.

**Mr. Cummings:** I am told I have not. I want to put a couple brief comments on the record as well—

**Mr. Speaker:** The honourable member has not spoken, so I recognize the honourable Member for Ste. Rose to speak.

**Mr. Cummings:** Thank you. It seems to me that this bill does put the government in a position of being able to stand up and beat its chest and say, "See how well we have done." It reminds me of the old Cracker Jack advertisement where we used to reach in the box and pull out the prize and it was a great advertisement.

The funny thing about this bill, Mr. Speaker, is that originally the current Minister of Advanced Education (Ms. McGifford) used to have, I think, a little bit of glee at the time in espousing the fact that the previous administration, prior to the current government, had not introduced legislation in this area. Now, five years into their mandate, we now have legislation on the table, and I would suggest that it is a little bit half-hearted. I look at whether or not we have got enforcement capabilities associated with this bill and I would suggest that probably we do not.

I am not going to stand here and oppose the concept of this bill. In fact, when it was introduced I think most of us on this side of the House either nodded or applauded politely in recognition of the fact that it was probably due and that it needed to be done. We are not entirely sure that this will do the job, but it does provide the initial steps in terms of doing some rating, as I understand this bill, and that cannot be a bad thing.

I know in listening to reports, and if the reports were correct, the enforcement capacity of this department and the representatives is very stretched today, and those enforcement people will probably not be expected or able to go very much further in enforcement of this act. In that case, I look at the act and I have to ask: What is the integrity in bringing

forward an act such as this? Is it only to say to the public that there is a concern, there is legislation, we hope that you will pay attention? If that is what the bill is intended to do, I think that is what it will accomplish.

I had a group of students in the building here a week ago, maybe a little longer. One of the questions they asked me back in Room 200 when they had an opportunity to ask their MLA questions, they said: "So, what do you think about the additional rating and control of sale of video- or computer-driven games that this act would refer to?" My response to them is something not necessarily wise, but I think worth repeating on the record because it does reflect my own concern about this.

There would not need to be legislation if we were all comfortable about whether or not families and parents took an active interest in all of what their children were able to access through this system. I know that on-line you can pull up, probably if you are smart enough, you can pull up access to most of these types of entertainment very easily.

Secondly, I indicated that I supported the concept of rating, and I support the concept of some standards about selling inappropriate material to people who are under age. That goes without question, I think, probably from both sides of this House. What we have not received adequate answers from, and I will be interested to see what comes up in committee. If there are parents or activist groups who are prepared to come and comment on the ability to enforce in the way this bill is written, then I think the government has an issue that they need to deal with. If they are unprepared to keep that debate going, then I say it is our responsibility as contributing opposition members to point out what is an apparent weakness in the way this bill has been introduced, not likely that there will be a significant amount of enforcement.

Again, we have to plead to the adults, to the parents of our society to take an active role in what is being brought into their house, or what underage children are doing. Simply stated, we know that there are some young adults, not quite of 18 years, that very mature and can handle the type of exposure they might receive in some active games. Others will be influenced in a way that is very negative and harmful.

So I look forward to this being in committee and an opportunity to discuss this with some presenters.

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, there are bills, I guess some bills more than other bills, that generate a lot of public attention. When you have a bill of this nature, it is I suspect it is one of those that hit a lot of the emotional chords. I know for myself and others, when we talk about violence in general, in our communities, it is what causes that violence. I do not know to what degree other members have seen some of these video games, but I can tell you they have really gone a long way over the years.

When I was in school, some might recall the old Pong game in which one ball goes kind of flop across the television screen to another type of thing. Then they went from that to this whole Atari, Super Nintendo, or Nintendo first and then Super Nintendo, 64, these PlayStations and so forth. Well, not only are these all fancy names and upgrades, but what we have found is through all these upgrades they are becoming far more than just 3-D.

These computer games nowadays are very, very real in terms of the way in which they will appear on a television screen. I have seen games that my son has played, to a much lesser extent my daughter has played, and it is truly amazing, the type of graphics and the details within the graphics that are shown. There is one game, I thought, well you know it does not seem to be all that bad. That was about four years ago. There was that 007. It is that James Bond type of game. This game is about, I do not know maybe about six, seven years ago. You will have people walking in 3-D situations. They are well-figured individuals, if I can put it that way. I do not know if that is the proper words. But you can see the eyes, you can see the muscles, if you like, on the individuals and different sorts of equipment from handguns to grenades to machine guns, you name it.

You get a 12-year-old or a 15-year-old playing a game of this nature, and it is amazing how their eyes kind of light up and they kind of creep around. They know all the passages. They will, you know, shoot where they have to shoot and throw the grenades where they have to throw the grenades, and then the graphics of the results of that shooting and the grenade-throwing are actually very graphic. You know, blood oozing out, dismemberment of the bodies and things of this nature.

That was a game, as I say, that was seven years ago. I have seen some games since then which I find hard to imagine how a child, or actually a young adult—Because I suspect you get a lot of kids somewhere between the ages of 12 and 16 or even before the age of majority that are, in fact, playing these games.

You know, I do believe, even though in a lot of these games now, of course, even some of the most graphic games today, a lot of these games, Mr. Speaker, are on the computers, these high-graphic things, on the Internet that you can get access to.

Well, I guess we have a choice. We could either turn a blind eye and do absolutely nothing and just kind of let it continue to evolve. Or we could attempt to do something that would ultimately be to the betterment of society.

Now, I do not necessarily want to be the one that starts drawing the line, and we are going to censor this and we are not going to censor this and so forth. But I do believe that we have professionals from within the civil service and others that have a tremendous amount of background knowledge that they can bring to the table, and I believe ultimately ensure that the interests of our young people, in particular, are better served.

This is something which we would like to ultimately see go to committee so that we can hear the input, Mr. Speaker, from members of the public; from the civil servants through the minister, and we anxiously await. I do not want to predetermine the outcome of this particular bill. I think it is good that it is before us right now but we are anxious to see it get into committee.

We do know, and I would note, that the government, this government has been talking for years about legislation of this nature. So it is good to see that it is here and we look forward to it going to committee. With those few words, we are prepared to see it go to committee. Thank you.

\* (17:20)

**Mr. Ron Schuler (Springfield):** I, too, want to put a few comments on the record about Bill 25, a bill that I happen to think is one of those bills that is very timely. It deals with an issue that quite frankly was not an issue years ago; it is catching up with technology.

I have never really been a big computer games player. I never worked or spent a lot of time in arcades playing the games there. I know a lot of my buddies did and just loved to play the pinball games and that kind of stuff, and never was of great interest to myself.

Where, however, it is becoming a matter that I have to take great interest in is I have young children and we have taken the opportunity to buy them each, or the two older ones at least, a Game Boy and it is a great opportunity for our children, especially eye-hand co-ordination.

We do, however, control the Game Boys and use them for rainy days like today, or when we are travelling they can sit in the back of the vehicle and for anywhere from 8 to 10 hours play Game Boys and you do not hear a word from them. Just I have to get my youngest hooked on one of these Game Boys, too, and then we would have quiet in the vehicle. Unfortunately, that has not worked yet.

But the games that are being played and the technology is moving ahead so quickly that when you get into, whether it is Game Box or one of the other systems, that the technology and the programming gets more and more lifelike.

When we go back in years when it used to be Pac-Man, the first couple of games that came out, compared to that, Pac-Man is brutally crude. It is just Stone Age technology when you go back to the original games. I remember ping pong, and then there was Tetris. I have to recant, I actually did like playing Tetris, so I did like a few of those games, but compared to what we have now, where you can actually go into a game and you can hunt down individuals, the games, the technology, is getting far, far ahead of anything we certainly remember in current history.

It was time that some kind of legislation come forward in how we deal with it. Certainly, we all accept that we have to abide by a certain kind of a rating system for movies. Well, games are getting into that league, into that category of movies, the technology being what it is. I am sure we have all heard of a lot of the moves, whether it be *Shrek* or other movies where computer generated, and it is all computer-generated movies, you cannot really tell the difference between them and one that was normally done by hand. The movies have moved

ahead so far. That is the same thing with the games. The games have moved to the point where the reality, the lifelike graphics of them, is stunning actually.

So, when these games get into the fairly violent side of the games and something that I find most distressing I have had the opportunity to see examples of them played, whether it was on the news or individuals have shown us them, I personally find them over the top. I would like to see a really good rating system put forward that would caution parents, and, frankly, those that provide these games a benchmark for what should or should not be rented to young children. My son, who would love to get into this, a game box or game cube, X Box Game Cube and would love to get into the more reality kind of games away from his Game Boy. I know that children do visit other homes where maybe the same kinds of stringent standards that we might have are not there and start playing these games.

I really do think it is time that we have a rating system that reflects the technology, just like we have for movies: the violence categories, language, and so on and so forth. So on that side I think this bill is a long time in coming.

I do have a concern that this does not include fees and all kinds of, what I would call taxes and just be a tax grab on behalf of government. I would be loath to see that kind of thing happen and would put a big cautionary note, a big exclamation mark on this bill that this not be another attempt by government to just tax and fee business and try to get more money out of this. This should have a really good intent behind it. It should be used as a tool for parents and for businesses to figure out in whose hands we want these games. I know that there is one game in particular that has been identified that is particularly violent and that is not appropriate for young children to have access to.

Again, it was not meant to be another tax grab or ability for government to put fees on. So just from personal experience and from individuals that I have had the opportunity to speak to in my community and other communities, parents are faced increasingly with more and more decisions they have to make. Not just when it comes to movies, not just when it comes to games, also print material and it just goes on and on and on. I think it is a really good tool to give parents for them to be able to decide is

this the kind of game we would like our children to play in the house.

As I was speaking, there was one of our young pages smiling at my fumbling through the identifying of the names of the various games and, again, I am just not into them. That is why it is important for myself as a parent, and I know other parents across the province, in fact across the country. We are not up to speed on all of these various games. To have a rating system would be important for us that we can at least have an authority who has rated them and says that this is a warning, this has got this kind of language and it has this kind of violence on it.

We actually would really like to see this go to committee in time and have our various community representatives come forward. I am sure they are going to be of various groups that are going to want to present on this, give us their ideas and let us know what they think about this legislation. I certainly will take the opportunity to speak to various parents and parent groups in my community and ask them what they think. From what I have heard from the parent councils I have spoken to and various people in the community, they feel that this is a long time in coming, and that certainly is why we on this side of the House have indicated that we will be supporting it.

We know that there is this sort of a blend between a video game and a film. We know that, in a lot of instances, a video game is so lifelike, it is basically participating in a movie and, again, putting it with the Film Classification Board will allow proper vetting of these games. It will allow for proper rating and will also, in cases where these games are terribly violent, be classifying them for 18-plus, putting them into the adult category. We want to make sure that this is not going to just be a political kind of a statement, that this just not be of any value. We want to make sure that this be used and be given to parents as an opportunity to use to be able to gauge what they would like to see their children being able to see. We know that there is currently some kind of a rating system, a self-rating system put forward. We think it is important that the Film Classification or some board also look at it as far as our community standards and what kind of a standard we would like to put on this. We think that it is important for Manitoba—

**Mr. Speaker:** Order. When this matter is again before the House, the honourable Member for

Springfield (Mr. Schuler) will have 19 minutes remaining.

## COMMITTEE OF SUPPLY

### ENERGY, SCIENCE AND TECHNOLOGY

\* (14:40)

**The Acting Chairperson (Mr. Harry Schellenberg):** Good afternoon. Will the Committee of Supply please come to order. This afternoon this section of the Committee of Supply meeting in Room 255 will be continuing its consideration of the Estimates of the Department of Energy, Science and Technology. It was previously agreed to consider this department globally. The floor is now open for questions.

**Hon. Tim Sale (Minister of Energy, Science and Technology):** Mr. Chairperson, yesterday I undertook to give some examples of landfill sites in Canada or the United States. I have gathered them from Canada because I guess they are more appropriate.

Approximately 342 kilotonnes of landfill methane come from landfills in Canada every year. That is about 25 percent of the total gas. Sorry, I take that back.

Mr. Chairperson, 342 kilotonnes are captured every year, which is about 25 percent of the landfill gas emitted annually. There are some equivalencies here. Landfill gas produced from landfills in one year equals the energy contained in nine million barrels of oil, enough to heat 500 000 homes. Currently, over 82 megawatts of electricity are produced from landfill gas in Canada.

Obviously, we could raise that, and we hope by doing one here we would do that. Cities with landfill gas: Edmonton, Lachine, Québec, Montréal, Toronto, Langley, B.C., Surrey, B.C., London, Ontario, and I am sure there are others.

Also, I indicated there was an open house for the Teulon biodigester. Apparently, I was incorrect in terms of having a firm date set, but it is expected to take place in mid to late June. I have asked staff to notify the critic of the exact dates.

In terms of the date that Husky has been given to negotiate an acceptable agreement with the federal



government, all companies who are successful in the federal program are currently finalizing their government contribution. Companies must have their financing, corporate approval to proceed by July 20, 2004. Proponents must have their own funds spent on the project by March, 2005, to qualify for the federal contributions.

So those are the answers to yesterday's questions, Mr. Chair.

**Mr. Ron Schuler (Springfield):** I would like to thank the minister and his department for getting those answers so quickly. That is about the fastest turnaround time I have seen yet, in the few years that I have been here.

Yesterday we left off dealing with the ethanol issue. I pointed out a few things to the minister and he had taken some time to flush out the topic. I guess where I was trying to go with this yesterday is that we have a provincial government that has put in a 10% mandate at some point in time. We have a federal government that is putting in a certain amount of money. We have probably the lowest interest rates that we will see for a while.

We have gasoline creeping up over 85 cents and beyond. So, basically, we have all the conditions right to move ahead with ethanol, yet strangely enough we have not seen a lot of activity on this file. I would like to ask the minister could he tell this committee why it would be that, when basically you have got the perfect storm to get ethanol going in the province, yet we have seen so little action.

**Mr. Sale:** Well, I guess I would want the member to understand that there has been a great deal of action in fact. For one thing, he and his party assisted us in getting the legislative mandate passed; while it passed the House relatively easily, the development of that process represented a very significant amount of action on the part of the department.

We had to work closely with refiners, blenders, potential producers, to make sure that we got the framework correct in terms of what they needed in order to be able to enter this field.

We worked extremely hard with the federal government to try to get them, and I think successfully, to amend in some cases their proposed capital support plan. Specifically, we got them to

accept the fact of the passing of our mandate in Manitoba as meeting one of the requirements for having a secure market.

That was the reason that I told the member when we met on several occasions why it was essential to get our mandate passed. It was because the federal government had accepted the passage of our mandate as qualifying applicants from Manitoba to take part in the federal program.

I do not think I could begin to count the number of meetings that my staff have had with both community groups and potential manufacturers of ethanol as well as the fuel blenders and refiners. Over the past year there have been innumerable meetings. I have met with proponents, I would estimate, somewhere between 10 and 12 specific times with different potential producers and with different community groups.

I think that, contrary to the member's assertion, a great deal has happened in the last year. It is not a simple business to establish a new fuel industry in a small market. In the situation that we found ourselves in, the member has not spoken about this, but the BSE crisis had a big impact on the ethanol issue because the market for the distillers' grains, a secure market for the distillers' grains, is the livestock industry.

The proven market is cattle. A not-proven market yet is pigs. The reason the pig side is not proven yet is because pigs' snouts are very sensitive to fusarium, so we need to be sure that we can process the distillers' grains or ensure a high level of fusarium-free grain being used.

We have also had extensive consultations with our partners in Saskatchewan, with the Departments of Agriculture, working with the Canadian Grains Council on appropriate varieties of wheat that could be approved for use in the ethanol industry.

The member may or may not know that one of the requirements for the production of any grain in Canada is that the seed has to be visually identifiable so that Canada's very good reputation as an exporter of high-quality grains will not be harmed by either intentionally or unintentionally mixing varieties and therefore changing the milling qualities of the wheat.

It has been known for many years that we could produce a higher-starch wheat for use in ethanol and potentially other uses. It would probably be a winter wheat, those are the varieties that are available, but they are not visually distinguishable.

So we have been working with the Grains Council as to whether we could use an affidavit system to have farmers commit in a legal agreement that they would not mix or allow to be mixed the product from an ethanol-bound crop with a food or feed-quality crop.

So, contrary to the member's assertion, my staff and the Department of Agriculture and our Agri-energy Office have been extremely busy on this file, and while he points out correctly that interest rates are low, fuel prices are high at this point. Gasoline prices are high.

We do not know that that high price will last for a long time or a short time so you cannot start an industry on the basis of a spike in prices. We will find that the industry will also have a lot more security in starting once the BSE issue is at least significantly resolved, hopefully fully resolved, by the opening of the border, but right now the market for the DDGS is less certain. Therefore, banks are more wary about funding an industry that is so affected by fluctuating fuel prices and fluctuating grain, both input costs and the market for the DDGS on the other end. So I just provide the member with that information and tell him that the ethanol file has consumed an enormous amount of time and energy and I think very productively in the last year.

\*(14:50)

**Mr. Schuler:** That is good to hear. Clearly, the minister has spent a lot of legislative time getting the various bills through. Yesterday the minister left the committee with some unease in that his enthusiasm seemed to be ebbing on a few of these files. It is good to see that they are still proceeding.

One of the things the minister mentioned yesterday, which brought some concern to the committee, is that somehow the federal government moving in with a subsidy actually was a detriment to the development of ethanol. I guess where I have a problem with that is if you have all the different components working and the minister correctly identifies BSE as being a drawback. However, the

minister indicated that you do not go into a market or into business based on a spike, neither do you not go into it based on one spike. So I would suggest, however, that I have yet to see prices go up 10 cents and come down 10 cents. They tend to come down 7 cents or 8 cents, or maybe 5 cents or 6 cents, and then they level off until the next increase. Maybe it is just me, but I do not remember us really ever going back to the price of gasoline per litre when we converted gallons to litres, and clearly there always seems to be an upward pressure on gasoline.

Again, I find it strange by half that we do not have others coming forward and saying that we are ready to go because everything seems to be lining up for this. Yet there seems to be a hesitancy to proceed. From what I can see is everything seems to be lining up for the ethanol industry. Again, I comment to the minister, compared to his enthusiasm of a year ago, I sense a little bit more of a hesitancy in this area, but I am glad to hear from the minister that there has been a lot of activity in the department. I will basically close my comments with asking the minister does he see the plant for Manitoba making its July deadline.

**Mr. Sale:** Mr. Chairperson, it is a couple of quick points. I tried to explain yesterday, but probably I was not clear enough with the member that, when the federal government comes in with a program of the design that it came in with, it essentially created winners and losers. So anybody who is a proponent of trying to develop an industry does not want to forgo extra cash, especially in the millions of dollars, and so it created the program by virtue of it not being to any qualified producer, but rather, on a Dutch auction basis, eliminating people who were clearly qualified on the basis of available cash or other grounds which, frankly, were puzzling. It created market instability, and so we have one company who is very well along, and we hope that more will follow, but the federal second tranche is probably going to cause some delay. The deadline never was July of any year. The legislation clearly says "after August of 2005." So we mean it to be as close to August 2005 as possible, but the legislation is very clear. It says, "after August 30, 2005."

**Mr. Schuler:** I was not clear with my question. What I meant was the minister just indicated that the federal process indicated that for the plants to get the federal dollars, there had to be some kind of agreement by this year and the construction, if I am

correct, it had to be in the works if not completed by next year. That was what I was wondering. Does it look like the plant destined for Manitoba, are they going to comply with all the deadlines that are laid down in the federal agreement?

**Mr. Sale:** It is not a question I can answer. It is clearly in the courts of the proponent and the federal government. I am not there at the table. I am not there at the negotiations, so I am not in a position to answer.

**Mr. Schuler:** The next line of questioning I would like to move on to is a few issues on Hydro power. The minister, when he became minister, was full of enthusiasm and excitement on Hydro development in Manitoba, not one dam, not two dams, possibly three or more. I hope he is not going to show the committee that he has lost a little bit of his enthusiasm in this area as well.

With the Wuskwatim Dam, I know that we are in front of the hearings right now and I know the minister does not want to prejudice what is taking place there. My question to the minister is what kind of inquiries are we getting for Manitoba electricity. Is there still a great demand for Manitoba electricity?

**Mr. Sale:** I will just begin by introducing my Assistant Deputy Minister of Energy Development, Garry Hastings, a long-time servant of many governments and a very fine one. In terms of interest in Manitoba's power the member might recall a couple of things.

We signed an MOU with the previous government of Ontario and have continued working with the present government of Ontario in regard to a major hydro sale. Those negotiations slowed down for two reasons. One was the change in government. The other was the blackout last August, which took a lot of people away from long-term future issues to deal with very current short-term problems.

Ontario has been very concerned about its short-term, short-term meaning this summer, power supply. While we have continued to work hard with them and, I think, very effectively with them, they have been, also, drawn to the shorter-term crisis, as well as the fact of a new government. I do not know if the member has followed the debacle of Ontario Hydro and the nuclear stations in terms of cost overruns and the problems at the former Ontario

Hydro, now Ontario Power Generation, OPG, but they have also spent a great deal of time sorting out the governance with the Epp and Manley reports there.

I think they now have laid a very firm and quite sound foundation to move their market into the future by calling for new renewable supplies and by working for long-term supply contracts. Our staff and myself have been in many discussions with officials from Ontario, as recently as this week and, I guess, over the last year. I am very encouraged by the kind of discussions we are having which are very productive and constructive discussions. They are not acrimonious or lots of arm twisting. They know they have a problem.

We know we have part of the answer, by no means all of the answer, but we have part of the answer. It has been a very creative exploration of what is possible. At the same time we have been doing the more detailed feasibility study work which we announced last year and which is very, very close to completion, I am not going to give the member a date, but very close to completion. We expect to have a report on that in the relatively near future.

\* (15:00)

Now, the member has asked about other interest. We have interest from a Chicago market. The Chicago market is a very big market and they have some old nuclear plants as well as coal and so we have some potential interest there. The large issue there is transmission. If we could get the power there, we could sell it in a minute.

There is some good news on that front in that there is real active interest in the United States at the federal level as well as at some state levels to finally figure out how to invest in transmission. That has been their big problem. It is not generation in the States that is a problem; it is transmission. It is much the same in Canada.

In Saskatchewan, we have had discussions. Saskatchewan has a coal system primarily, a small amount of hydro and some natural gas but mostly coal. Coal is going to have to be either cleaned up or shut down under just about any, whether it is Kyoto or something beyond Kyoto, I think everyone understands that the single biggest contributor to greenhouse gases and other nasty gases is coal generation.

There are some interesting options with Saskatchewan in that keeping some of their coal plants available would be a very useful way of backing up our hydro system because when we have a drought as we did last year, having coal available would be a very nice backup.

So I think there are some synergies that are possible there and we are exploring a range of options with Saskatchewan. There are more short-term sales available to us, depending on our capacity, in Minneapolis as well.

**Mr. Schuler:** The minister mentioned the Ontario situation and that seems to be one of the least gratifying situations for Manitoba and Manitoba Hydro. We have been down that road, or down the aisle to matrimony so many times, in fact the deal was signed once and Ontario backed out, but the discussions keep coming.

There was some talk at committee as I was posing that it was only once. Well, we seem to have only been at the alter once with Ontario and Hydro, but the minister has over the last while and his government has referenced Ontario's need for our hydro, yet from what I hear from the minister tasked with this it sounds like we are less far ahead than we were a year ago.

I understand that there were reports and I have heard about them reported on the news that, I mean, there is a discussion about going back and refurbishing some of the nuclear stations in Ontario. What would be the greatest hold-up for us accessing the Ontario market? Is it the power transmission lines going from here into Ontario? Is it the price they want to pay? What is it that is holding it up or what seems to be backing it down?

**Mr. Sale:** First of all, I do not share the member's perception that anything is holding it up. A power sale of any significant size generally takes years. I will give him an example. When Hydro sought to bid on the extension of the Xcel contract in Minneapolis, the first call for proposal, I believe, came out in early 1999, I think it was '99, correct?

That contract was only completed about a month ago, five years. That was not a new dam. It was not a new transmission line. It was a call for a proposal from Xcel for 500 megawatts of power. It took five years to clear all the regulatory hurdles in

Minneapolis, Minnesota, to simply extend an existing contract. Now, there were some extenuating circumstances in that situation, but typically a big hydro sale takes years to conclude.

The Conawapa agreements began to be negotiated, I believe, in 1986. I think it was '86 when the first firm discussions with Ontario took place. The deal was initialled in '88. Two years it took to initial the deal. It was cancelled in '90 or '91, I think. I am not sure which of those years it was cancelled in. Boy, they wish they had not done that now. They would have been a whole lot better off. Of course, we would have been too.

In terms of what are the issues, first of all Ontario did not have a market planner. They had no power authority in Ontario. To be blunt, there was nobody to negotiate with. In Manitoba, Manitoba Hydro has the responsibility for ensuring power supply and its reliability and quality. They have a mandate in the Act. That is their job. In Ontario there was no mandate because the previous government, the Eves-Harris Conservatives, could not figure out what to do. They did not know whether to privatize, not to privatize, to plan, not to plan, use the market, do not use the market. They went all over the place. The incoming government had to sort out what, frankly, I think when the history is written, it will be one of the biggest public policy failures in Canadian history, the previous Ontario Conservative government, in terms of its power handling.

So they had to first of all figure out what they are going to do with Ontario Power Generation. What are they going to do with their aging nuclear fleet? What are they going to do with the coal plants, many of which are aging and will have to be shut down regardless? Who is going to have the mandate to plan for power in Ontario? How is that organization going to be structured?

They went through, I think, some really appropriate and careful planning to figure that out. They did not announce that until roughly May 12 of this year, in other words, not very many weeks, no, not May 12, April. It was in April, I beg your pardon, when he made his speech.

So they have only decided on the mechanism. The legislation to put that mechanism in place is not yet before the Legislature of Ontario. It is not expected to pass until September.

By working with the Ontario government directly, we made a great deal of progress, because while all that work has been going on we have been continuing the feasibility study that was started about a year ago while the previous government was still there, the detailed feasibility study. That study is very close to completion.

So all the time Ontario officials have been working on how do we get the big picture right, we have been continuing to work with them on the specific opportunity for Manitoba to be of assistance, for us, obviously, to be of assistance to ourselves as well. We have not hidden that at all. We know this is good for us and we know it is good for them too. I think we have made great progress.

From a technical point of view, transmission is the issue. There are three different routes under consideration. There will have to be a route chosen, whether we go straight across the top, across and down to Thunder Bay, or across the bottom with an alternating current line. The first two would be direct current. The third one would be alternating current. That decision has to be made. I believe it is very close to the preference being expressed as to which route that will be.

Then you have to figure out who is going to actually build that line. Is it going to be the Hydro One, which has responsibility for most transmission in Ontario, though not all? Who is going to own it? It could be a private line. It could be publicly owned. What is Manitoba's role in that?

It is immensely complex to sort out all the logistics of a big power sale. I think, in fact, we have made remarkable progress. I hope the member will, in the near future, see some of the fruits of that.

**Mr. Schuler:** Insofar as the discussion about reviving more nuclear and retrofitting nuclear plants in Ontario, from what the minister has heard, is that a feasible idea?

\*(15:10)

**Mr. Sale:** Well, Mr. Chairperson, it is not within my competence to talk about whether it is feasible or not. The Manning report recommended a largely nuclear solution. My understanding is the Ontario government has received that report as information among other information it has received. For

instance, they had a very strong report from the demand management community, the conservation community, showing what they could do on that side. So they have received input from the nuclear industry, from the coal industry, from the gas industry, from the conservation demand management industry. They have taken this all in and they are going to announce a supply mix plan, I believe, in the fall.

I think the member probably knows, as most others do, that the cost overruns on the first one were horrendous. The expectation was that, I think the first two could be done for 800 million. The first one was well over, it was into the 2 billions, or 1.8 billion for the first one. Who knows how long its life now will be? Very recently there was a news item that said there were problems at Darlington which is the newer nuclear fleet.

Just to put the whole picture, about roughly 40 percent of Ontario's power is nuclear; about 25 percent, coal; 25 percent, hydro; and the balance, gas and a few other smaller plants. They know they are going to have to close their coal down, not just because of Kyoto, but just because of the scale of the pollution. That all amounts to currently about 26 000 megawatts. With the demand growth and the ageing of the nuclear fleet and the ageing of the coal plants, they need to replace somewhere on the order of 23 000 megawatts of power by 2020.

Even if Manitoba supplied every last megawatt we could, it is only about 5000 if we developed absolutely everything we could. So we have never, ever suggested that we are any more than a very useful part of their solution to their problem. Québec has substantial capacity that they can build. Demand management will give them substantial benefits if they go after it really aggressively. But they have a huge problem. If you wanted to put it in perspective, they would have to be building one nuclear reactor about every six months after the first one came on-line in 2011 or 2012. That is if they started today, which they cannot, because the reactor they are talking about using has not been licensed yet for Canada, well, has not been licensed for anywhere. They do not have environmental permits, and you can imagine how some environmental groups might feel about expanding nuclear.

There is no feasibility to solve their problem by going 100% nuclear. There are not enough materials,

there are not enough workers, and there certainly is not enough time.

So it is going to be a balanced portfolio solution, and that is what their minister has said. We are not concerned about that. We do not even see ourselves in competition with nuclear. Nuclear power is base-load power. It is on 24 hours a day, 365 days of the year. You do not shut a nuclear reactor down. Hydro electricity is, turn on a generator, turn it off again. So it is intermediate power, and what we are talking about selling Ontario is that intermediate power 5 days a week, 16 hours a day. It is a firm sale; it means it is always available during the time it is committed for. But it is not 24 hours, 7 days a week.

So it is a different product. We are not even in competition in terms of product. We are not in competition because they cannot solve their problems with nuclear alone, anyway. I think we work through the problems as we confront them. I think in the last year, due to tremendous work on the part of our staff, and I have to emphasize Hydro and our staff working together and working effectively and very hard work on Ontario's side. I think we are a long, long way ahead of where we were last year.

**Mr. Schuler:** I wanted to ask the minister about Hydro Québec's announcement that they are going to be building a substantial hydro generating dam. Where is that power destined? Are those sales into the northern U.S., or is that destined for Ontario's market?

**Mr. Sale:** Québec's demand every year is growing by somewhere around 200 to 250 megawatts. I do not know, Mr. Chair, whether the member realized that this winter Québec was actually a net importer of power. So they have some real supply issues. They had announced a large gas generator, 850 megawatts I think it was, a very large gas generator which public opposition killed last fall. So they have capacity problems for their own use. The vast majority of Québec's inter-ties, well over 3000 megawatts, must be probably more like 4000 megawatts is to upper New York State. Their inter-ties with Ontario are very weak, partly that is because they deliberately have insulated their power system from the rest of North America, somewhat like Texas, so that when the grid went down in the northeast Québec did not go down, because what they do, essentially, is convert their power at the border to bring it into phase with the power on the

other side of the border. So there is a buffer in there that insulates them from a problem coming back from the other side. It is a technical issue which I do not think I fully understand but it has to do with phase shifting. That is something to do with Doctor Spock and—[interjection]—synchronization, thank you, an electrical person from the railway side, for big diesels.

So they have insulated their system. So they have a supply problem and as far as I know they are building primarily at this point for their own needs and for export. There is also discussion of connecting Ontario and Québec, but it is not at a highly advanced stage yet. That is my best understanding. I am not aware of any project, new project that has just been announced. There are some dams in progress but they are not new. So maybe the member can tell me what project he is referring to.

**Mr. Schuler:** Clearly, the Conawapa Dam is meant for the Ontario market. That has been stated over and over again. The Wuskwatim Dam which is now under discussion, how much is that meant for export and how much is that for internal consumption?

**Mr. Sale:** I think that the member might be helped by a chart that was in Hydro's annual presentation to the committee. I think last, when did Hydro come to committee, was it last fall, it was in the fall sometime, which showed that with Manitoba load growth of between 20 and 30 megawatts a year we have not built any new base-load generation since Limestone. So our export capacity has been falling as our base load grows. So Wuskwatim helps to restore our export capacity for a period of time. But of course, if our load grows at 20 or 30 megs a year and Wuskwatim is 200 megs, you can see that that is equivalent to 7 to 10 years of normal load growth.

We build generating capacity for our system. The whole system is engineered as one system. Conawapa power does not go to Ontario; Limestone power does not go to Minnesota. The system provides power to its customers. So we do not build a dam for a project. We build capacity against contracts, but that capacity may not serve that contract. I hope the member can understand the distinction here. So Wuskwatim is not built for export, it is built for the hydro systems capacity to continue to export at roughly the same levels that it has in the past. Those are all dependent on contracts, on drought, on water supply, et cetera, et cetera.

The fundamental point is that as our domestic load grows and our system does not, then we have fewer megawatts to sell for export. So it is to replace capacity that has been absorbed by our new growth. We do not build specific projects for export. The projects provide system power. We sell system power that we do not need for Manitoba. So it is not quite a one-to-one process.

\* (15:20)

**Mr. Schuler:** So Conawapa would be built. It would be fed into the system and it would be connected in, so, in other words, the power would have to come south and then it would head east.

**Mr. Sale:** That is one option. That may, in fact, be the most likely option but there are three options under consideration. A DC line straight across the top to south of the Sudbury area, a DC line across and down to Thunder Bay and then alternating current east and west from there. Or a DC line down to Winnipeg area, somewhere in the Perimeter Highway area, and then an alternating current line east from there. So there are three options. The decision has not been made yet as to which one will be chosen.

**Mr. Schuler:** Well, if it goes right over the top then it would be a dedicated construction project to one market.

**Mr. Sale:** It would be a dedicated line to Ontario, but the source of the power would not necessarily all be from Conawapa. It would be from our northern generation yes, but those dams are within about 10 or 15 kilometres of each other.

I do not know if the member has ever been to the dams up north. If the member has ever seen a set of locks on a river, a set of flight locks where there is one lock after another going up or down a river, for instance, in the Trent Canal or in the Rideau Canal in Ottawa.

If you are right at the Parliament Buildings and you look over the bridge between the hotel and the Parliament Buildings, you will see a set of locks. That is analogous to what there is up north so that each dam backs up the water to the outflow of the previous dam. So all of that power generated in a fairly small area would be fed into whatever goes east. But I do not imagine that we would engineer a

line going east dedicated only to one dam because of the risk involved.

**Mr. Schuler:** Insofar as having the opportunity to see the dams up north, I am still waiting for the minister's invitation or Hydro's and when that is forthcoming I will gratefully accept.

Clearly that is a concern and I think most Manitobans would be uncomfortable with a dam being dedicated to one market because, again, we have seen that things do change. I think when the initial walk up the matrimonial aisle between Ontario and Manitoba Hydro was signed, the Ontario government was David Peterson and the Liberals, if I remember correctly, and since then we have seen substantial changes in governments particularly in Ontario. There is an unease with that kind of a thing and I think even the *Free Press* spent a considerable amount of time dealing with that. We certainly protect ourselves a lot more when we bring it somewhat south and then go either east or west with it. There was an article done about a year or so ago and if I dig through my files and I find it I will send a copy to the minister. I think that is something that clearly has to weigh heavy on the decision making.

The minister has indicated that Wuskwatim is basically to keep our internal consumption up, and then, of course, whatever is excess, we export. I take it anything we export from leftovers from Wuskwatim then is done on a spot contract basis rather than a long-term basis, because those have to be dedicated, I presume.

**Mr. Sale:** Again, I just want to reinforce to the member that we would not make a contract on the basis of Wuskwatim. We would make a contract on the basis of our total power capacity. It is a small amount of power. So it is unlikely that we would enter into a new, firm contract of any significance because we built Wuskwatim. We believe that actually, in fact, we usually make more money on the spot market than we do on long-term markets. It is not always the case, but we usually do on a per-megawatt sale basis or per-kilowatt-hour sale. It is usually better in the spot market.

But, again, it is not power from one dam. You have got to think about hydro as a total system. All of the lines work together, all of the power feed into the system. Once an electron is generated it is

invisible. Nobody can tell you where it went in the system as a whole.

**Mr. Schuler:** So the capacity to service the Ontario market, the system clearly would not have enough power.

**Mr. Sale:** That is not necessarily true. Even today, until last fall we had a firm contract with Ontario for 200 megawatts. They want to renegotiate that in a different format, which is fine. With wind, demand-side management, biomass we could substantially increase our exports to Ontario as soon as they increase the line capacity. One of the beauties of wind is that it is very easily built. It takes about nine months to a year to build a 100-megawatt wind farm. So I am assuming that we will be successful in adding wind to our generation fleet.

We also have interruptible and other shorter-term contracts in the United States which could be diverted to Ontario. It is a whole system. When we say to Manitoba Hydro, "What could you do in terms of power to Ontario?" they come back to us with a menu and say, "We could do these things based on these assumptions." With Ontario then we have to decide and work through with them how soon do you want power. Where do you want it? Under what conditions? Over what time period?

The member is correct that if we are going make a big sale to Ontario, we have to build Kiask or Conawapa or both. So we have told Ontario that we have unused, undeveloped capacity of 5000 megawatts. To develop all of that would take a long time, but to start on that we could do that next year. It depends on what you want, how soon you want it, how much you want. That is what we are working out, the scale of the transfer and the timing of the transfer.

Each one of those decisions triggers infrastructure questions. Do we build Kiask first? Do we build Conawapa first? Do we do DC transmission? Do we do AC? Do we just go part way to Thunder Bay initially, for example, or do we build the whole line as a big, national project? All of these questions involve the federal government, Ontario government, Manitoba government, and, as the member, I am sure, can see, it is a Rubik's Cube of choose this and it affects that.

So that is why it is complex. That is why it is time-consuming. It is why, frankly, we have got to

take the time to get it right, because billions of dollars are involved. We have to get it right for all of our sakes.

**Mr. Schuler:** Is the federal government at the table during these negotiations? At some point in time, the minister can correct me if I am wrong, but the federal government was looking at putting some Kyoto dollars into this or some money into the transmission line, which is clearly the big issue here. The minister keeps talking about the system, that the system either has it or just builds more to generate more, but it is the transmission that seems to be the problem.

Where is the federal government in all of this?

**Mr. Sale:** The member may know that we signed an MOU with the federal government earlier this spring, late winter, between David Anderson, John Efford and I, in Manitoba which had in it a call for the development of annexes. The annexes are the actual program operation. One of the first two annexes was on east-west grid.

The province has been very, very clear in our promotion of the notion that Canada as a government has been involved in the seaway, been involved in the Trans-Canada Highway. It has been involved in gas pipelines. Certainly the building of our country was dependent on the railway being built as a national project.

\* (15:30)

We think that for all the reasons you could think of, energy security, ability to attract and maintain our industry in our industrial provinces, which includes Manitoba but certainly is centred on Ontario, depends tremendously on the strength of our electrical highway. We should not be, and we have advanced this notion publicly and strongly, we should not be dependent on the United States as our primary market for electricity, and right now it is.

Québec ships mainly to the States. Ontario's connections are mainly with the States. Manitoba's connections are mainly with the States. B.C.'s connections are mainly with the States. There is very high export and some import capacity with the States, and very weak east-west capacity so as both the effects of the blackout and the issues around Kyoto have become stronger and stronger, surely it is in the national interest, in everybody's interest, to



have a national approach to electricity. We have advanced that idea, publicly, strongly. We have advanced it privately with ministers, members, Prime Minister. We have put the case, and we believe that they have heard the case because they agreed that the first annex under our agreement with them would focus on the east-west grid development. We have made no bones about that. The current formal, commercial discussions are between Ontario, Manitoba, Hydro One in Ontario and Manitoba Hydro in Manitoba.

The federal government is not at the table in those discussions. The table for the federal government is a more political table. It also involves how the Kyoto accord will be used for supporting the closing of coal plants and gas plants, and the substitution of clean non-emitting sources. That involved the trading of carbon credits. The federal government has been very active, and we have been extremely aggressive with them in terms of the kind of carbon trading regime that would actually support the closure of coal plants. We think we have made good progress in that regard. We are very pleased with some of the new initiatives the federal government has come out with in terms of carbon trading approaches which seem to recognize more clearly the need to shut down coal plants and to provide some incentives to do that.

**Mr. Schuler:** When we are talking about a transmission line, that would have to be a substantial, either it is a series of towers or a very substantial tower to carry that kind of power to Ontario. What kind of transmission system are we looking at?

**Mr. Sale:** The member should just maybe go out toward Elie, and he will see. These are big towers carrying big lines. They are pretty standard in terms of capacity. Member may not know the history, but DC transmission was pioneered in Manitoba by a partnership between the then hydro-electric board, which became Manitoba Hydro, and AECL. Actually AECL, through Canada, funded the first DC line down from the North.

A Manitoba company, I think it is Teshmont. It is Teshmont, an engineering company that essentially built its reputation around the world as DC engineering is still located here. We have clients, I think it is in 44 different nations currently, not currently, but clients in 44 different nations who

have come to us for expertise in DC transmission and conversion.

So what you are looking at is what you see if you drive out toward Warren and Elie and look at the big lines that are coming down. The proposals that I think are probably most likely to be feasible will use existing corridors but with new transmission lines in the existing corridors.

**Mr. Schuler:** So the transmission line right from Conawapa to Ontario, would that be less expensive than bringing it down south and then moving it across?

**Mr. Sale:** It would be less expensive but it would also provide fewer benefits and that is the cost-benefit trade-off that you have got to think about. The cheapest way to get power a long distance is DC, but when you use DC you cannot, at any reasonable cost, tap off it, so if you are going by a reserve community that does not have, you know, an on-grid connection, you cannot just tie in because it is DC and the reserve needs AC and the conversion process is expensive.

In the case of Ontario, there are very good wind resources along the north shore of Lake Superior but there is no transmission. If you have a DC line, that is not going to help, but if you have an AC line then you can free up, what are called stranded, those stranded resources there. Right now, you could build the wind farm but you could not get the power out. You have an AC line, you get the power out.

An AC line allows for reliability so that, for example, in the blackout of last August, Ontario was only 7 percent short of what it needed, it was generating 93 percent of what it needed, but it was bringing in 7 percent, and for a number of technical reasons, that power shortfall cascaded through Ontario.

There are other reasons why that happened. They did not shed load quickly enough. They did not have the right equipment, I guess, to do that as quickly as they should have. So there are lots of other problems there, but if we had been in a situation where we were operating an AC connection with Ontario, power could have been shipped very immediately at very high volumes and potentially could have helped Ontario avert that shutdown.

An AC line that went through Ontario could also pick up power from the United States more easily, so

the more we are tied in to a reliable grid, I do not mean a weak grid or a poorly engineered grid but a reliable grid, the more reliable all our power is. I think that is now an indisputable fact, that isolation is not the way to go with electricity.

So there are costs and benefits, it depends which you decide are more important, and that is the sort of stage we are now at, deciding are we going to go AC across the bottom or DC across the top.

**Mr. Schuler:** What would be the cost of building a line, a DC line, over the top as compared to an AC line on the bottom end?

**Mr. Sale:** Mr. Chairperson, the only number that I know that has been public was the estimate of about 1.5 billion for the DC alternative. I do not believe there has been a public number used for the AC. It would be more expensive, but I am not going to comment to the member on how much more expensive because part of that discussion is a discussion between the utilities and the governments and the Government of Canada.

**Mr. Schuler:** In Estimates last year, the minister spoke about the discussions between Hydro One in Ontario and Manitoba Hydro, and the minister mentioned that they are in the early stages of negotiating the actual power purchase itself. We expect that they will be on time for a target of the end of this year to have a clear answer about transmission options and moving forward. I take it that time line has been set back somewhat.

**Mr. Sale:** Mr. Chairperson, I have already answered that question, I guess a couple of times, but maybe not in regard to that specific question. Ontario had an election, Ontario had a power blackout, and both of those have impacted on the timing of those discussions. As well, working with the federal government through the question of how the federal climate change plan would be useful for shutting down coal plants and bringing in clean hydro has taken a substantial amount of time. It is also now we think they are beginning to get it right and so that has been useful. But, yes, the time line has been pushed back somewhat. I think the member can understand why.

\* (15:40)

**Mr. Schuler:** At this time I would like to defer to the Member for River Heights. He had some questions, and then I would like to continue with my questions.

**Hon. Jon Gerrard (River Heights):** I would like a status report on the wind power facility which is underway or being planned at St. Leon.

**Mr. Sale:** It is in today's Hansard. I did discuss this at some length in my remarks yesterday, but I will maybe briefly review it.

The wind project at St. Leon would be about a \$190-million project: 63 turbines, 1.65 megawatts per turbine. The rights-of-way agreement, the connection agreements, the beginning work on the actual substation equipment for it, et cetera, is underway.

We are currently awaiting word from the company, Bison Wind, as to their specific financial arrangements for the bulk of the project. Bison is a small company. It is not an Enron. That is a bad example. It is not a GE. So we expect them to be letting us know very soon what their financing arrangements will be. The member may know that Crocus invested in Bison recently and that Sequoia announced the moving of its headquarters to Manitoba, which we are very pleased with.

We continue to be encouraged by the farmers and community members at St. Leon and Notre Dame who were, I would say, more than enthusiastic. The environmental licensing process went extremely smoothly because there was nothing but support for it from the community and the licence was issued in December for construction in terms of environmental issues.

Because it has never been done in Manitoba, we have had to work through some building issues, the fire commissioner and that sort of thing. But all of those things are now behind us and we are awaiting word from the company as to the actual financial arrangements that will move the thing forward.

**Mr. Gerrard:** Can the minister give us the expected timetable for progress on Wuskwatim?

**Mr. Sale:** Well, I am not going to comment on that, Mr. Chairperson, because I think the member knows that the CEC hearings are ongoing. CEC will ultimately issue a report. There are also section 35 consultations to take place with interested and affected Aboriginal people under section 35 of the Constitution. That process will finally issue in a report and recommendation to Cabinet, so I am not going to comment on any expected date. I believe

that the appropriate processes are ongoing at this time.

**Mr. Gerrard:** In terms of the PUB assessment, can you comment on sort of roughly when that would be and how long it might take?

**Mr. Sale:** The member probably knows that this was the first project to be built since Limestone in the late eighties, and the environmental rules and regulations were significantly different at that time.

So what our government did in this case was to approach the federal government to work together on a single environmental assessment process and then to blend the need and demand study, which is essentially the more economic side, with the environmental hearings, the CEC hearings, by appointing members from the current PUB panel to the hearing panel.

It has been, I think, a very useful process to have the project looked at in its entirety in one setting, and so I think that unless there is something that indicates that there is a rate impact from this particular project, that there will be no hearing at the PUB.

The commitment we gave, I believe, was that if there is a potential rate impact discerned, then we would make sure the PUB was apprised of that, but the member probably knows that hearings for Hydro's requested rate increase will commence this summer which is after the CEC hearing.

So any impacts from Wuskwatim will essentially be, if any and so far as I know there are none. But, if some emerge, they will come to light through the intervener process and the examination process at the Hydro rate hearings, which I believe notice has been given of, and the process is underway to make those hearing occur this summer. So I think that will more than meet the case.

**Mr. Gerrard:** There was some divergence in recent statements by Ken Adams in the States and here with regard to whether the power generated by Wuskwatim was for internal consumption in Manitoba or for export. Is it for internal consumption or for export?

**Mr. Sale:** The member may be referring to letters from Senator Kubly, which I believe he may have been made privy to the responses from Manitoba

Hydro. If he has seen one side of the correspondence, I hope he has seen the other as well. There are no diversions whatsoever, which Mr. Adams made extremely plain to, I believe it was, Senator Kubly. I think that was the correspondence I saw.

Manitoba's load growth is about 20 megs to 30 megs a year. Wuskwatim is a 200-meg project. We have not built anything in Manitoba since Limestone was completed in '96, I think the power came on-line fully from Limestone, so we have had now eight years of load growth. So what Wuskwatim does is restore the capacity of Manitoba Hydro to the level that it was at roughly eight years ago.

Now Wuskwatim does not come on-line for another three or four years assuming all the approvals, et cetera, et cetera, you know, "the Good Lord willin' and the crick don't rise," then we have got another four years of load growth.

So by the time Wuskwatim comes on, we will have had roughly 12 years of load growth without any additional base-load generation. Even allowing for good demand-side management, what we will be doing with Wuskwatim power is simply replacing the lost export capacity.

So what we are talking about is being able to export for a few years roughly at the level we had been able to export at from '96-97 and then going forward. We would gradually lose that capacity unless we can make up for it with demand management reductions and other efficiencies, new wind generation, et cetera. There is no contradiction whatsoever between what we said in Minneapolis in hearings for Xcel and what we said in the CEC in Mr. Adams's testimony.

**Mr. Gerrard:** I know the Manitoba Health Research Council has a new director. I just would ask the minister to comment on his view of the future for the Manitoba Health Research Council. I know after a gap of quite a number of years the budget is back to where it was in 1992, some years ago.

**Mr. Sale:** I appreciate that question. I think the Manitoba Health Research Council has a tremendous potential to expand its role in helping pull communications together among the various health research bodies in the province. Dr. Jane Evans, who is their chair, I think has provided exemplary leadership. John Docherty [*phonetic*] is the new

executive director, which we thought was important to give them the capacity not simply to distribute the money that we give, because frankly that is not a big amount of money. I wish it were much bigger, but it is not. I think their role can be in helping us be more attuned to the strategic needs of health research in Manitoba, the strategic opportunities, to act as a bridge among the varying groups. Unfortunately, competition is a way of life in academic granting. Sometimes that is constructive and sometimes it is not. I am sure the member, as a former person in that field, knows that sometimes that produces excellence and sometimes it just produces destructive competition.

\*(15:50)

Having the council available to be more active with our various research institutes I think will be extremely helpful. I have asked them to advise us, as a government, how they can exercise a more strategic role. Frankly, that is why we gave them the staff capacity. It was not so much the administration. That is not the big deal. It is trying to get a better bang for all of our bucks, our federal CFI dollars, our CIHR dollars, all of those dollars.

I am glad the member has continued his interest in this field and he is present at virtually every event involving that field. I know that is because he cares about the field, but I am always pleased to see him taking that interest. I know that he continues to inform his federal counterparts about some of the issues in Manitoba. I hope he will keep doing that at an increasing level.

**Mr. Schuler:** Thank you. I would like to ask one or two questions on hydrogen fuel cells, where the research is and where Manitoba Hydro is on that. Then I understand by agreement we will be moving on to passing the Estimates.

**Mr. Sale:** Well, I will try to be brief. When we issued our hydrogen report last year we had five priorities. Supplying hydrogen to our own transformers that use a lot of hydrogen for cooling, we are well advanced in that. I believe an announcement there will come fairly shortly.

Signing an MOU with Iceland, we did last September. We are working now with them on developing the contents of that. We were very glad to have their senior person here for a week in the late

fall working with our university and talking about how we can engage each other more in the training and research side.

The hydrogen bus project which is a very exciting project, I believe I need to check with staff, but I believe the bus has moved to Toronto now. It is either in Calgary or in Toronto. We are not sure which. I think it maybe made it to Toronto. It has had its capacitors fitted; it has its fuel storage systems fitted and now either it has begun to have the fuel stacks installed or it will just very shortly have the fuel stacks installed. We expect to have it on the road in 2005.

It is the first hydrogen-powered bus that has been totally engineered for that purpose, so it is made of more composite materials; therefore, it is lighter. It uses capacitors instead of batteries to store the braking power which gives it a better start capacity and it uses a newer generation of fuel cells from a company called Hydrogenics which is General Motors' fuel cell company affiliate in Toronto and of course it is built on a Flyer platform in Manitoba. It is a great project and we are very, very excited about it.

We think that our job in Manitoba is to try and capitalize on our assets. We are not going to be the fuel cell designers. We do not have that infrastructure here. Ballard and various companies in Europe and the United States, I think, have such a huge lead it would be silly for us to try and spend money catching up to them. But we are North America's leading bus manufacturer. We have the world leader in hydrogen or pressure-gas refuelling systems in Kraus Industries. With AECL and its safety research at Pinawa, we have a world-class research capacity. So I think our job is to position ourselves, working with our partners in the Powering the Plains initiative in the United States: Iowa, North Dakota, South Dakota and Minnesota, to propose the first steps in building out a hydrogen refuelling capacity in our interstate starting in Winnipeg, going south to Minneapolis and branching out from there. There is a proposal before the Department of Energy in the United States to forward that project.

There is where we are. We have made very good progress in the last year, but the hydrogen economy as a whole is a long way away. The fuel cells are probably 15 years away. You do not ever get anywhere by saying it is a long way away; you get

there by positioning yourself and taking advantage of your current assets so that you can take advantage of the evolution of that particular economy.

**Mr. Schuler:** The minister in last year's Estimates pointed out that Kraus Industries produced the world's first fully appointed hydrogen refuelling system. They are very much engaged as a partner in a number of hydrogen projects. Can the minister give us an update on how that is going?

**Mr. Sale:** It is exactly the same kind of technology for liquid natural gas pressure either in a propane or in a compressed natural gas, CNG. Kraus, I believe, won the contract to be the supplier and installer of Beijing's compressed natural gas refuelling. Contrary to many people's assumptions about China, China is actually taking tremendous efforts to clean up some of its horrible pollution. One of their steps was to go to compressed natural gas bus system in the city of Beijing which has a population of 15 million, 20 million. Who knows? Two thirds of Canada, anyway. So it is a huge system, and for Kraus this is an enormous opportunity. They are also involved in California and in the hydrogen bus demonstration down there as one of the refuelling stations, so Kraus is making good progress.

**Mr. Schuler:** As we seem to be running out of time, I would like to thank the minister for his comments.

Again, I think the committee is surprised, a lot of the projects which were imminent are either further away or still imminent, but I guess that is just the nature of the industry. We would forward to hearing, over the next year, where the projects go, particularly with ethanol. This has to be a big year for us. Certainly, we rushed through a lot of legislation.

I point out to the minister, again, how disappointing it was that, after the support given by the opposition, that some deemed it necessary on the government's side to go out and criticize the opposition, evidently, for not having supported the government in this regard. But we still, clearly, want to see it proceed. We will see what happens over the next year and look forward to hearing more positive announcements, whether it is going to be a wind farm or an ethanol plant, or other things.

On that note, we are ready to move the Estimates process.

**The Acting Chairperson (Mr. Schellenberg):** We have completed the debates on the Estimates for this department and will now read the resolution into the record.

Resolution 18.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,159,700 for Energy, Science and Technology, Energy and Climate Change Initiative, for the fiscal year ending the 31st day of March, 2005.

***Resolution agreed to.***

Resolution 18.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$17,920,000 for Energy, Science and Technology, Science Innovation and Business Development, for the fiscal year ending the 31st day of March, 2005.

***Resolution agreed to.***

Resolution 18.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$22,797,000 for Energy, Science and Technology, Manitoba Information and Communication Technologies, for the fiscal year ending the 31st day of March, 2005.

***Resolution agreed to.***

\* (16:00)

Resolution 18.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$8,073,100 for Energy, Science and Technology, Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2005.

***Resolution agreed to.***

The last item to be considered for the Estimates of the Department of Energy, Science and Technology is item 1.(a) Minister's Salary, \$29,400, contained in Resolution 18.1.

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

Resolution 18.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$627,400 for Energy, Science and Technology, Administration and Finance, for the fiscal year ending the 31st day of March, 2005.

**Resolution agreed to.**

This concludes the Estimates of the Department of Energy, Science and Technology.

The next set of departmental Estimates before this committee is the Estimates of the Civil Service Commission. Shall we recess briefly in order for the minister and the critic to prepare for this set of Estimates? *[Agreed]*

We will recess for a few minutes. Thank you.

*The committee recessed at 4:02 p.m.*

*The committee resumed at 4:10 p.m.*

### CIVIL SERVICE COMMISSION

**The Acting Chairperson (Mr. Harry Schellenberg):** Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Civil Service Commission.

Does the honourable Minister responsible for the Civil Service Commission have an opening statement?

**Hon. Greg Selinger (Minister responsible for the Civil Service):** Yes.

**The Acting Chairperson (Mr. Schellenberg):** The floor is yours.

**Mr. Selinger:** Before I start, Mr. Chairperson, I would like to introduce the staff. I have to my immediate left, poised to sit in the chair, Shirley Strutt, the Civil Service Commissioner. To her immediate left is Bob Pollock, the Director of Human Resource programs. The chap in the chair with the interesting tie is Ray Chase, right there, and then the other guy with the really interesting tie is Herb Robertson, the Director of Civil Service Renewal Initiatives.

In terms of a quick opening statement, I am pleased to present the Estimates of Expenditure for the fiscal year March 31, '05.

Mr. Chairperson, this government is committed to working to build a civil service that is ready to

change as Manitoba's needs change. We need to provide effective, affordable services to meet the needs of Manitobans. We are supporting the ongoing work of the Civil Service Commission to develop policies and approaches to move our work force ahead and the continuing work of Service Manitoba to promote support service innovation and excellence. Through At Your Service Manitoba, we are focussing attention on providing Manitobans with prompt, friendly and accurate responses to their questions.

As honourable members know, the Civil Service Commission is the independent and impartial body with oversight of all staffing in the Manitoba government. Staffing authority is delegated from the commission to the departments with the commission conducting periodic audits of the exercise of that authority to ensure that the department's hiring practices are in accordance with The Civil Service Act.

In addition, Mr. Chairperson, commission staff work with the Treasury Board Secretariat staff to provide advice and guidance to departments in human resource management generally. It is expected over the next five to ten years many employers, including the Government of Manitoba, will see increasing numbers of retirements, and it is important that we have a creative approach in place to ensure that we have knowledgeable people ready to take over these jobs.

In the coming fiscal year, the commission will be working with the human resource professionals and managers in government to implement a succession planning and renewal initiative across government. A deputy ministers' advisory committee has been appointed to support and guide the initiative, and departments have appointed renewal authorities to work with the commission to address these issues on a government-wide basis.

A leadership development initiative is a significant element of the new direction. Together with an increased emphasis on effective analysis of succession needs of government, training through OSD will be tailored to support the succession work of departments and ensure that appropriate and effective learning opportunities are available for staff.

We also hope to seize the opportunity as other employers are doing to ensure that our civil service

of tomorrow is more representative of the population we serve. Diversity contributes to the strength of our province and will further enrich our public service. The commission's work on internship and equity programs and outreach to traditionally under-represented groups is continuing to ensure that more members of those groups are eligible to complete for senior positions in government as they become available.

Mr. Chairperson, we now have the opportunity to discuss the Estimates of Expenditure for the Civil Service Commission. Thank you, and if the member would like a copy I would be happy to provide it to him.

**The Acting Chairperson (Mr. Schellenberg):** We thank the minister for those comments. Has the official opposition critic, the honourable Member for Springfield, any opening comments?

**Mr. Ron Schuler (Springfield):** First of all, I would like to thank the minister for his comments and his very generous offer to pass along his statements. The beauty of our new Hansard system is that we get them by tomorrow morning. We really do appreciate the efforts of the civil service in Manitoba.

I have not had the same opportunity to work up close with the civil servants as the minister has to the same degree. I did when I was a school trustee where the interaction between the trustees and officials was a lot closer than it is between members of the opposition and the public service.

The beauty about running the first time in a school board election was you could run against the system. It was by far the best election I ever had, because you could run against the ivory tower at the school board office and the ice palace, and it was great. It was one of those wonderful elections. Then when you got there you found out exactly what takes place. I think too few people know the kinds of time commitment efforts that are put in by our public servants to make our modern, democratic system what it is, and that is an efficient and effective system.

By far I think the British parliamentary system has provided a system of public service that is really almost unparalleled in the history of humankind, because we are just well served by those who have taken on the task of serving the public. I know my

interaction, whenever that has been with the public service and particularly in Manitoba, has been unbelievable.

Just from a human perspective, I had the opportunity to work with superintendents at that level and assistant superintendents and secretary-treasurers and really came to appreciate what public servants do for the public. As I said, my first election was my easiest. My second election and there on in you found you were defending those individuals and what it is they do, and rightfully so.

If the minister is agreeable, we will be doing more of a global approach to our questioning. The questions we have will be more political in scope in that clearly we want to know where the thinking is, where the government wants to go with the public service and clearly not focussing in on individuals or that kind of stuff. Again, our respect for the public service is great and appreciate at all levels what is being done for our citizens and for our province to make this the great place that it is.

So, on that note I would like to ask the minister if we are prepared to discuss how we are going to go about dealing with the Estimates.

**The Acting Chairperson (Mr. Schellenberg):** We thank the critic from the official opposition for those remarks. It has been suggested that we discuss this globally. I would like to hear from the minister. *[Agreed]* The floor is open for questions.

**Mr. Schuler:** When the minister's government came into office in 1999, there was a great fanfare made of the hiring freeze that was instituted by the government of the day. Just having been elected and being a rookie MLA, I guess I thought that a hiring freeze meant that you just do not hire more people, that you keep the levels where they are at that point in time. What I did not realize was that in the world that I had entered that hiring freeze actually meant that you increased the amount of people that work at that point more for the politicians than necessarily for the public service.

We have seen this hiring freeze continue through the years where by '03-04 we have seen the expenditures—I am looking at page 46—going up substantially in the commission. Can the minister explain to us why there is this growth? Then in '04-

05 of course it has dropped a little bit. But why was there this substantial growth?

**Mr. Selinger:** In answer to the member's question, the apparent escalation in the bars in the bar graph on page 46 relate to the fact that some of the programming for internship opportunities in government was moved out of Internal Reform in the enabling votes into the Civil Service Commission as a permanent program. So the money was transferred from one appropriation to another to stabilize and make—well, the program really has been running for many years but it was to recognize that it was an ongoing commitment. In addition, Service Manitoba, the expenses of Service Manitoba were absorbed also by the Civil Service Commission, rather than them being charged to Internal Reform.

\* (16:20)

**Mr. Schuler:** Could the minister tell us, over the last five years, what are the actual numbers of public servants working in Manitoba?

**Mr. Selinger:** I am going to give the member two sets of numbers. The first set would be regular, term and technical employees and then the next number I give will be all categories including seasonal staff. So for example, in March '04 there were 12 057 in the regular, term and technical category. In the all categories there were 13 707 including the seasonals.

By way of comparison, for March '03, in the regular, term and technical there were 12 017 and in the all categories there were 13 588. For March '02, there were 12 046 under regular, term and technical, and under all categories there were 13 548. In March '01 there were 11 976 in regular, term and technical, and 13 431 in the all categories column. In March 2000, which is the fifth year that the member asked me to reach back for, there were 11 915 and in all categories there were 13 473.

So the member can see that over the five years it has gone from 11 915 to 12 057 in the regular, term and technical column and 13 305 to 13 707 in the all-categories column. That adjusts seasonally, but on March to March over a five-year span, those are the numbers.

**Mr. Schuler:** Would the minister have available the number of the Orders-in-Council working for

ministers? Is there a breakout of what that number has been over the last five years?

While the minister is just looking for that, are they included in these numbers? Are O/Cs included in the numbers that were provided?

**Mr. Selinger:** The numbers I gave the member under regular, term and technical include all Order-in-Council appointments that are part of the larger government entity. They are included within that number, so they are not in addition to. I do not have a specific number. They are all Order-in-Councils, they are filed, and are available for public scrutiny as they are filed. But we do not keep a separate listing of all OIC appointments.

**Mrs. Bonnie Mitchelson (River East):** Maybe I could ask, and I do need some clarification, because I am not completely sure of the questions that I am asking, and you can tell me whether they are appropriate to ask of the Civil Service Commission.

Ultimately, the hiring that happens throughout government is monitored by the Civil Service Commission, so the Civil Service Commission has numbers of staff that are working in each department. There is a central monitoring. I guess there are human resource branches in each department, and they are ultimately responsible through delegated authority from the Civil Service Commission to manage the hiring process in each department. Am I correct in that assumption?

**Mr. Selinger:** The short answer is yes. Each department has its own HR person. They are organized in clusters for a group of departments, and the HR people in departments are primarily accountable to their deputy ministers. That is put out to those HR people through a delegated authority and, as I said in my opening statement, I know the member was not here at the time, the Civil Service Commission does an audit of how they carry on their practices to ensure they comply with the act.

**Mrs. Mitchelson:** Thanks. Could the minister explain to me what the clusters are and which departments are clustered together under human resource function?

**Mr. Selinger:** The Director of Human Resources is compiling the list as we speak. It has been changing somewhat as we have reorganized and folded some



departments in and created some new departments, so we will be right back to you as soon as we can if you want to carry on with another question.

**Mrs. Mitchelson:** Thanks, Mr. Chair, I appreciate that. I guess my question would be has there been significant change in, and I know that departments have changed, but has there been any increase in the number of human resource officers that would be in charge of those different clusters. Has that expanded, or has it remained pretty well the same?

**Mr. Selinger:** Just to go back, the clusters are Justice, stand-alone entity, that is the first group. The second one is Family Services and Health; the third one is Education and Labour; the fourth one is Finance and Energy, Science, and Technology; the fifth one is Transportation and Government Services, which is obvious because it is one department now; and the sixth one is Agriculture, Conservation and Intergovernmental Affairs. Those are the clusters and the staffing has been stable.

**Mrs. Mitchelson:** Could the minister explain to me how often audits are done and what they might entail?

**Mr. Selinger:** An addendum to that clustering is Aboriginal and Northern Affairs, it is in with Transportation and Government Services. As well, Culture is in the grouping with Finance and EST. I am just trying to think off the top of my head if we have missed any departments.

Now the other question that the member just asked? The audit process on the outside is every three years and that is review of all files, grievances and all the procedures that are followed under the act to see if they have been handled properly.

\* (16:30)

**Mrs. Mitchelson:** Mr. Chair, are there any departments or any clusters of departments that would have had their delegated hiring authority removed in the last 12 for any reason?

**Mr. Selinger:** Apparently not in the last 10 years.

**Mrs. Mitchelson:** Mr. Chair, can I ask the question of whether there is any central monitoring within the

Civil Service Commission of how many jobs are filled through a competitive process or a direct appointment process in each cluster?

**Mr. Selinger:** The short answer to the member's question is, yes, they do keep track of all of that and have a monitoring and I have some stats that I could provide her, if she wished.

**Mrs. Mitchelson:** Mr. Chair, I would appreciate that information.

**Mr. Selinger:** I think we went and did this last year, so this will probably update some of the information from last year. The total number of appointments, direct and by competitions, in 2003-2004 was 2623. Perhaps I will go through and break that down for the member and then if she wants a comparison to the previous year I could do that.

So of those civil service competitions, out of that 2623, 932 were civil service competitions; 1321 were appointments by competition. The average number of applications per competition were 42.8 and the average number of applicants boarded, in other words interviewed, per competition were 8.2. The direct appointments were 1302. Of those 19.2 percent were term; 34.5 percent were temporary acting status; 10 percent were lateral transfers; casual were 11.7 percent. I will provide this to the member in writing if I am going too fast here because it is a lot of numbers.

Priority placements were 0.5 percent and the member might want to ask me what that means because I am not sure myself. Other direct appointments were 8.5 percent.

**An Honourable Member:** That is comforting.

**Mr. Selinger:** I knew it would be. To the Member for Fort Whyte (Mr. Loewen), he always looks for comfort in everything I say.

The turnover of regular civil servants in the '03-04 year was 8.4 percent, or 1013. Do you want the previous year for comparative purposes just to give you the flavour? It is relatively stable. In '02-03, the number of appointments was significantly less. There were 1824, 520 by civil service competition, 665 by appointments by competition. The number of applicants per competition was down from 42.8 to 30, and the number boarded was less, 5.5 versus 8.2. The

direct appointments were less as well, 1159 versus 1300. The comparative statistics are roughly the same. Term was about 20.3 percent, temporary acting was 37.2, laterals, transfers were 8.4, casuals were 6.1, priority placements were .2, other direct appointments were 9.8, and the turnover of civil servants that year was 8.7 percent or 1046.

**Mrs. Mitchelson:** Mr. Chairperson, can I ask what the difference is between civil service competitions and appointment by competition?

**Mr. Selinger:** It is a good question. The short answer is that they are all done by competition, but some competitions are for more than one position. There were 932 competitions, but 1321 individuals were appointed as a result of those 932 competitions, multiple jobs in the same category.

**Mrs. Mitchelson:** I appreciate that explanation. I understand there is a process within the civil service where there are direct appointments. I know in this past year 19.2 percent, so that is about one out of five individuals would have been appointed to a term position. I cannot recall what the number was for the previous year.

**An Honourable Member:** 20.3.

**Mrs. Mitchelson:** That is about one out of five again. Can the minister explain to me what the policy or the procedure is for converting term positions into permanent positions? There are some criteria, I believe, in the civil service, and once a person has been in a term position, they can be converted to a permanent position.

**Mr. Selinger:** First of all, the 19 or 20.3 percent is the percentage of direct appointments that were occupied by term appointments, term positions so 20 percent of 1300 would be about 260 roughly, just so we can get into concrete numbers.

The rule is that after 24 months of continuous service where the job is expected to continue, that converts from a term to a permanent.

**Mrs. Mitchelson:** I would imagine that those statistics would be kept by the civil service then, too?

**Mr. Selinger:** Yes.

**Mrs. Mitchelson:** I wonder if the staff could go back then and indicate to me over the last several years

how many individuals in the Civil Service Commission were appointed to term positions by a direct appointment and subsequently converted to permanent.

**Mr. Selinger:** The Civil Service Commission would have to compile that data and bring it back to you. Be happy to do that.

**Mrs. Mitchelson:** I appreciate that very much. It was announced in the budget this year that there would be 400 civil service positions decreased, or the civil service would be reduced, I guess, by 400 positions in the upcoming year.

Can I ask what the status of that process is and maybe what the process is for determining which positions would become redundant or not required and what the status of that initiative is? And if I can, well, while you are looking at it, is there an expectation that it will be achieved?

**Mr. Selinger:** Just before I answer the member's question, I have the data for '03-04 fiscal year of the number of people in term positions that were converted and it was 80, or 6.1 percent.

\* (16:40)

During the Estimates process, on the 400, we identified as many positions as we thought during that Estimates procedure that could be eliminated as we finalized the budget numbers; and that was about half of them. The remaining ones will be identified as we go through the year and people retire. Each position will be reviewed to see whether it is necessary or not.

**Mr. Schuler:** Just to that point then, the total number of public servants in March of '04 was 13 707, I believe that was the number. So will we actually see a decline of 400 in March '05 from the 13 707? Will we see that number drop by 400?

**Mr. Selinger:** I do not know that that would be the proper way to characterize it. In that 13 707 are a lot of seasonal jobs and those seasonal jobs respond to seasonal conditions and issues. For example, seasonally there could be disaster relief that requires a dramatic and short-term increase in temporary employees.

So that would not be the correct way to look at it. But what we will be able to report on, and I think

the member is trying to drive at, whether we will achieve the 400, we will be able to report on whether or not 400 positions have or have not been eliminated throughout the course of this year.

**Mr. Schuler:** Then let me reword that question. There are 12 057 permanent positions. In the 400-position reduction, I take it then we will see that number drop by 400. Is that a fair assessment? I mean, whether it is 389 or whatever, I mean, close to that target of 400. Is that a fair comment?

**Mr. Selinger:** It probably will not be the case that you can take the number in March '04 and deduct 400 from it, because there are new programs that roll out during the year. There are changes that are made. There are requests for FTEs for specific purposes which are deemed meritorious, but what will be reported on is whether or not 400 positions are vacant. In other words, no layoffs have been eliminated, and the specific ones that have been eliminated will be able to be reported on.

**Mr. Schuler:** So March 2002, 2003, 2004, we were given three numbers, 12 046, 12 017, 12 057, respectively. Those three years seem to be fairly static.

**Mr. Selinger:** Just let me come back to you on that, if I could? I just want to make a clarification. These are the actual number of employees. The actual number of employees can actually be different than the number of positions because you can have empty positions. You could actually eliminate a position without actually reducing the number of employees. That is the clarification I am trying to make.

**Mr. Schuler:** I would like to thank the minister for cutting right to the chase, because that is where I was going with this. So how many vacant positions have we got currently in government?

**Mr. Selinger:** We do not have an exact number right with us here. That number is sort of monitored through Treasury Board, not on a regular basis, not by the Civil Service Commission on a day-by-day basis. The policy up until this year had been, we had last year's budget, for example, we had a target of a 6% vacancy rate of all the positions in the civil service. As we rolled over jobs, we wanted to maintain a 6% vacancy rate as a way of managing to the budget number without once again putting people out on the street. So if a position became vacant and

the department needed to keep it vacant for a period of time to maintain their 6% vacancy rate they did that.

Now, the reason we did it that way is because each department requires some flexibility. The problem sometimes with the freeze approach is you wind up freezing jobs which are essential. If you use a vacancy management approach you can fill a job which is essential if you know of another one coming vacant that you can substitute for it. The idea was to try and allow the managers to manage around their program objectives while maintaining a 6% vacancy rate overall, across the system. There were some exceptions to that for critical, front line jobs.

Then this year the next step was taken. We said we know we have a number of vacancies, roughly in the order of 6 percent across the civil service. We wanted to take of that total number of vacancies—once again, it changes as the managers manage—and eliminate 400 of those positions and extract that position and the attached resources from each department's budget to meet budget targets. The member will appreciate that when you try to manage the establishment you try to do it in such a way that you can maintain services and not put people on the street. That is how we have evolved the process up to now.

**Mr. Schuler:** So at 6% vacancy rate of 12 057, you are looking at better than 600 positions. You are looking at about 700, and what the minister is saying is, that of those they would be reduced by 400. So you are actually going to bring down your rate from 6 percent down to what?

**Mr. Selinger:** We are not requiring each department to have a vacancy rate this year. I mean if you are going to take out 400 positions, that is a more rigorous requirement. It is an actual overall reduction in the number of positions. So we have moved from a vacancy rate strategy of managing within the budget to an actual reduction of vacant positions as reviewed by each department in collaboration with the central expenditure management committee.

But the member is roughly correct. You would have 700, roughly, I mean using your numbers, potential empty jobs that could be reviewed for deletion. But, once again, it is not a static number of jobs because those jobs are being substituted and moved all the time as new ones become vacant and

managers believe that certain positions have to be filled to meet priority services. So it is kind of a revolving target that is moving here.

**Mr. Schuler:** And the savings for reducing those 400 positions were supposed to be how much money?

**Mr. Selinger:** We will get the number for the member. I do not have it immediately in front of me, but we will get the number for the member.

**Mr. Schuler:** Again, because of the way the minister has laid it out, basically every department within that number, whether it is 700, 720, whatever, I mean it would be easy to identify clerical positions, to get rid of those, and you would not get the same kind of monetary savings as you would, say, if you went up the food chain a little.

That is what I am wondering: How you are going to achieve the monetary target by targeting 400 positions, because those 400 positions may not equal the monetary amount that you are trying to reduce the expenditures in the budget at? So that is what I was trying get at.

**Mr. Selinger:** The answer to that is each department has a monetary limit that they have available to them through the budget process, and they have a variety of tools that they can use to meet that. They could have a higher turnover allowance, which would mean they would not fill positions as quickly if they did not have a position available right away. If a position becomes available, gets reviewed for need and necessity and if there is a feeling that the service can be offered more efficiently or effectively without that position, it becomes a candidate for deletion.

\* (16:50)

So you try to provide to the managers tools to live within their resources while meeting services at the same time as you are shrinking the total number of vacant positions within the civil service.

**Mr. Schuler:** Have these positions already been budgeted for in the departments? Because you have not really reduced them yet, so they have to be budgeted for somewhere, and then the departments have to get rid of these vacant positions. What happens to that money?

**Mr. Selinger:** A certain number of positions were deleted right through the budgetary process, and the

money was taken right out before they got their allocation through Estimates. Then they were given an additional target to meet throughout the year, through turnover and deleted positions, or other mechanisms that they can use to meet the budget target turnover allowances, which is a form of vacancy management, et cetera. So we did as much as we could up front, and then the remainder is an ongoing process throughout the year.

**Mr. Schuler:** So, when we get the March figure, from March of 2005, somewhere in here we should see a reduction in the number, and the minister has indicated it may not exactly be a 400-person number, because the minister has just indicated that it may not necessarily be the 720 positions that will be eliminated. But, as people retire, it might be those positions that are eliminated. So we might still see the public service shrink somewhat, because not all the positions are coming under the 720, whatever it is. Is that a fair assessment?

**Mr. Selinger:** Yes, that is pretty accurate. Presumably we will be at this discussion again next year, some subset of us, and you will ask about that. I will report to you what has been achieved in terms of reduced positions. We will take a look at the number of people working, and we will see what the difference is, and we will have an explanation for the variance in terms of other initiatives that have been taken.

They might have added some people. It is hard to foretell exactly how that will turn out right now because there is a lot of give and take as you go throughout the year. But we will be happy to report on the numbers achieved and how that squares with the number of people working, and if there are any variances off that, and I assume there will be some, but the explanations are for that.

**Mrs. Mitchelson:** Can the minister indicate to me what the process is when a government department hires someone on contract? Is there a monitoring process that happens through the Civil Service Commission? Does that have to be okayed through the Civil Service Commission?

**Mr. Selinger:** In terms of the number of contract employees we are talking about, it is in the order of about 42, total. They are vetted first by the Civil Service Commission to see if they comply with all the regs and requirements of collective agreements,

et cetera, and then approved by Treasury Board for need and necessity.

**Mrs. Mitchelson:** Given that that is monitored, does the staff have or could they give me an indication across government where those contract employees might be? In which departments?

**Mr. Selinger:** We do not have it at our fingertips. We will get it for you, but I will tell you what I have seen as a trend on why we are hiring contract employees. We are seeing people retire that have sometimes scarce skill sets, but they want to retire and there is not somebody immediately available with the same level of skill to fill that position.

So I have seen regularly people that have retired brought back for six months to act as a kind of mentoring role for the person filling the job. So there is quite a bit of that starting to go on as part of the succession planning going on in government.

I am seeing a couple of those, one or two of those on a fairly regular basis. Usually it is that transition that you are going through, so you are getting a short-term contract of somebody that wanted to retire and we did not have somebody completely up to speed to replace them in that particular function. So it kind of acts as an overlapping role until they are up to speed.

**Mrs. Mitchelson:** I know that has been happening. I know there are deputy ministers that have retired and there have been transition contracts as the new deputy ministers start on. I have seen a trend toward that under this government, but I guess I am not as concerned about the short-term contracts.

I would like to know what contracts are on an ongoing basis throughout government. I will just provide a couple of examples, because I was sitting in Health Estimates and there are three people that I know of in very senior positions within the Department of Health, and there may be more, I do not know, that are on a contract from the Winnipeg Regional Health Authority.

Their salary dollars are not included in the salary dollars in the detailed Estimates. Their salary dollars are included under contracts. I guess I find it very difficult to determine in fact what the actual salary costs are if you have salary dollars that are not included in the salary line. I do not know if that is

consistent. I would tend to think that it is not because I know I was in the Estimates for Healthy Child and in that area, there was a secondment on a contract basis. I guess I look at this and wonder if maybe your staff could comment on this. On the org chart that was provided to us, it showed that the position was vacant and then, upon questioning, we found that position was filled through contract from the Winnipeg Regional Health Authority.

I guess to me, and I know the minister had great difficulty trying to explain to us with some understanding, how the position could show as vacant. You talk about vacancy management and all of those things, and then we find a fairly high-salaried individual in what has been shown to us as a vacant position. I look at that and I say "Is the government accurately reflecting what they are doing." I question: "Is that pretty standard across the board?" Maybe I will just ask for some comment on that and then I will have a follow-up question.

\*(17:00)

**Mr. Selinger:** I am not aware that the practice is widespread. I think the member has identified one area where that has been done. Explanations: RHAs had salaries as the member knows that wound up being higher than the civil service when the RHAs were established. Then to attract some people back to government with specific skills that were needed at the senior level, they accomplished that through an interchange agreement with the health authorities. That problem emerged out of the RHA's salary structure in effect providing higher salaries than the civil service did through our salary structure in the Main Estimates. The interchange agreement was the way to overcome that gap and to attract qualified people to those positions.

Now, all positions should be, and we will check this, I think the member is raising an issue about display and the accuracy of that. I am just going to take that under advisement. She has pointed that out to me and I am going to enquire into that and see how that was treated because the member correctly makes the point that it should be, and she discovered it, so obviously the information was there and she dug it out and discovered what was going on. I will check about how that is done, in terms of the presentation of that information.

**Mrs. Mitchelson:** I thank the minister for that undertaking because it is an accountability and

transparency issue. Certainly, we would hope that information would be provided in a manner that is easily explainable and can assure taxpayers that, if we have to dig for all of these things and if in fact it is something that has happened that should not, does the Civil Service Commission have any role to play in it or is that a function of Treasury Board and Finance Department in display of the detailed Estimates?

**Mr. Selinger:** This is the Civil Service Commission Estimates. We will ask the Commissioner to take a look at it, but in terms of presentation of budget information, Treasury Board has the power to request or even require that a department change their treatment of it if they think that it would help improve transparency.

**Mrs. Mitchelson:** This may not be the appropriate place to ask a question so I will ask anyway and you can tell me if it is not, but given that there is money allocated in the budget, and I can only refer to the Department of Health because I have not been involved in all of the Estimates processes, but if there is money that is displayed in the detailed Estimates that indicates individuals who are on contract from some other organization, in this case being the regional health authority, that money is then transferred to the regional health authority.

Is that displayed in any way through the budget process? Maybe it is really not a civil service question; it would be a question for the Minister of Finance, though.

**Mr. Selinger:** It is probably not a Civil Service Commission question. I think the member is right, and I think the member might be on to the reason of why the Department of Health displayed it that way, and I really do not know. I would have to check the facts on this, but they probably have a line in their detailed Estimates for contracts and that contract is fulfilling a vacant role on an interchange agreement as described here.

I understand the member's point, it looks like a vacant position because it has not been permanently filled, it is being filled by contract for a period of time, maybe two or three, even four years, maybe longer. At some point, the issue might become whether there is some permanent resolution to that, or not, or whether they want to continue with an interchange agreement.

I mean, we have in Health, the member probably knows better than I do, there are a number of very unique employment relationships, doctors on multiple employments, you know, they are operating in private practice, they are operating at the university as an appointment, they are operating in a hospital as an appointment and sometimes they are also fulfilling an administrative position.

So the one area that you have seized on is probably the most complex of all the public sector in terms of how employment arrangements are entered into, and there are a lot of complexities there to address the multiple tasks that some of the people play within that sector.

**Mrs. Mitchelson:** I understand the minister's comments in that respect. I recognize and realize, though, that a deputy minister is not, it is not quite as complicated, or the director of finance and those are positions that are being seconded from the regional health authority.

I know the minister did commit earlier to get information back for several years. I know he gave me last year's, the 2003-2004 indication of, and I guess I am just going to ask for some clarification, because when we talked about direct appointments for 2003-2004, I believe the number was 1302 direct appointments, which was 19.2 percent and I think the minister gave me a number of 200 and some individuals that were directly appointed into term positions, and then indicated to me, you know, a little later on that—oh, well, maybe I am confused.

**Mr. Selinger:** I indicated that of the 2623 appointments, 1300 were direct appointments and of the 1300 direct appointments, about 19.2 percent were term positions and I said it would be about roughly 260.

So there are other categories of direct appointments, like temporary acting status, which is the largest category and those are people temporarily moved into jobs to fill a job that is vacant for whatever reason.

So I do not know where you want to go on the term ones, it is about 20 percent of the 1300, and then it would be roughly 10 percent of the total number of appointments during the course of that year.

**Mrs. Mitchelson:** Then, the minister gave me a number. I guess it was on conversions of direct

appointments that were converted to permanent appointments. That would be after the 24 months that they had served in a term position, I believe. The minister gave me a number of 80 individuals in '03-'04 who were converted to permanent. I am hoping that I can get those numbers, and I think that a commitment was made to get me that information for previous years.

**An Honourable Member:** Sure.

**Mrs. Mitchelson:** Okay.

**Mr. Selinger:** Just the other thing that I asked about and I will share with the member: Priority Placement 0.2 and 0.5 percent in '03 and '04. Those are people returning from different types of leaves, sometimes sickness leave, et cetera, that we have an obligation to put them back in a job. It is a small number, but that is what explains it.

\* (17:10)

**Mrs. Mitchelson:** I will just move on to another area and ask about employment equity plans and strategies. Can the minister indicate to me the status of hiring specific groups of individuals and where we are at? What were specific targets and have they been achieved across the board, or are there any areas where the Civil Service Commission is experiencing any difficulty in meeting those objectives or targets?

**Mr. Selinger:** The member is referring to what we are calling our diversity policy where we try to ensure broad representation in the civil service of particular groups. The thresholds we were trying to achieve in '83 were, for example, 50 percent we wanted to be women. We have reviewed that in the last year or so and we have maintained the threshold for women at 50 percent. Aboriginal people, in '83, the threshold was 10 percent and we have now revised that, based on the changing demographics in Manitoba, to 14 percent. The threshold for people with physical disabilities was 7 percent. It remains at that, as agreed to and identified by the community. The threshold for visible minorities in '83 was, 6 percent, it has now been revised to 8 percent.

How are we doing with respect to those thresholds? On the number of women employed in the public service, they have actually exceeded the threshold there at 51.7 percent. For Aboriginal

people, they had exceeded the '83 threshold, they were at 10.12 percent, but they are below the new threshold of 14 percent. The people with physical disabilities, it is in both cases 7 percent, they are currently at 2.84 percent. Visible minorities, which has been revised from 6 to 8 percent, is currently at 3.69 percent. So you can see the areas where we need to make further efforts to bring in more people to meet those generally agreed thresholds.

**Mrs. Mitchelson:** Can the minister indicate to me, of the 51-point-whatever percent of women, how many of those would occupy senior positions and what percentage of our senior positions would be women?

**Mr. Selinger:** In the broad category of senior officers and equivalent classifications which I think would be maybe the benchmark, in '04 the number of women occupying those posts was 169 or 33.6 percent, which was up from the previous year at 30.95 percent or 147, which was up from the previous year of 30.52 percent or 148. There has been actually since '95, it has gone from 23.36 percent to 33.6 percent. There has been a growth of 50 percent in the number of women occupying senior positions since '95 to '04, over a period of nine years. So we are making steady progress there.

With respect to Aboriginal people, in '95 it was 1.4 percent or 6 posts. It is now at 2.78 percent or 14 posts.

Persons with disabilities has grown from 1.87 percent in '95 to 2.78 percent in '04, from eight to fourteen positions in the senior category.

Visible minorities are not actually going in the right direction it looks like here. It looks like it has gone from 17 to 13 or 3.97 percent to 2.58. That has resulted in us making an extra effort through our internship programs to bring more visible minorities into those internship programs so that they might get into those opportunities more quickly.

If I might continue, in the areas where we want to make further progress, visible minorities, persons with disabilities, the Civil Service Commission now has one individual in each of those areas working full time, on generating opportunities and attracting people to meet our threshold requirements.

**Mrs. Mitchelson:** I also want to thank the minister and his staff because I have on occasion had calls from women and visible-minority women that are seeking job opportunities, not necessarily knowing what their qualifications are. But I believe there is a process within the commission that would allow for an interview process and maybe some support or some help in resume writing or understanding what jobs might be available and how best to prepare themselves. Maybe the minister could just expand a little bit on that for me.

**Mr. Selinger:** I am assuming the member is referring to how we address external people, people outside of the system wanting to enter the system.

We have one person that will work with anybody that comes to the Civil Service Commission on what the opportunities are and how they can best present themselves and prepare themselves to access those opportunities. We have another individual that will work with people coming in on how to prepare proper resumes and some of the technical documents required.

We do also have the internship programs which I personally think are a very good mechanism to get people in the system without all the you-got-to-be-perfect-right-now sort of approach, and gives them an opportunity to move around in various departments and get some experience. It gets them experience with what the different opportunities are and the different demands of the various jobs are, then when they do apply for a position, they have a broad base upon which they can be qualified for those jobs.

In addition, we have five full-time funded positions for visible minorities now that we can use to create opportunities for people within the Civil Service Commission. Sorry, persons with disabilities in that category.

On the visible minorities side the Commission has had allocated to them FTEs that they can then go out to departments and negotiate with departments to acquire those FTEs if they will hire somebody in the broad categories that we are trying to promote. So we are trying to create mechanisms, resources and FTEs that will allow us to have more ability to meet those threshold targets and encourage departments to participate with us.

In addition, there is more accountability for this at the senior departmental level on the diversity

targets as part of the HR policy. The Civil Service Commissioner meets with HR people and senior management people in the various departments and there are increased reporting requirements on what efforts they are making to further these objectives.

**Mrs. Mitchelson:** Maybe the minister could indicate to me whether there is any outreach to community organizations or the community at large. Is there any sort of process or is there anything that we could be doing as MLAs to encourage that kind of activity? Are there any pamphlets or brochures that might be available for us to have in our constituency offices? I think it is incumbent upon all of us as elected officials to try to help government, it is in all of our best interests to see whether we cannot reach some of the designated numbers. So I am just asking what might be available or if there is anything that we could or should be doing as individuals to help in this process.

**Mr. Selinger:** First of all, there is a sort of new and approved Web site available for the Civil Service Commission that most people can have access to either through an MLA's office or through one of our Community Connections programs, if they do not have a direct connection of their own. The Web site has job opportunities on it, not only for people that we have been discussing, but there is a little button on there for youth opportunities and there are links between that Web site of ours and other levels of government. You can sort of get a single portal into public-sector opportunities.

Secondly, on terms of outreach, members of the Commission, employees of the Commission, meet regularly with non-profit organizations, educational institutions, employment agencies, representatives and members of the ethnocultural and immigrant communities. If you had a particular group or organization that you wanted to hook up with the Commission so that they could meet with them and discuss their concerns, we are open to that. I think the Commission is willing to do that. I have referred some groups to them myself as they have raised their concerns with us.

\* (17:20)

We also get involved in some of the career events that are organized around town by other institutions where we are present with our opportunities at the provincial level, career fairs and



career symposiums. I think what the MLAs could do is, they could refer them to those resources. There will be a new pamphlet available on the civil service in Manitoba that would be available in MLA's offices. But I think the MLA, as they see an individual or a group, they could direct them to the Web site and/or to the office for a one-on-one contact on what opportunities are available.

Now, as the member knows, we have competitive guidelines and how we hire people. That can be explained to them, what they need to do to be eligible for jobs. It is helpful to do that sometimes, rather than walking in cold, and then the legislated process works better and they know what they are getting into. We are happy to do that if the member has some individuals or groups, say a women's group or an ethnocultural group that she would like to have greater contact with the Commission, they are open to that.

**Mrs. Mitchelson:** I thank the minister for that. I think sometimes it is important for us to work together in order to achieve—

**Mr. Selinger:** I want to make just another comment. It is not just persons with physical disabilities. We have defined disabilities a little more broadly, so other types of disabilities can be considered as well for opportunities within our program.

**Mrs. Mitchelson:** I thank the minister for that. We certainly, you know, as the new pamphlets become available, will strive to ensure people who are looking for opportunities for employment do connect in some way with the Civil Service Commission and, hopefully, will receive assistance.

I wonder if I could just move on to the Employee Assistance Program, and could the minister indicate to me whether we are seeing an increase in use of this program?

**Mr. Selinger:** Well, I am going to rag the puck for a second while the member gets me the stats, but I can tell you that the Employee Assistance Program is a very good program inside of government. It has been for several years. The people in that program not only provide services to the civil service, but also to a number of other broader organizations in the public sector through contract, Crown corporations, et cetera. They seem to be attracting a lot of interest for the programs they provide.

Within the '03-04 year, approximately 12 percent of all civil servants of the government have utilized the clinical services of the Employee Assistance Program. This is consistent with the past five-year trend of increasing utilization of EAP services. The service requests are across four broad categories: Individual concerns, about 28 percent; occupational concerns, about 27 percent; couple concerns, about 26 percent and other family concerns, 19 percent. That is sort of the break-up.

**Mrs. Mitchelson:** Then on the detailed Estimates, page 35, the Recoverable from Other Appropriations would be the contract work that they do for Crown corporations?

**Mr. Selinger:** There are about 24 other public-sector organizations they provide services to, and that line reflects that.

**Mrs. Mitchelson:** Could we just touch briefly on the internship program? I know we talked about it a little earlier, how many internship positions are there and maybe just a bit of a status on the program.

**Mr. Selinger:** I am going to start by listing the different internship programs we have to show the scope of activities. There is the Aboriginal Management Development Program, The Aboriginal Public Administration Program for entry level, the Executive Development Program for Women, which we talked about a little bit earlier, the Management Internship Program, the Financial Management internship program, the Persons with Disabilities Internship Program, and there will be another one announced shortly that allows for some other opportunities. I will get back to the member on that once it is finalized.

For the Aboriginal Management Development Program there have been a total of 33 interns since the first intake in '97. For the Financial Management Development Program, a total of 14 interns to date since it was initiated in 2000, and the Persons with Disabilities Career Assistance Program, there have been 14 placements since it was initiated in '01. In the Management Internship Program, there have been 45 interns since its inception in 1996.

Finally, the Aboriginal Public Administration Program, there have been 18 interns since '99, so just to give you the flavour of the opportunities. I must tell the member I actually think these are a good way

to do things and I support it and that is why we have expanded it.

**Mrs. Mitchelson:** I just want to thank the minister for his forthright answers. I know there is a bit of information that he has agreed to provide to me. I want to thank the staff of the Civil Service Commission for the ongoing good work that you do.

With that, Mr. Chair, we are prepared to go line by line and pass these Estimates.

**The Acting Chairperson (Mr. Schellenberg):** I will read Resolution 17.1 into the record.

Resolution 17.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,203,600 for Civil Service Commission, Civil Service Commission, for the fiscal year ending the 31st day of March, 2005.

*Resolution agreed to.*

Resolution 17.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$71,900 for Civil Service Commission, Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2005.

*Resolution agreed to.*

This concludes the Estimates of the Civil Service Commission. The next set of departmental Estimates before this committee is the Estimates for the Enabling Appropriations.

Shall we recess briefly in order for the minister and critic to prepare for this set of Estimates. What is the will of the committee?

Is it the will of the committee to call it 5:30 p.m.? *[Agreed]* Committee rise.

### IN SESSION

**Mr. Speaker:** Is there agreement for the House to not see the clock to deal with House business? *[Agreed]*

### House Business

**Hon. Gord Mackintosh (Government House Leader):** I would like to announce that the Standing Committee on Legislative Affairs will meet Tuesday, May 25, 6:30 p.m., to consider Bill 5, MPI; Bill 12, Highways; Bill 24, Travel Manitoba.

**Mr. Speaker:** It has been announced that the Standing Committee on Legislative Affairs will meet on Tuesday, May 25, 2004, at 6:30 p.m., to consider the following bills: Bill 5, The Manitoba Public Insurance Corporation Amendment Act (Claimant Advisers); Bill 12, The Highways and Transportation Amendment and Highway Traffic Amendment Act (Trucking Productivity Improvement Fund); and Bill 24, The Travel Manitoba Act.

\* \* \*

**Mr. Speaker:** The hour being past 5:30, this House is adjourned and stands adjourned until 10 a.m. tomorrow (Thursday).

# LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 19, 2004

## CONTENTS

<b>ROUTINE PROCEEDINGS</b>			
<b>Committee Reports</b>		Faculty of Medicine's Rural Week Taillieu	2425
Standing Committee on Social and Economic Development Second Report Brick	2413	Dakota Forest Clean Up Oswald	2426
Standing Committee on Justice First Report Martindale	2414	Bovine Spongiform Encephalopathy Gerrard	2426
<b>Tabling of Reports</b>			
Supplementary Information for Legislative Review—2004-2005 Departmental Expenditure Estimates—Revenue Estimates Selinger	2415		
<b>Oral Questions</b>			
Bovine Spongiform Encephalopathy Murray; Doer	2516		
Rowat; Melnick	2418		
Rowat; Wowchuk	2418		
Penner; Wowchuk	2419		
Rancher's Choice Beef Co-op Cummings; Wowchuk	2417		
Gerrard; Wowchuk	2422		
Family Violence Intervention Program Murray; Melnick	2420		
Murray; Doer	2421		
Hawranik; Melnick	2421		
Green Team Program Korzeniowski; Bjornson	2423		
Federal Agriculture Minister Tweed; Doer	2424		
<b>Members' Statements</b>			
Bravery Awards Fauschou	2424		
Maples Collegiate Unity Programs Aglugub	2425		
		<b>ORDERS OF THE DAY</b>	
		<b>GOVERNMENT BUSINESS</b>	
		<b>Proposed Resolutions</b>	
		BSE Crisis Wowchuk	2427
		Murray	2430
		Doer	2432
		Penner	2434
		Gerrard	2436
		Nevakshonoff	2437
		Cummings	2438
		Smith	2439
		Eichler	2440
		Bjornson	2441
		Taillieu	2441
		Rowat	2442
		Lamoureux	2442
		Struthers	2443
		Derkach	2443
		<b>Debate on Second Readings</b>	
		Bill 21—The Non-Smokers Health Protection Act (Various Acts Amended)	
		Taillieu	2444
		Rowat	2446
		Driedger	2447
		Fauschou	2450
		Rondeau	2451
		Bill 5—The Manitoba Public Insurance Corporation Amendment Act (Claimant Advisers)	
		Lamoureux	2451

Bill 12–The Highways and Transportation Amendment and Highway Traffic Amendment Act (Trucking Productivity Improvement Fund)	2452	Bill 25–The Amusements Amendment Act Cummins	2455
		Lamoureux	2456
		Schuler	2456
		<b>Committee of Supply</b>	
Bill 24–The Travel Manitoba Act Cummins	2452	Energy, Science and Technology	2458
Lamoureux	2453	Civil Service Commission	2472