

Second Session - Thirty-Eighth Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS
Official Report
(Hansard)

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The Honourable George Hickes
Speaker*

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Eighth Legislature

Member	Constituency	Political Affiliation
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.
VACANT	Minto	
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.
VACANT	Turtle Mountain	
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, June 10, 2004

The House met at 1:30 p.m.

Mr. Speaker: For the information of the House, Tuesday's Hansard should be arriving any minute. Wednesday's Hansard will not be available due to the extra sitting hours we have been sitting, but Tuesday's should be here any time now.

ROUTINE PROCEEDINGS

PETITIONS

Highway 227

Mr. Ralph Eichler (Lakeside): I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition.

It is unacceptable for the residents of Manitoba to travel the unsafe gravel roads of Highway 227 in the constituencies of Lakeside and Portage la Prairie.

Inclement weather can make Highway 227 treacherous to all drivers.

Allowing better access to Highway 227 would ease the flow of traffic on the Trans-Canada Highway.

Residences along Highway 227 are not as accessible to emergency services due to the nature of the current condition of the roadway.

The condition of these gravel roads can cause serious damage to all vehicles, which is unacceptable.

Residents of Manitoba deserve a better rural highway infrastructure.

We petition the Manitoba Legislative Assembly as follows:

To request that the Minister of Transportation and Government Services consider having Highway 227 paved from the junction of highways 248 and

227 all the way to Highway 16, the Yellowhead route.

To request the Premier of Manitoba to consider supporting said initiatives to ensure the safety of all Manitobans and all Canadians who travel along Manitoba highways.

Submitted on behalf of Eric Thiessen, Archie McRae, Helen Liebrecht and others, hundreds of others.

Mr. Speaker: In accordance with our Rule 132(6), when petitions are read they are deemed to be received by the House.

Alzheimer's Disease

Mrs. Myrna Driedger (Charleswood): I wish to present the following petition to the Legislative Assembly of Manitoba.

Alzheimer's is a debilitating disease.

Cholinesterase inhibitors are known to slow or even prevent the progression of Alzheimer's.

The provincial government asked for the development of an Alzheimer's strategy in 2000 and was presented with nine recommendations in 2002, none of which has yet been implemented.

In the absence of a provincial Alzheimer's strategy, the Winnipeg Regional Health Authority put in place a policy in November 2003 whereby Alzheimer's patients entering personal care homes are being weaned from certain Alzheimer medications in a move that the WRHA's vice-president of long-term care has referred to as a financial necessity.

The administrative costs of the Winnipeg Regional Health Authority have more than tripled since 1999, to a total of more than \$16 million a year.

In a move that amounts to two-tier medicine, the families of Alzheimer's sufferers in personal care

homes may request that the drugs continue to be delivered at the family's expense.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Health (Mr. Chomiak) to ensure that his attempts to balance his department's finances are not at the expense of the health and well-being of seniors and other vulnerable Manitobans suffering from this debilitating disease.

To urge the Minister of Health to consider reversing his decision to deny Alzheimer's patients in personal care homes access to certain medications.

To request the Minister of Health to consider implementing a provincial Alzheimer's strategy.

Signed by Tammy Lynn Blahy, Jacqueline Peterson, Terence Wiebe and others.

Minimum Sitting Days for Legislative Assembly

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

The background to this petition is as follows:

The Manitoba Legislature sat for only 37 days in 2003.

Manitobans expect their government to be accountable, and the number of sitting days has a direct impact on the issue of public accountability.

Manitobans expect their elected officials to be provided the opportunity to be able to hold the government accountable.

The Legislative Assembly provides the best forum for all MLAs to debate and ask questions of the government, and it is critical that all MLAs be provided the time needed in order for them to cover constituent and party duties.

Establishing a minimum number of sitting days could prevent the government of the day from limiting the rights of opposition members from being able to ask questions.

* (13:35)

We petition the Legislative Assembly of Manitoba as follows:

To request the Legislative Assembly of Manitoba to consider recognizing the need to sit for a minimum of 80 days in any given calendar year.

Signed by Teresita Reyes, Homer Lee and Tanta Ruiz

Pharmacare

Mr. Stuart Murray (Leader of the Official Opposition): I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for the petition.

Pharmacare is a drug benefit program for any Manitoban, regardless of age, whose income is seriously affected by high prescription drug costs.

Under the Doer government, Pharmacare deductibles have been increased by 5 percent each year for the past three years. As a result of the 15% hike in Pharmacare deductibles, individuals are facing increased costs ranging from \$36 to \$660 a year. Seniors, fixed- and low-income-earning Manitobans are the most negatively impacted by these increases.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Premier of Manitoba to consider reversing his decision to increase Pharmacare deductibles by 5 percent in Budget 2004.

To request the Premier of Manitoba to consider reducing health care bureaucracy, as previously promised, and direct those savings into sustaining Pharmacare.

To encourage the Premier of Manitoba to consider re-evaluating his government's priorities and to consider suspending his government's plans to spend \$100 million on new VLTs at a time when seniors and fixed-income Manitobans cannot afford medication.

It is signed by L. Cran, J. Kennedy, E. Neumann and others.

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for the petition.

Pharmacare is a drug benefit program for any Manitoban, regardless of age, whose income is seriously affected by high prescription drug costs.

Under the Doer government, Pharmacare deductibles have been increased by 5 percent each year for the past three years. As a result of the 15% hike in Pharmacare deductibles, individuals are facing increased costs ranging from \$36 to \$660 a year. Seniors, fixed- and low-income-earning Manitobans are the most negatively impacted by these increases.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Premier of Manitoba to consider reversing his decision to increase Pharmacare deductibles by 5 percent in Budget 2004.

To request the Premier of Manitoba to consider reducing health care bureaucracy, as previously promised, and direct those savings into sustaining Pharmacare.

To urge the Premier of Manitoba to consider re-evaluating his government's priorities and to consider suspending his government's plans to spend \$100 million on new VLTs at a time when seniors and fixed-income Manitobans cannot afford medication.

It is signed by Vera Cassie, Bob Cassie, Bonnie Gordon and others.

Mr. David Faurshou (Portage la Prairie): I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition.

Pharmacare is a drug benefit program for any Manitoban, regardless of age, whose income is seriously affected by high prescription drug costs.

Under the Doer government, Pharmacare deductibles have been increased by 5 percent each year for the past three years. As a result of the 15% hike in Pharmacare deductibles, individuals are facing increased costs ranging from \$36 to \$660 a year. Seniors, fixed- and low-income-earning

Manitobans are the most negatively impacted by these increases.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Premier of Manitoba to consider reversing his decision to increase Pharmacare deductibles by 5 percent in Budget 2004,

To request the Premier of Manitoba to consider reducing health care bureaucracy, as previously promised, and direct those savings into sustaining Pharmacare.

To urge the Premier of Manitoba to consider re-evaluating his government's priorities and to consider suspending his government's plans to spend \$100 million on new VLTs at a time when seniors and fixed-income Manitobans cannot afford medication.

Respectfully submitted by Fay Jordan, Elaine Graham, Debbie Patsack and many, many others.

Mrs. Mavis Taillieu (Morris): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

*(13:40)

These are the reasons for the petition.

Pharmacare is a drug benefit program for any Manitoban, regardless of age, whose income is seriously affected by high prescription drug costs.

Under the Doer government, Pharmacare deductibles have been increased by 5 percent each year for the past three years. As a result of the 15% hike in Pharmacare deductibles, individuals are facing increased costs ranging from \$36 to \$660 a year. Seniors, fixed- and low-income-earning Manitobans are the most negatively impacted by these increases.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Premier of Manitoba to consider reversing his decision to increase Pharmacare deductibles by 5 percent in Budget 2004,

To request the Premier of Manitoba to consider reducing health care bureaucracy, as previously

promised, and direct those savings into sustaining Pharmacare.

To urge the Premier of Manitoba to consider re-evaluating his government's priorities and to consider suspending his government's plans to spend \$100 million on new VLTs at a time when seniors and fixed-income Manitobans cannot afford medication.

This is signed by Rita Gate, Anne Gosselin, L. Hartwell and many, many others.

COMMITTEE REPORTS

Standing Committee on Legislative Affairs Sixth Report

Mr. Daryl Reid (Chairperson): Mr. Speaker, I wish to present the Sixth Report of the Standing Committee on Legislative Affairs.

Madam Clerk (Patricia Chaychuk): Your Standing Committee on Legislative Affairs—

Some Honourable Members: Dispense.

Mr. Speaker: Dispense.

Your Standing Committee on Legislative Affairs presents the following as its Sixth Report.

Meetings:

Your committee met on Wednesday, June 9 at 6:30 p.m., in Room 254 of the Legislative Building.

Matters under Consideration:

Bill 42—The Mines and Minerals Amendment Act/Loi modifiant la Loi sur les mines et les minéraux

Bill 44—The Colleges Amendment Act/Loi modifiant la Loi sur les collèges

Bill 46—The Teachers' Pensions Amendment Act/Loi modifiant la Loi sur la pension de retraite des enseignants

Bill 49—The Municipal Amendment Act/Loi modifiant la Loi sur les municipalités

Bill 50—The Municipal Assessment Amendment Act/Loi modifiant la Loi sur l'évaluation municipale

Bill 53—The Statutes Correction and Minor Amendments Act, 2004/Loi corrective de 2004

Committee Membership:

Substitutions received prior to commencement of meeting:

*Mr. Eichler for Mr. Maguire
Mr. Hawranik for Mr. Schuler
Mrs. Stefanson for Mrs. Taillieu
Hon. Ms. McGifford for Hon. Mr. Lemieux
Hon. Mr. Smith for Hon. Mr. Robinson
Mr. Goertzen for Mr. Hawranik
Hon. Ms. Wowchuk for Hon. Ms. Allan*

Substitutions made, by leave, during committee proceedings:

Mr. Nevakshonoff for Hon. Ms. Wowchuk

Public Presentations:

Your committee heard one presentation on Bill 42—The Mines and Minerals Amendment Act/Loi modifiant la Loi sur les mines et les minéraux, from the following organization:

Chris Lorenc, Manitoba Heavy Construction Association

Your committee heard nine presentations on Bill 46—The Teachers' Pensions Amendment Act/Loi modifiant la Loi sur la pension de retraite des enseignants, from the following individuals and/or organizations:

*Denis Fontaine, Private Citizen
Laurena Leskiw, Private Citizen
Pat Bowslaugh, Private Citizen
Ray Sitter, Private Citizen
Brian Patterson, Private Citizen
Don Berry, Westman Retired Teachers' Association
Terence Clifford, Retired Teacher's Association
Yvette Spence, Private Citizen
Brian Ardern, Manitoba Teachers Society*

Your committee heard one presentation on Bill 49—The Municipal Amendment Act/Loi modifiant la Loi sur les municipalités, from the following organization:

Debbie Penner, Manitoba Park Owners Association

Your committee heard one presentation on Bill 50—The Municipal Assessment Amendment Act/Loi modifiant la Loi sur l'évaluation municipale, from the following organization:

John Petrinka, Veteran's Association

Written Submissions:

Your committee received three written submissions on Bill 46—The Teachers' Pensions Amendment Act/Loi modifiant la Loi sur la pension de retraite des enseignants, from the following individuals:

Gordon Henderson, Private Citizen

Richard McIntyre, Private Citizen

Terence Clifford, Private Citizen

Bills Considered and Reported:

Bill 42—The Mines and Minerals Amendment Act/Loi modifiant la Loi sur les mines et les minéraux

Your committee agreed to report this bill without amendment.

Bill 44—The Colleges Amendment Act/Loi modifiant la Loi sur les colleges

Your committee agreed to report this bill without amendment.

Bill 46—The Teachers' Pensions Amendment Act/Loi modifiant la Loi sur la pension de retraite des enseignants

Your committee agreed to report this bill, with the following amendment:

THAT the proposed clause 52(1.2)(b), as set out in Clause 3(1) of the Bill be amended by striking out “the employer agree, used to provide” and substituting “his or her employer agree, used to provide, at no cost to the government,”.

Bill 49—The Municipal Amendment Act/Loi modifiant la Loi sur les municipalities

Your committee agreed to report this bill, with the following amendment:

THAT Clause 4 of the Bill be amended by striking out the proposed subsection 309.1(3).

Bill 50—The Municipal Assessment Amendment Act/Loi modifiant la Loi sur l'évaluation municipale

Your committee agreed to report this bill without amendment.

Bill 53—The Statutes Correction and Minor Amendments Act, 2004/Loi corrective de 2004

Your committee agreed to report this bill without amendment.

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

Motion agreed to.

**Standing Committee on Social and Economic Development
Fifth Report**

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

Madam Clerk (Patricia Chaychuk): Your Standing Committee on Social and Economic Development—

Some Honourable Members: Dispense.

Mr. Speaker: Dispense.

Your Standing Committee on Social and Economic Development presents the following as its Fifth Report.

Meetings:

Your committee met on Wednesday, June 9 at 6:30 p.m., in Room 255 of the Legislative Building.

Matters under Consideration:

Bill 39—The Residential Tenancies Amendment Act/Loi modifiant la Loi sur la location à usage d'habitation

Bill 43—The Personal Health Information Amendment Act (Spiritual Health)/Loi modifiant la Loi sur les renseignements médicaux personnels (santé spirituelle)

Bill 45—The Engineering and Geoscientific Professions Amendment Act/Loi modifiant la Loi sur les ingénieurs et les géoscientifiques

Bill 48—The Human Tissue Amendment Act/Loi modifiant la Loi sur les tissus humains

Committee Membership:

Substitutions received prior to commencement of meeting:

*Hon. Ms. Allan for Hon. Mr. Ashton
Ms. Oswald for Mr. Dewar
Hon. Mr. Chomiak for Hon. Ms. McGifford
Mrs. Driedger for Mr. Goertzen
Mr. Schuler for Mr. Rocan*

Public Presentations:

Your committee heard 1 presentation on Bill 39—The Residential Tenancies Amendment Act/Loi modifiant la Loi sur la location à usage d'habitation, from the following organization:

Debbie Penner, Manitoba Park Owners Association

Your committee heard 3 presentations on Bill 43—The Personal Health Information Amendment Act (Spiritual Health)/Loi modifiant la Loi sur les renseignements médicaux personnels (santé spirituelle), from the following organizations:

Susan Skinner and Val Coward, Association of Health Care Philanthropy and St. Boniface Foundation

Andrew Ogaranko, Faith Coalition

Kathleen Rempel Boschman, Concordia Hospital

Your committee heard 15 presentations on Bill 45—The Engineering and Geoscientific Professions Amendment Act/Loi modifiant la Loi sur les ingénieurs et les géoscientifiques, from the following individuals and/or organizations:

Dave Ennis, Association of Professional Engineers and Geoscientists of Manitoba

Veronica Jackson, Manitoba Association of Architects

Terry Danelley, Private Citizen

Don Oliver, Private Citizen

Guy Prefontaine, Gaboury, Prefontaine and Perry Architects

Andrew Bickford, ABG Architecture

David Penner, Private Citizen

Arnold Permut, Private Citizen

John Woods, Private Citizen

Steve Cohlmeier, Private Citizen

Brian Stimpson, Faculty of Engineering, University of Manitoba

Ray Wan, Raymond S.C. Wan Architect

Kelly Baumgartner, Private Citizen

Francis Pineda, Private Citizen

Judy Pestrak, Private Citizen

Your committee heard 1 presentation on Bill 48—The Human Tissue Amendment Act/Loi modifiant la Loi sur les tissus humains, from the following organization:

Christopher Snow, Tissue Bank of Manitoba

Bills Considered and Reported:

Bill 39—The Residential Tenancies Amendment Act/Loi modifiant la Loi sur la location à usage d'habitation

Your committee agreed to report this bill, with the following amendment:

THAT Clause 26 of the Bill be amended by striking out "Subsection 161(2) is" and substituting "Subsection 161(2) and (2.1) are".

Bill 43—The Personal Health Information Amendment Act (Spiritual Health)/Loi modifiant la Loi sur les renseignements médicaux personnels (santé spirituelle)

Your committee agreed to report this bill without amendment.

Bill 45—The Engineering and Geoscientific Professions Amendment Act/Loi modifiant la Loi sur les ingénieurs et les géoscientifiques

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

THAT the proposed section 3, as set out in Clause 2 of the Bill, be amended by replacing everything after clause (a) with the following:

(b) promote and increase, by all lawful means and in the public interest, the knowledge, skill and competency of its members and students in all things relating to the professions of engineering and geoscience; and

(c) advocate where the public interest is at risk.

THAT the proposed Clause 4 of the Bill be amended

(a) by replacing Clause 4(1) with the following:

4(1) The following is added after clause 12(1)(z):

(z.1) establishing and governing bursaries, loans, awards and other educational incentives or programs related to engineering and geoscience;

(z.2) respecting providing financial or other assistance to persons for the purpose of furthering the public interest;

(z.3) respecting public risk advocacy by the association;

(z.4) regulating the association's participation with others having purposes consistent with those of the association;

(b) in Clause 4(2), by striking out ", operation and well-being" and substituting "and operation".

Bill 48- The Human Tissue Amendment Act/Loi modifiant la Loi sur les tissus humains

Your committee agreed to report this bill without amendment.

Ms. Brick: Mr. Speaker, I move, seconded by the honourable Member for Radisson (Mr. Jha), that the report of the committee be received.

Motion agreed to.

TABLING OF REPORTS

Hon. Stan Struthers (Minister of Conservation): It is my pleasure to introduce to the House the Annual Report of the Clean Environment Commission for the years 2002-03.

Also it is my pleasure to introduce the 2003 Annual Report of the Manitoba Association for Resource Recovery Corporation entitled: Making Every Drop Count.

I would also like to introduce the 16th Annual Report of the Manitoba Hazardous Waste Management Corporation for the years 2002-03.

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, I would like to table Volume 4 of the Public Accounts for 2002 and 2003. Summer reading for the members opposite.

Hon. Jim Rondeau (Minister responsible for Healthy Living): I would like to table a Report on the Public Consultation Review of the Personal Health Information Act for the Department of Health, copies of which have been previously distributed.

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the Speaker's Gallery where we have with us today Francine Mulaire and Mrs. Marguerite Mulaire and Eugene and Francine Monin. These visitors are the parents and grandparents of our legislative page, Stephanie Mulaire.

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

Point of Order

Mr. Speaker: The honourable Member for Russell, on a point of order.

Mr. Leonard Derkach (Russell): Yes, Mr. Speaker, yesterday in this House, in response to a question by the member from Minnedosa, the Minister of Health in his response indicated that he attended a conference, or awards luncheon, by the Manitoba Schizophrenia Society. At that luncheon he indicated there were remarks made by an individual with respect to comments that have been made by the critic for Family Services, the Member for Minnedosa (Mrs. Rowat).

* (13:45)

Mr. Speaker, he said that the individual criticized members opposite for statements that have been made here and he indicated he was provided transcripts of that statement that had been signed and the reason he was making mention of this was that the purpose of the signing of this transcript was to provide it to members opposite. I am wondering whether the minister would be so kind as to table that document at this time.

Hon. Dave Chomiak (Minister of Health): Mr. Speaker, I was going to deal with that issue during

the course of Question Period, but I want to advise the member that it is my intention to put the speech on the Web site.

Mr. Speaker: The honourable Member for Russell, to continue the same point of order.

Mr. Derkach: Yes, if I might, just on that same point of order. I want to quote directly from the minister's response. He said, and I quote, "he directly criticized members opposite for attacking individuals who have mental illness, Mr. Speaker, who wish and choose to try to succeed in society on their own." He said, "I will provide transcripts of the member's speech because he signed it for me to provide to members opposite, Mr. Speaker."

Mr. Speaker, I ask the minister today to live up to his word and to table this for our benefit this afternoon.

Mr. Chomiak: Mr. Speaker, I will do that.

Mr. Derkach: Mr. Speaker, this is a very important issue. This member, the Minister of Health, has impugned motives to the Member for Minnedosa (Ms. Rowat). We ask that this document be tabled now because we are just going into Question Period and there may be questions that need to be asked as a result of what this minister has said and the document he is referring to.

Mr. Speaker: The honourable Minister of Health, would you wish to table it now or—

Mr. Chomiak: Yes, Mr. Speaker, even though it is not required of us to do that, I indicated I would, and I will table copies of that speech for members opposite.

Mr. Speaker: That should take care of the matter. The honourable member said he will provide copies for the members.

Mr. Derkach: I am going to ask for this House to recess for five minutes to allow this minister to table this document because this is extremely important. I have not risen on a matter of privilege. This is a commitment that the minister made and, Mr. Speaker, if he had not made the statements he did in his response this would not be an issue, but we need that document now.

I am asking the minister to table it now. He said he has it. I think it is only incumbent upon him to table it now for the benefit of the Member for Minnedosa (Ms. Rowat), so that if, in fact, there are questions, that needs to be cleared up now, Mr. Speaker.

Mr. Chomiak: Mr. Speaker, even though it is not required and very unusual, and I know what parliamentary tactics the member opposite is attempting to employ, I will endeavour to make, I will make—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

* (13:50)

Mr. Chomiak: Mr. Speaker, they will not even allow me to finish my statements even though they demand it. Does that not suggest something? I will get copies of this made so that I can provide it to the member opposite. I do not have sufficient copies for tabling right now at this very moment.

In fact, I was planning to deal with it. I was planning to read it into the record for members opposite on follow-up questions so I can inform the entire House of the content of that particular speech.

Mr. Speaker: The honourable member said he will table it later.

Mr. Derkach: I find that unacceptable. We cannot accept that. He has the document in his hand. He made a commitment to table it. We require that document. There is a process. We have table officers here who could take copies of that and that can be made available to the member opposite immediately. Now, Mr. Speaker, I am prepared to call for a recess of this House and ask you to recess the House for five minutes so the member can get his statement here and hand it in to the table.

Mr. Chomiak: As the member was going on and on and on, people made additional copies that allow me to table copies in the House, which I had intended to not only provide but read into the record for the course of this debate. In fact, why do I not just read into the record the speech right now so members can have it instantly? Mr. Speaker, Ladies and Gentlemen, the honour bestowed upon—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. We have not gotten into Question Period yet. Is that the document that was asked to be tabled, and honourable minister, you have tabled it?

Mr. Chomiak: Yes, Mr. Speaker, it is the document I said I would table, now that I have copies and tabled it, but I am happy to read it entirely into the record because I think it would be very useful for members opposite.

Is there leave perhaps for—

Mr. Speaker: Is there leave for the member to read it into the record?

Some Honourable Members: No.

Mr. Speaker: No. There is no leave. Okay. Order.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. The document that was asked to be tabled has been tabled so that should take care of the matter.

* * *

Mr. Speaker: Now we will go into Question Period.

ORAL QUESTIONS

Red River Floodway Expansion Master Labour Agreement

Mr. Stuart Murray (Leader of the Official Opposition): Yesterday in the House, the Premier said, and I quote, "The member obviously believes he knows into the future who is going to win all of the tenders. I do not believe many of the tenders have been let yet." Unless this Premier has other union kickback schemes in the works we have not yet uncovered, Mr. Speaker, I would like to remind the Premier more than 95 percent of the construction industries in Manitoba are non-unionized.

Mr. Speaker, unless this Premier is just going to give the contracts to the less than 5 percent who are unionized or unless he is planning on giving the contracts to companies and workers outside of Manitoba, I would suggest it is easy enough to

project that, yes, Manitoba's non-unionized construction companies will do the majority of the work on the floodway expansion project. That being the case, will the Premier do the right thing and commit today to having these employers at the negotiating table as a fully participating partner?

Hon. Gary Doer (Premier): There are so many inaccuracies in the preamble it is hard to know where to begin, but, Mr. Speaker, the member opposite chooses not to implement the Wally Fox-Decent report. We choose to implement it. That is the simple issue here. Members opposite have been extremist in their views. They have been extremist in their language. They have been inaccurate in their preamble and we will continue to work.

I would point out, today, for the second time since we were elected, the floodway is in operation, I believe, to protect the sewer system in the city of Winnipeg. I would point out, Mr. Speaker, that we utilized it in 2002 as well because of the pressure. I will say to the people of Manitoba, some \$300,000 worth of damages that were created south of the floodway will be fully compensated for those people impacted by making a decision for the benefit of the public good.

Tendering Process

Mr. Stuart Murray (Leader of the Official Opposition): Well, Mr. Speaker, I think all Manitobans would want to pay respects to former Premier Duff Roblin for what he did on the floodway. We all know what he has done. What we have been hearing from this Premier, he has been saying his goal is to ensure there is no strike, no lockout. Well, that is not the fact. If that was what his real concern was he simply would have written it into the agreement. It is just that simple.

His goal is to flow taxpayers' dollars to his union buddies. That is the essence of what this Premier is about and that is why the people of Manitoba are not with him. Manitobans do not want this Premier to force non-unionized workers to pay union dues. Manitobans do not want this Premier to exclude the employer group from the negotiating table, and they certainly do not want this Premier to have a \$66-million kickback to his union friends through an untendered contract to REACT, Inc., Mr. Speaker.

* (13:55)

Mr. Speaker, I would just ask the simple question the minister and the Premier have been suspiciously avoiding: Will he agree to having all work on the floodway, including all training contracts, tendered and awarded to the lowest bidder?

Hon. Gary Doer (Premier): We will follow proper tendering processes that will be comprehensive in terms of cost-effectiveness for the taxpayers. There is no question about that. Mr. Speaker, the members opposite should recall that with a more strenuous condition for labour-management agreements in Limestone, the construction which of course was opposed by members opposite, came in half a billion dollars under budget. The members opposite are not in favour of a no-strike or lockout situation. The people of Manitoba we believe are.

In terms of all the other outlandish rhetoric, Mr. Speaker, there is nobody on this side of the House going to sell a Crown corporation and end up on a board of directors later getting stock options. I guarantee that.

Mr. Murray: I find the incredible rambling of this Premier and then the response from the chicaners is quite interesting over on the other side. This Premier likes to stand in this House and he likes to mislead the public saying we are against a no-strike, no lockout. That is false. We have said very clearly we support that. All you had to do, Mr. Speaker, was write it into the agreement.

What we are opposed to, Mr. Speaker, very clearly, and unfortunately this Premier is in favour of it, but we on this side are opposed to forcing non-unionized workers to pay union dues. We are opposed to excluding the employer group from the bargaining table and we are opposed to a \$65-million kickback to his union friends. That is what we are opposed to. Get on with building the floodway and do the right thing.

Mr. Doer: Well, Mr. Speaker, the member opposite is part of a political party that voted against the banning of union and corporate donations to political parties. We have banned the practice of having contracts given to companies or unions and then received as a donation to the political party. This party is in favour of kickbacks. This party has banned it.

Child and Family Services Accommodations—Hotels

Mrs. Leanne Rowat (Minnedosa): In 1998, when the Premier was Leader of the Opposition, he is on record as saying an average of 36 children in hotels, and I quote, "is an absolute scandal." Today, the Minister of Family Services provided information that under her watch there is an average of 55 children in hotels this last May.

Mr. Speaker, I ask the Minister of Family Services this: If 36 children is an absolute scandal according to her Premier, how does she justify an average of 55 children in hotels?

* (14:00)

Hon. Christine Melnick (Minister of Family Services and Housing): Mr. Speaker, to truly understand what is happening in hotel placements, one must look beyond one day, one week, one month. One must look at larger trends. We look at the trend of 12 months.

Mr. Speaker: Order. I need to be able to hear the questions and the answers in case there is a breach of a rule. I ask the co-operation of all honourable members.

Ms. Melnick: If we look at the trend for 1997-1998, we see that on average there were 36 children in hotels. If we look at the average per month over 1996-1997, we see there were 46 children on average in hotels. If we look at the average over 2003-2004, we see the monthly average was 19, Mr. Speaker. If we look at the average to date for this year, we see it is 27. We agree that children who are coming into the shelter system are better placed in a home setting than in hotels.

Mrs. Rowat: Mr. Speaker, for the year ended March 31, 1999, there was an average of 15 children placed in hotels. On June 3, the minister said that under her watch the numbers were vastly, vastly reduced. The minister contradicted her own statement when, today, she provided the information to this House showing that on the very same day, June 3, there were 54 children in hotels. When is this minister going to stop misleading this House?

Ms. Melnick: Mr. Speaker, we can certainly look at longer trends. If we look at '96 to '99, we see the average number of children in hotels was 37. If we

look at '99 to 2004, we see the average number of children in hotels is 15. That is less than half. We agree children are better placed in home settings, which is why we have recently opened one shelter dedicated to sibling groups. We are opening a second one this fall also dedicated to sibling groups and we have put out a request for proposal for 50 foster care homes, foster care beds for children under the age of eight.

Orthopedic Surgery Waiting Lists

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, Dr. Brock Wright of the WRHA says there is no plan to increase the volume of joint replacement surgeries and these numbers have not grown since the NDP formed government. A leaked document from the WRHA shows there are less orthopedic surgeries being done today than four years ago.

I would like to ask the Minister of Health if he can explain to Ken Kronson, who has to wait 22 months for urgent hip surgery, how he can say he is doing more orthopedic surgeries when the leaked WRHA document shows that the numbers are decreasing.

Hon. Dave Chomiak (Minister of Health): Mr. Speaker, for the fourth time this session the member is talking about a leaked WRHA document which is in fact a WRHA planning document, internal planning document, one of many that were circulated about surgery reconfiguration last year. November 2003 is this timely leak, fourth time the member has raised this so-called leak in the Legislature.

Mr. Speaker, it was a planning document in a corporation that has \$1.2 billion of services and 20 000 plus employees. There is lots of planning. The reconfiguration of cardiac surgery at St. Boniface Hospital has prompted changes around the system.

I might add, Mr. Speaker, the Honourable Pierre Pettigrew just recently visited Concordia Hospital where we have centralized orthopedic surgery and said, "This is the way to go. This is the innovation in the future." When we tried to move surgeries from St. Boniface to Concordia I think members opposite opposed it.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I would like to remind all honourable members if the Speaker is standing all members should be seated and the Speaker should be heard in silence.

Point of Order

Mr. Speaker: The honourable Member for River East, on a point of order.

Mrs. Bonnie Mitchelson (River East): Mr. Speaker, the Minister of Health has just stooped to a new low in this House and he should be ashamed of himself.

Mr. Speaker, he can stand up and lie and say that we oppose changing orthopedics to Concordia Hospital and get away with it. That is a new low in this House.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I would like to remind all honourable members and like to caution the honourable Member for River Heights that the words "lie," "liars"—

An Honourable Member: River East.

Mr. Speaker: River East I mean. "Lie," "liars," are unparliamentary so I would kindly ask the honourable member to withdraw that word.

Mrs. Mitchelson: Mr. Speaker, the kinds of comments the Minister of Health makes tend to get people to say things they should not say. I will withdraw the word.

I will indicate, again, this Minister of Health has stooped to a new low in this Legislature and he should be ashamed of himself.

Mr. Chomiak: Yes. To finish my answer I said I think the members opposite opposed it. If they did not they certainly voted against it in the budget.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. On the point of order raised by the honourable Member for River East, it is not a point of order. It is a dispute over the facts. I thank the honourable member for the withdrawal and that should take care of the matter.

* * *

Mr. Chomiak: Mr. Speaker, I want to also indicate Manitoba now has 40 orthopedic surgeons which is five more than 35 who were practising here in 1999 when we came to office.

Mrs. Driedger: Mr. Speaker, the arrogance of this Minister of Health is quite disconcerting when you consider the responsibility of his job.

Mr. Speaker, a WRHA orthopedic feasibility study says that 1000 more joint replacement surgeries will need to be done in 2005 to relieve the pain and suffering of all of those orthopedic patients on waiting lists, yet the leaked document shows there is absolutely no planned increase for these orthopedic surgeries.

Can the Minister of Health explain how he can be the biggest health care spender in Canada, yet people like Ken Kronson have to wait on an absurdly long waiting list for urgent hip surgery?

Mr. Chomiak: Mr. Speaker, Manitoba has seven orthopedic surgeons in training right now who have accepted grants, conditional on practising in Manitoba. We currently have 40 orthopedic surgeons, five more than the thirty-five we had in 1999. We have doubled the number of surgeries at Pan Am.

*(14:10)

In its last ranking of the provinces, the Canadian Orthopedic Association said Manitoba had the second-shortest wait times in Canada for orthopedic surgery. Let me quote again, in the last ranking of provinces the Canadian Orthopedic Association, not a bastion of NDP partisanship, said, "Manitoba has the shortest waiting times in Canada for orthopedic surgery." We have begun centralizing the orthopedic surgery wait list to ensure that patients are prioritized appropriately. The orthopedic wait list co-ordinator is one of the administrative costs we have put in place to deal with waiting lists.

Nelson House Band Elections

Mrs. Bonnie Mitchelson (River East): Elders and band members of Nelson House are concerned about the integrity of the election process that will need to take place before Wuskwatim can proceed. They have asked for an impartial, third party like Elections

Manitoba to oversee all aspects of the project development agreement vote. Will the Minister responsible for Hydro, Mr. Speaker, guarantee a fair and impartial vote as requested by elders and band members at Nelson House?

Hon. Tim Sale (Minister charged with the administration of The Manitoba Hydro Act): Mr. Speaker, the government of the First Nation of Nelson House, Nisichawayasihk First Nation, is a government that was elected by the people of Nisichawayasihk and they have been negotiating for a number of years now with Manitoba Hydro. They have carried out those negotiations with great skill and with great integrity. I have every reason to believe the government of the First Nation will, as all governments do, oversee any band election in a fair and impartial way, and I have great confidence in Chief Primrose and his council.

Mrs. Mitchelson: The minister is well aware of the concerns that have been raised by respective elders in the Nelson House community and justice seekers who had significant concerns about the last band election for chief and council.

Mr. Speaker, will the Minister responsible for Hydro ensure there is a third-party impartial process that monitors and oversees the vote on the Wuskwatim project?

Mr. Sale: Mr. Speaker, what I would ask the honourable member to do is to carefully consider the paternalism and arrogance of her words which, before an event takes place with a First Nation with its own government, one of the most progressive First Nations in Manitoba with a record of economic development, of health development, of a number of very strong measures they have taken including the ownership of assets off reserve, those people—

An Honourable Member: Turn your cell phone off.

Mr. Sale: —have the competence to carry out any kind of election.

I apologize to the House for this little problem.

Mr. Speaker, the member opposite should reflect carefully on her desire to interfere in a First Nations government process.

An Honourable Member: Turn your own cell phone off.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I want to take this opportunity to remind all honourable members all electronic devices and cell phones should be turned off during Question Period.

Gaming Policy Public Review

Mr. Kelvin Goertzen (Steinbach): I am sure the minister was taking that urgent call to fix another keno machine in the province.

On Monday night at committee, the Provincial Council of Women of Manitoba made a presentation to members of the Legislature. In the presentation they echoed the calls of Conservative members of this House and of Manitobans across the province by asking for an independent, public review of gambling in Manitoba to determine the real social and economic costs of gaming. Will the minister of lotteries today take the recommendation of the Council of Women and commission that study?

Hon. Scott Smith (Minister charged with the administration of The Manitoba Lotteries Corporation Act): Mr. Speaker, as the member opposite holds his hand on the horn and quite frankly brings this issue forward, what he does not realize, I guess it was before his time, is there was no responsible gaming policy in the province of Manitoba throughout the entire 1990s. We have introduced the first responsible gaming policy in Canada, working with the AFM in the province of Manitoba, with professional advice, something the members opposite never did, never looked at and never considered. Working with those professionals, we have taken their advice. We are moving ahead and we are making headway where the members opposite never did.

Mr. Goertzen: Mr. Speaker, we will let the Council of Women know they are not taking the advice of them. The minister is ignoring their concerns.

Mr. Speaker, the Ontario Problem Gambling Research Centre has commissioned two University of Manitoba professors to study the problem of gambling in Aboriginal communities in Ontario. The expertise clearly exists in Manitoba to study the socio-economic problems of gambling among Aboriginals in particular and Manitobans as a whole.

Why is the Minister of Lotteries so determined to expand gambling and so reluctant to determine the social costs of gambling in the province?

Mr. Smith: Members opposite, when we go back in history a little bit and for a lesson for the member opposite, had introduced VLTs into the province of Manitoba in 1991. When they introduced that, they had mentioned and members opposite had mentioned it was for the economic viability and support of rural Manitoba and tourism in Manitoba.

I know the member opposite was a little excited by the Minister of Health (Mr. Chomiak) awhile earlier. The member from River East was on record as saying at that time that in fact the introduction of gaming into Manitoba was a positive for rural Manitoba. The same members opposite had mentioned in statements that certainly people in Manitoba had the right to choose. Suddenly the member from the back bench on the opposite side is contradicting what the members on the front of their parties seem to say. Mr. Speaker, we have introduced responsible gaming policies.

Rancher's Choice Beef Co-op Investors

Mr. Ralph Eichler (Lakeside): Just yesterday I was talking with David Reykdal, president of Rancher's Choice. He and auctioneer Buddy Bergner have a number of ranchers committed to shipping cattle to a Rancher's Choice slaughterhouse but again they have no money. This Doer government demanded \$3.5 million from our debt-ridden farmers and set them up for failure.

Can the Minister of Industry tell the people of this province what outside investors this government has consulted in order to allow investors other than ranchers and government to get involved in a Rancher's Choice slaughterhouse?

Hon. Scott Smith (Minister of Industry, Economic Development and Mines): Working in partnership with the producers in Manitoba, with Rancher's Choice, as the member opposite, ever since the BSE came in over a year ago, has been a positive process.

The producers in Manitoba had no capacity here in the province since 1980 and the early eighties when the capacity in the province of Manitoba was reduced nearly to a third of what it was in the early

eighties. BSE has highlighted a problem right across Canada, and certainly in Manitoba and western Canada, of what the slaughter capacity should be in Manitoba. We have been and have had considerable dollars on the table working with Rancher's Choice. The federal government chose not to identify it. They have let the producers and this province down. The federal government should be certainly held accountable for their actions. We are continuing to work with the plan, with Rancher's Choice and with the producers.

Mr. Eichler: It is not a matter of blame, it is a matter of taking responsibility.

Mr. Speaker, the Doer government has failed the ranchers of this province. We have three business days left before the Rancher's Choice's deadline expires. Ranchers are struggling, not only with the uncertainty of the CAIS program but cash, \$3.5 million to be exact, is something they do not have to invest in a packing plant.

* (14:20)

Mr. Speaker, can the Minister of Industry, Economic Development and Mines tell the ranchers of this province their plan to move forward on the ranchers' co-op slaughterhouse?

Mr. Smith: Mr. Speaker, we have been working very closely with Ranchers' Choice and certainly the meetings they have held throughout southwestern Manitoba with the many producers we have had out there. We have been together with Ranchers' Choice, with our money on the table, right from day one. We have supported Ranchers' Choice in their drive to look at an operational facility, an abattoir, here in the province of Manitoba. One of the possibilities was an abattoir in Winnipeg for a lot of reasons, specifically with the federal licensing that it does have, to look at an expedient way to bring the capacity up. There are a number of other options we are considering looking at with Ranchers' Choice and with other producers in the province of Manitoba.

Mr. Speaker, our money, the huge percent of the money, and the backing and the support of the province of Manitoba are well known by Ranchers' Choice, the producers. It has continued to be there and increased since day one and will continue to be there.

Federal Equalization Payments Conservative Party Proposal

Hon. Jon Gerrard (River Heights): Mr. Speaker, I understand the Stephen Harper federal Conservative plan for equalization would eliminate natural gas and oil revenue from calculations involved in determining equalization transfers. I understand the result of this might be a huge windfall for Alberta and a very big loss for Manitoba.

I ask the Minister of Finance whether he has done an assessment on the impact of the Harper Conservative plan on the finances of the Manitoba government if it were to be fully implemented.

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, this is a hypothetical question about a federal election which is going on right now. There have been a number of policy statements made.

Our objective as a provincial government along with other provinces is to have a meeting of First Ministers and Finance ministers when the new government comes into power to resolve all matters related to equalization. We are on the record, as are all provinces, supporting a 10-province average to make sure everybody is treated equitably. We look forward to that First Ministers' meeting and the ministers of Finance meeting once the new government is in place to resolve all the ambiguities among the proposals that are out there in the federal election context.

Mr. Gerrard: Mr. Speaker, I understand the Minister of Finance was on CBC's "Reality Check" last night saying this would be very bad for Manitoba. I ask the Minister of Finance to come clean with the Legislature and be honest with members of the Legislature in terms of what would happen. Would it require the Minister of Finance to raise taxes or to reduce expenditures and by how much?

Mr. Selinger: Mr. Speaker, probably all the federal political parties have made statements with respect to equalization. The provinces have also put their position on the table. As a matter of fact, just a few weeks ago ministers of Health and ministers of Finance met in Toronto to put together a set of principles related to future discussions on health care funding as well as the issues of fiscal imbalance in this country.

We look forward to meeting with whomever the next government is to resolve the matter in a way that meets the spirit of the equalization component of the federal charter, Constitution, section 36, "provinces should be able to offer comparable levels of service at comparable levels of taxation." That is our objective. We expect, with whomever the federal government is, to live up to that.

Teachers' Pensions Amendment Act Board Appointments

Mr. Kevin Lamoureux (Inkster): My question is for the Premier (Mr. Doer). His government has turned its back on retired teachers. In fact, Bill 46 creates a Teachers' Retirement Allowance Fund board. There are seven people that are going to sit on that board. Three of them are going to be Manitoba Teachers' Society reps and the government has chosen to appoint four members. We had appeals from retired teachers from across this province asking for the government to listen to what they have to say. It is only fair to ensure there is indeed a retired teacher on this board.

Why has this Premier, why has this government turned its back on retired teachers, 5000-plus are represented by one organization, thousands of families? Why have you turned your back and not acknowledged and at least put them in the legislation that would have them sit on the board? Thank you.

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): We do, indeed, take the teachers' pension issues very seriously as, very early in our mandate, we committed to fund the unfunded liability which had been left unfunded for several years and left unaddressed for 11 years by members opposite.

We have a teachers' pension task force which was responsible for bringing recommendations to the government, and that is a vehicle for discussion around changes to teachers' pensions. We have opened The Teachers' Pension Act three times and addressed many of the concerns that have been raised by the teachers' pension task force.

With respect to the Retired Teachers' Association of Manitoba, I have met with them on a regular basis. I will continue to meet with them. We are very aware of their concerns. The decisions that were made around Bill 46 will not prejudice any

future decisions around management structures and any changes, future and pending, to The Teachers' Pension Act. Thank you.

Biotechnology Industries Developments

Ms. Bonnie Korzeniowski (St. James): Manitoba's biotech sector is a major sector of our economy. Can the Minister of Energy, Science and Technology inform the House of recent developments in this sector?

Hon. Tim Sale (Minister of Energy, Science and Technology): This sector of our economy now comprises about 10 percent of Canada's biotech. We have less than 4 percent of the population, so we are doing very well.

I want to share with members the Ernst & Young report on biotechnology for 2004, talking as they do on the issue of the growth most recently. Most growth, in terms of biotech in Canada, was in Ontario which grew by 22 companies, followed by Manitoba which grew by 7 companies. Manitoba recorded an 80% increase, Mr. Speaker.

They go on to say: "Manitoba's boom is partially explained by the provincial government's effort to grow the biotechnology sector within the province. Government officials have worked with universities and hospitals to help the scientific community identify products with commercial potential. They have helped scientists develop business models. Incubators have been set up. Seed capital is made available to companies. In addition, established companies have provided advice to help new companies."

Family Violence Intervention Program Funding

Mr. Gerald Hawranik (Lac du Bonnet): The Family Violence Intervention Program will be terminated at the end of this month if the Province does not financially support the program.

The Justice Minister's former colleague and mayoral candidate, MaryAnn Mihychuk, stated in the *Free Press* that the end of the program shows a lack of communication between the City and the Province, and the Province should have been involved with the family intervention team when they started three years ago.

Does the Minister of Justice (Mr. Mackintosh) agree with his former colleague's statements and will he agree to commit to fund this program?

Hon. Christine Melnick (Minister of Family Services and Housing): I would like to table a letter.

Mr. Hawranik: There are millions of dollars to fund the defence costs of the five Hells Angels associates. He has up to \$2.7 million of our money to pay his lawyers to defend the Hells Angels, a multimillion dollar crime organization, but he has no money to fund families in crisis.

What are this minister's priorities, to fund the defence of the members of the Hells Angels or to fund a program which prevents family violence?

Ms. Melnick: The letter that I tabled for the previous question openly states we had met with the members from City Council. We have encouraged them to continue the program. We have provided new monies this year of \$1.45 million, \$900,000 of which will flow from photo radar enforcement. The program is currently costing \$600,000. We have encouraged the City to put these monies towards the program, to choose if they wish to expand the program. We encourage them to do this today. We encourage this program to continue under the City of Winnipeg.

Department of Transportation Under Spending

Mr. Larry Maguire (Arthur-Virden): Mr. Speaker, the Minister of Transportation and Government Services, over the two years ending March '03, allowed his department to lapse \$28 million. Will the minister confirm that his Premier (Mr. Doer) or the Minister of Finance (Mr. Selinger) forced him to return this \$28 million to general revenue because their NDP spending is out of control?

Hon. Ron Lemieux (Minister of Transportation and Government Services): I would ask the Member for Arthur-Virden to move his birdbath over a little bit, because the twinning of No. 1 heading to Saskatchewan is taking place this summer, going right by his front doorstep.

* (14:30)

Also, Mr. Speaker, we have put close to \$60 million more into transportation in the last five years than they did in the last five years of government.

Mr. Maguire: Well, Mr. Speaker, while the Minister of Transportation and Government Services alludes to spending millions of dollars more in his budget, Manitobans are not fooled by this shell game. This minister has lapsed \$28 million in two years ending '03 and more millions to come. Adding \$10 million, as he said many times in the budget, to a \$28-million lapse is still an \$18-million shortfall.

When will the minister get his priorities straight and use his budgeted funds for the safety of the travelling citizens?

Mr. Lemieux: Well, I know, Mr. Speaker, despite the protest of the member from Arthur-Virden, he does not want the twinning to take place to Saskatchewan. He is against it. Again, eight out of ten years when they were government they lapsed money, but having said that, we have approximately \$60 million more in the budget in the last five years than they did in the last five years of their government. Not only that, we are putting \$65 million into the northeast Perimeter, \$21 million into twinning Highway 59 and X amount of millions of dollars going into twinning of No. 1 highway west.

Fish Hatcheries Funding

Mr. Glen Cummings (Ste. Rose): Mr. Speaker, it is alarming when the government of the day underspends its highways budget by \$28 million and they all stand up and applaud.

Perhaps the Minister responsible for Conservation would be prepared to tell the people of this province whether or not he expects to have enough money in his budget to run the hatcheries this year.

Hon. Stan Struthers (Minister of Conservation): Mr. Speaker, I am very pleased with the numbers that my department was able to put forward in terms of spending on behalf of the people of Manitoba, but what I am totally amazed with is how members opposite, our friends across the way, could on the one hand tell us we are spending too much, and then get up in this House over and over and get after some

of my colleagues for not spending enough. Make up your minds.

Mr. Cummings: What is wrong, Mr. Speaker, is that they announce wonderful budgetary expenditures and bamboozle the public into thinking the money is being spent on highways.

This minister has cut the funding for the fish hatcheries in this province by 25 percent over the recent budgets, and now there may not be enough money to put fingerlings in the lakes that attract the anglers for tourism into this province. He is about to have a collapse of his fish hatcheries if he does not provide sufficient funding. Will he undertake to fund them this fall?

Mr. Struthers: Let me, in a very non-partisan and co-operative way, invite the Member for Ste. Rose up into our area where the fishing on Lake Dauphin has never been better, Mr. Speaker. Let me also invite the Member for Ste. Rose to join the Member for Russell (Mr. Derkach) and I on a fishing tour of Lake of the Prairies, where again the fishing has never been better.

Let me say, Mr. Speaker, that is because this government has been very, very proactive in its approach to fish enhancement, to providing money for fisheries, to working with local sport and fishing enhancement groups to make sure the fish in our lakes are strong from one end of this province to the next.

Crop Insurance Deadline Extension

Mr. Jack Penner (Emerson): I have received, over the last number of days, numerous phone calls from farmers asking whether the Province of Manitoba would consider extending the crop insurance deadline. I raised this issue yesterday with the minister and I did not get a straight answer.

I think it is time the minister gives the farmers of the province of Manitoba some leeway and recognizes this has been an abnormally cold spring, germination is very slow and there is a lot of drown-out and there might have to be a whole bunch of reseeded done, at least in the Red River Valley where I come from.

I would ask only that the minister strongly reconsider her position and extend the crop insurance

deadlines because of the coldness of the spring and the wetness that has not allowed farmers to seed their crops. Will the minister extend those crop insurance deadlines and will she announce it today?

Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives): Given the situation that producers in southern Manitoba were facing, particularly in southern Manitoba, we did make an extension on the seeding deadlines for pulses.

I want to remind the member this is a joint federal-provincial program and to make any changes we have to have the support of the federal government, Mr. Speaker. We have had those discussions with the federal government. At this point, there is no decision to further extend the seeding deadlines, but we will continue those discussions.

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

Speaker's Statement

Mr. Speaker: I just want to make a quick statement. As the House will be adjourning today, I encourage all honourable members to remove the contents of their desks here in the Chamber. The blue bins here in the Chamber are designated for recycling of Hansard only. *[interjection]* Order. Any other material you would like to recycle may be placed in the larger recycling containers in the message rooms located just outside of the Chamber. Thank you.

MATTER OF PRIVILEGE

Mr. Speaker: The honourable Official Opposition House Leader, on a matter of privilege.

Mr. Leonard Derkach (Official Opposition House Leader): Yes, Mr. Speaker, I rise this afternoon on a matter of privilege as it relates to comments that were made yesterday in Question Period by the Minister of Health. I know that there are two conditions that have to be met to qualify for a matter of privilege, and I intend to put those before the House right now.

Mr. Speaker, first of all, the prima facie case here is one where, indeed, we are doing this to ensure that what is put on the record is not representative of fact, that the minister indeed misled

this House deliberately in having put remarks on the record that in no way resembled a document that he said he was referring to.

Mr. Speaker, this is a deliberate misleading—

Mr. Speaker: Order.

Mr. Derkach: Mr. Speaker, this is a deliberate attempt to mislead the members of the public and this House and to tarnish the reputation of a member in this House.

This is the first occasion for me to be able to raise this matter as we have just received this document that was tabled, after our insistence that this document be tabled. I understand now why the minister was reluctant to table it, because this document does not in any way reflect the statements that he made in this House.

Mr. Speaker, I want to quote what the minister said in this House. Yesterday, in response to a question from the member from Minnedosa, the minister said that a member of the Manitoba Schizophrenia Society who received an award at the award luncheon, and I quote, "directly criticized members opposite for attacking individuals who have mental illnesses."

Mr. Speaker, I have the document that the minister tabled. Unless he has another document, this document does not in any way criticize members opposite on this side of the House or anyone in this Chamber. It simply states what the member from Minnedosa correctly did in this House. I am going to quote the relevant section. I will not quote the whole letter, because the whole letter does not pertain to anything else that was referred to in this House. But I will quote what is the third paragraph in this statement and I will quote it word for word.

"The article I referred to reported MLA Leanne Rowat's challenge to Mr. Chomiak regarding why a woman with a mental disorder living in Brandon was allowed to live on her own. For those of you unfamiliar with the story, she wandered away from her home on January 3 of this year and froze to death. Her sister, understandably distraught, was quoted as saying: 'Her sister should have never been allowed to make the decision to live by herself on her own. She really did not know how to take care of herself.'"

Mr. Speaker, that is what was said in the letter. That is a fact, a statement of fact. The member from Minnedosa quite correctly questioned the Minister of Health with respect to policy, with respect to procedure, with respect to attitude of the department, with respect to an investigation into the circumstances surrounding the death of this individual. She also questioned whether or not the minister was prepared to call for an investigation, an inquiry, an inquest as to the death of this woman, and why this woman was allowed to freeze to death because of the fact that she was not being monitored as she should have been.

*(14:40)

And, Mr. Speaker, there was no criticism of people who have mental illness in any way, shape or form. There is no criticism here in this letter, nor is there any criticism by the speaker of members opposite with respect to how our attitude, perhaps, has been displayed toward people with mental illness.

I know this is a sensitive issue. Not a single member in this House, and I do not care what side of the House you are on, would ever stoop to criticize people who are less fortunate in society than some of the rest of us, people who are challenged, people who have mental illnesses. Surely this member from Minnedosa did not even come close to criticizing anybody who had a mental illness. She was taking the side of this poor individual who froze to death. She said that this person who had frozen to death, who died, had, at least, to have the dignity of knowing that somebody cared enough for her that there would be an investigation launched into the circumstances surrounding her death.

Her family was owed that respect by the government, by the department, by the people who were responsible. That is what the issue was. Yesterday in this House, this minister completely, completely, and I say he did it intentionally, he did it knowing that it was false, he did it deliberately to misrepresent the facts. He did it deliberately to tarnish the reputation of the Member for Minnedosa (Ms. Rowat).

This is this minister's style. If he cannot defend his dismal record in health care, he attacks individuals. Mr. Speaker, I hate to say this, but this is almost a sexist approach, because this minister

continues to attack a female on this side of the House who is the critic for Family Services, a female on this side. That is a very chauvinistic and unwarranted attitude by this minister. I hate to make these allegations. I stand in this place with regret, because this is not the way that we should conduct ourselves in this House.

I may disagree with the Minister of Health on policy. I may disagree with him on approaches, but I do not take issue with him as an individual, because I think inside he is a caring individual. He is a person who cares about people. But for him to do this because he cannot defend his record has to be the lowest level of performance that I have seen in this Legislature.

Mr. Speaker, this is a matter of privilege. This is a matter which needs to be raised today. This is a matter where the minister owes the Member for Minnedosa an apology. And if he is man enough to get up in his place today and apologize for the attitude and for his malignment of this Member for Minnedosa, this matter may go away. But if he continues to insist that somehow this document that he tabled today, this speech that was made by the member at the Schizophrenia Awards Dinner, is a reflection of what the Member for Minnedosa says about people with mental illness, then he is completely out of line. His statements are completely out of line. There is no room for that kind of response in this House.

I do not know what else to say about a situation like this, except that we respect each other in this House to tell the truth. We respect each other in this House to be honourable. That is what this House is all about. When I stand in my place in this House, what I do and what I say is put on record, and that record remains forever. What the member put on record yesterday did not in any way come close to resembling what was either in the document or what was the truth.

I do not care how shallow I may be at being able to interpret documents, but one can read it with the most elementary style of education and understand that that is not what the speaker was talking about. He was simply relating to the public then what the issue was, the issue that the member from Minnedosa raised that a person had frozen to death. A person who had a mental illness was allowed to live on her

own, froze to death, and she was asking, "What were the circumstances surrounding her death?"

We have now learned from the Medical Examiner's office that, indeed, there are questions about this individual's death, that there are questions that have to be answered. The Medical Examiner's office has put two specific recommendations in place, and he is talking about the need for more research and more investigation to be done into the circumstances surrounding this individual's death. Because, as a matter of fact, it is alleged in that letter that there may be a suicide note that was referred to by members of the family as it surrounds the circumstances of this death.

That puts a whole number of questions out there about what happened in the case of this individual freezing to death.

Why was this person found in the middle of a field? Is that not even a question that should be asked? Why was this person away from her residence? Why was this person not clothed for the conditions of the Canadian climate, if you like, for the conditions of the day? Surely those questions are legitimate. Surely those questions need answers. The family deserves the right to know the answers. That is what we were asking about, Mr. Speaker. But for this minister to then extrapolate from that, that we are criticizing people with mental illnesses, is really abominable.

I am just asking the minister if he has the decency in his soul to stand in this House and apologize for those statements because they do not reflect anything similar to what was in that letter, anything close to the truth in that letter, Mr. Speaker. I think that maybe this matter can be resolved, but that would certainly be up to the Member for Minnedosa (Ms. Rowat), whether or not she accepts that kind of an apology.

Mr. Speaker, I am not twisting fact here, I am not in any way twisting fact because all I did was read the script and I read the minister's response and it is objectionable to us. It is certainly objectionable to the member from Minnedosa, and she should take umbrage with this and she has. I am asking the Minister of Health, because I do respect him as an individual, to do the right thing and to stand in this House and to apologize.

If that is not the case, if we cannot achieve that, I then will have to move a motion, but I will give the opportunity before I go into that and with your indulgence, Mr. Speaker, to allow the Minister of Health to stand in his place and correct the record and apologize to the member from Minnedosa.

Hon. Dave Chomiak (Minister of Health): Mr. Speaker, firstly, I want to indicate I do not believe the member has a matter of privilege, nor do I believe that the member even has a point of order. Let me just do a few opening comments and then get to the nub of the issue.

Mr. Speaker, that was not the first time that this issue had been raised in the House on that particular instant. It had been raised day after day, following a week of issues raised concerning deaths in the system. It was not I who wrote this article in the *Winnipeg Free Press*, May 3. It says, and I am just quoting, "but reporters covering the latest untimely death have begun to wonder out loud: Is it really a crisis or are we much better exposing the daily struggle for life and death in health care?" The reporter goes on to say, "so we know more about how the health care system works and when it fails, but knowledge can be dangerous, especially when it is wielded by politicians who care more for headlines than they do about health care."

Now, Mr. Speaker, that article came out, that is not what I wrote, but during the course of this session and pre-sitting sessions more deaths have been raised, and the member knows over the last period of time than in any other time of the history of the Legislature. We are recording deaths, we are trying to deal with deaths, we are trying to go to a system where we recognize and learn from mistakes. We are trying to change the system. Changing the system means that information is exposed. That is a reality that we are prepared to face, and I think we are all mature enough to do that and we should do that.

*(14:50)

With regard to the particular comments that I raised from the speech, I asked for a copy of this speech after it had been delivered because I wanted to put it on the Web site. I thought it captured it very importantly when we went to the schizophrenia dinner and several hundred people attended and this gentleman got an award. Just let me quote from the

speech, "the article I refer to reported MLA, and I will not say the name because I cannot, challenged Mr. Chomiak regarding why a woman with a mental disorder living in Brandon was allowed to live on her own.

"This strikes me very close to home. Seven and a half years ago, I was living in a group home and I regularly heard people suggest to me that it was the best place for me. I should stay on social assistance because I could not manage the stress of being on my own and working. Even the directors of the group home told me this. I was very fortunate. I had many people in my life who believed in my potential to live an independent, meaningful life. People saw abilities in me that I did not believe I had. I was encouraged to"—

Some Honourable Members: Oh, oh.

Mr. Chomiak: Mr. Speaker, if the members wish to deal with this issue, I would appreciate it if they give me the courtesy of allowing me to express without having to raise my voice.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Chomiak: "I was encouraged to pursue my dreams of work, my home and make a meaningful contribution to my community. Ladies and gentlemen, I stand here today, not because the system," there is recognition of weakness in the system, "recognized my struggles as a medical condition, but because people had hope for me, communicated that hope to me, encouraged me, supported me, provided me with opportunities to move forward, take on risks and new challenges and assisted me to develop the skills I needed to succeed.

"I was taught to use my medication as a tool to manage my emotional distress. I was given the opportunity and freedom to make decisions on what treatment I would use and how and when to use it. I was invited to participate on various community committees and boards and was assisted in developing the skills and knowledge I require to participate in a meaningful way. I was urged and at times harassed by friends who believed in my potential to go after opportunities for work. The anti-stigma cannot be found in the system in a society accepting mental illness as a medical condition. It

will only be found when all of us look for the potential in every person, regardless of diagnosis, progress, nourish and encourage that potential and assist the person in developing the skills, knowledge, supports and resource base to live successfully in our community and society. If we can do this, we will provide the opportunity for anyone living with a mental disorder to strive for an honour such as this.

I want to thank the Manitoba Schizophrenia Society, his doctor, New Careers, Seneca House, Canadian Mental Health Association, Manitoba Schizophrenia Society, the Mental Health branch of Manitoba Health, as well as various RHAs around the province for their encouragement and support."

Mr. Speaker, my point in putting this on the record and the context was, when I delivered the—*[interjection]*

Mr. Speaker: Order.

Mr. Chomiak: Mr. Speaker, I actually spoke at that fair and I have attended it every year, I think since inception, with respect to that. The context was why do mental health issues only become an issue of this kind and why can we not work on it every day.

Mr. Speaker, I not only will withdraw my remarks but I will apologize to the member for my comments if it was meant as an—*[interjection]*. In fact, I have respect for the member opposite. I did not intend to impinge her integrity or her motivation. If that was what my comments indicated then I withdraw, I withdraw completely those comments and I am prepared to indicate that. I will stop at that point because if I continue talking I might end up getting myself in trouble. Thank you.

Mr. Derkach: Mr. Speaker, I do want to say thank you to the Minister of Health for withdrawing that and correcting the record. I will not be putting forward a motion at this time, but I think that it is only fair to understand that these are issues that are near and dear to many of us. We do not want to get into personalizing these issues except that I think it is our right as legislators to be able to ask questions in this House that are not going to reflect on an individual's character but rather present the facts and I guess pursue what perhaps are the policies or perhaps the actions taken by any individual minister or her department. So, with that, I think this matter has now been resolved.

Mr. Speaker: That should conclude the matter. Now we will move on to Members' Statements.

MEMBERS' STATEMENTS

Winnipeg International Children's Festival

Mr. Rob Altemeyer (Wolseley): Mr. Speaker, the Winnipeg International Children's Festival, one of our province's best summer festivals, is now taking place for the next four days.

For many years the festival has provided our community with diverse and world-class performing arts and activities which are educational, entertaining and accessible to young people from all social, economic and ethnic backgrounds.

The festival began in 1983 at Assiniboine Park with about 1700 people in the audience. Over the years, the festival has grown by leaps and bounds. It is now a four-day, thirty act extravaganza of the best musicians, singers, dancers, storytellers and clowns in the world. Also there are activities and co-operative games, face painting, roving performers, concessions and a general store.

The Children's Festival has been active throughout the year with their Circus and Magic Partnership program, or CAMP, which sends professional artists to northern communities. Youth in these communities are offered training in circus and magic arts, performance opportunities and the chance to continue their skill development.

CAMP has received awards from the provincial Department of Justice, the City of Winnipeg and the Premier's Volunteer Service Awards. The program was developed in conjunction with the Manitoba Department of Aboriginal and Northern Affairs. I am proud to say that our government is a strong supporter of the Children's Festival through the province's major arts festival operating support program. This program is designed to support major arts festivals in developing skills and audiences and in providing showcasing opportunities for Manitoba artists.

Mr. Speaker, the Children's Festival would not happen without the hard work and dedication of over a thousand volunteers each year. I would like to thank them for their hard work and wish them a great festival. Thank you.

Theresa Ducharme

Mrs. Leanne Rowat (Minnedosa): Mr. Speaker, on June 7, at the age of 59, Theresa Ducharme, a long time activist for people with disabilities, passed away. At the age of eight, Ducharme was confined to a wheelchair because of polio. Although there were many complications of her illness, her strong will, determination to serve others and a passion for a full and equal participation for all people with disabilities did not slow her down.

Twenty-five years ago, Theresa Ducharme met her husband, Cliff, and they were married in 1978. Soon after, Ducharme began to fight for her rights to home care so that Cliff would not be forced to give up his job to care for her.

Ducharme also took on many other issues throughout her lifetime. Locally, she advocated for access to Handi-Transit services, lowering the floors of buses to ensure easier use of public transit for persons with disabilities and wheelchair access from the mayor's office to the council floor at City Hall.

Although Ducharme had hoped to make a difference through serving in public office, running for City Council, mayor and Parliament, she did not serve in these capacities, and it is unfortunate. Ducharme was successful, though, in raising the awareness of many local politicians and familiarizing them with the disabilities rights and issues of health, access and equality for all Manitobans.

As the chairperson of People for Equal Participation, she unapologetically addressed many controversial issues such as the 1990s Tracy Latimer case and speaking out about disability rights, the value of human life and the inherent dignity of each person regardless of ability.

Theresa Ducharme earned the respect of everyone she encountered, and I had the privilege of meeting her and was very much impressed with her ability to communicate her interest and her passion.

Mr. Speaker, I would just like to conclude by saying that Theresa Ducharme was a wonderful lady who made numerous contributions to the lives of others through her commitment to advocating for people with disabilities. Her stick-to-it attitude has been an inspiration to many. Her motto, "I love to live and I live to love," was most evident in her life.

Mr. Speaker, on behalf of this Assembly, I extend my deepest sympathies to her husband, Cliff, during this difficult time and to all of those who knew and loved Theresa Ducharme. Thank you.

* (15:00)

National Aboriginal Day

Mr. Gregory Dewar (Selkirk): Mr. Speaker, on June 23, which is the summer solstice, Canadians across the country will celebrate National Aboriginal Day, which is a special day to celebrate the unique heritage, cultures, contributions of First Nations, Inuit and Métis peoples in Canada. This year's celebration will once again be held at The Forks site in Winnipeg which, of course, as we know, was an important historical meeting place for Aboriginal people.

Mr. Speaker, I am very proud to be part of a government that supports First Nations, Inuit and Métis people. We have within our caucus, within our Cabinet, two First Nations Cabinet ministers, yourself, of course, I believe the first Inuit Speaker in this country.

As a Métis person myself, I am very pleased that one of the first things this government did was to restore funding to the Manitoba Métis Federation, the Assembly of Manitoba Chiefs, MKO, and the Indian and Métis friendship centres across this province.

Mr. Speaker, our government moved to address many of the recommendations of the Aboriginal Justice Inquiry. One of their major recommendations, of course, was to allow Aboriginal people to attend to the needs of Aboriginal children, the child welfare agency, which has led to the creation of the Aboriginal-run child welfare authorities, and just last week, the Métis Child and Family Services agency opened here in Winnipeg.

Mr. Speaker, there are many other success stories of how our government has worked with Aboriginal organizations and people over the past four years on developing the North and the province in general, from education to employment partnerships to transportation and infrastructure improvements.

Mr. Speaker, as well, our government recently formed an Aboriginal Issues Committee of Cabinet. I

was very pleased recently to bring forward a resolution to honour Tommy Prince and I want to thank all my colleagues for unanimous support of that resolution. I encourage all members of the Legislature to attend Aboriginal Day in this province.

Mr. Speaker: The honourable Member for Springfield (Mr. Schuler).

An Honourable Member: No.

Mr. Speaker: No. The honourable Member for Morris (Mrs. Taillieu).

An Honourable Member: No.

Serge Radchuk

Mrs. Leanne Rowat (Minnedosa): Mr. Speaker, I rise today to pay tribute to a successful and distinguished man, Dr. Serge Radchuk. Doctor Radchuk is an active contributing member of Winnipeg's Ukrainian community who was recently honoured at the Ukrainian Professional and Business Club of Winnipeg annual general meeting.

I, along with my honourable colleague the Member for Russell (Mr. Derkach), had the opportunity of attending this wonderful event and showing our support for the fine organization and for such an outstanding Manitoban.

Serge Radchuk was born in western Ukraine in the 1920s and, after facing many hardships in war-torn Europe, immigrated to Canada in 1948. Initially he worked on a farm in Saskatchewan but soon decided to attend high school in Benito in order to learn English and further his understanding of Canada. Following his high school experiences, Radchuk successfully completed law school at the University of Manitoba and was called to the bar in 1955. A few of his fellow law students include Izzy Asper, Sterling Lyon, Bill Norrie and Art Mauro.

Also interesting to note is that Serge Radchuk was the first European immigrant to graduate from the U of M law school. Also proud of his heritage, Radchuk established a Ukrainian university student union while completing his studies. Furthering his education in law, Serge Radchuk received his Masters of Law degree from the U of M in 1958 and

his doctorate degree from the Ukrainian Free University located in Munich, Germany, in 1975.

Dr. Radchuk had not only been successful in his academic pursuits but had involved himself in numerous professional Ukrainian and other organizations both within and outside of Manitoba.

Mr. Speaker, Doctor Radchuk has demonstrated his commitment to excellence in serving the Ukrainian community, practising law and setting a fine example for recent immigrants to Canada and to young people pursuing studies in law. Doctor Radchuk has been recognized in many forms for his achievements, receiving awards for community leadership, the Order of Canada, an honorary doctorate, to mention a few.

I would like to take this opportunity to also recognize in this Chamber the many contributions Doctor Radchuk has made to our province and invite all honourable members to join me in wishing Doctor Radchuk unending success as he continues practising law in five different languages at his own law firm. Thank you, Mr. Speaker.

Dr. Jose Rizal

Mr. Conrad Santos (Wellington): Mr. Speaker, on Saturday, June 19, the Philippine community in Manitoba will celebrate the 143rd anniversary of the birthday of its national hero, Dr. Jose Rizal. A motorcade will begin at 10 a.m. from 84 Isabel Street to 4477 Main Street, Glen Eden Cemetery, for a floral offering and conclude at 11 a.m. by a luncheon at Riverbend Restaurant under the auspices of the Order of the Knights of Rizal.

Dr. Jose Rizal is universally known like Kung-fu-tse of the Chinese community and Mohandas K. Ghandi of the Indian community.

Doctor Rizal was educated as a medical doctor, an ethnologist, a linguist. He propagated the ideal of love of God, country and people. He taught and practised human integrity and social justice. He advocated human freedom, self-reliance and honesty in thoughts and in deed.

Love of God, country and people, Doctor Rizal must have known the great commandment: Tu aimeras le Seigneur, ton Dieu, de tout ton cœur, de

toute ton âme, de toute ta pensée. Tu aimeras ton prochain comme toi-même.

Thou shall love the Lord thy God with all thy heart, with all thy soul and with all thy mind. Thou shall love thy neighbour as thyself.

Justice and human dignity, Doctor Rizal did uphold by writing two political novels: *Noli me Tangere*, *Touch Me Not*, and *El Filibusterismo*, *The Political Opposition*.

Love of country Doctor Rizal expressed in the poem, *Mi ultimo adios*.

Mi patria adorada, / dolor de mis dolores / Querida philipinas, oye mis postrer adios / Aje te dijo todos / Mis padres, mis amores / Voy donde, no hay esclaves, verdugos ni opressores / Donde de la fe no mata / Donde que el reina es Dios.

My Fatherland adored / that sadness to my sorrow lends / Beloved Filipinos, hear now my last good-bye / I give thee all: parents, kindred and friends / Now I go where no slave to the oppressor bend / Where faith never kills, and God reigns ever on high.

GRIEVANCES

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Deputy Speaker, I rise today to speak on a grievance. To put it in context, we stand here June 10, 2004. When you talk about the floodway expansion project, as we know it today, we know that the Doer government is in favour of forcing non-unionized workers to pay union dues. That is a fact. Number two, we know that the Doer government is excluding the employer construction group, of which 95 percent are non-unionized, from the bargaining table. That we know as today. We are opposed to that. We hope that there are opportunities that the Doer government will do the right thing and eliminate this issue of forcing non-unionized workers to pay union dues and allow the employer, the construction employer group, the non-unionized group, a seat at the bargaining table with the union and the Premier's (Mr. Doer's) friends.

That is what we hope will ultimately come. So how did we get here? How is it that we have got to this position where this Doer government and this Premier is forcing non-unionized workers to pay union dues on the floodway and excluding the

employer group, 95 percent of which is non-union, from the bargaining table? How did we get there?

Well, it is interesting. The Floodway Authority said at some point months ago that there was going to be a master labour agreement involved in the floodway. What was interesting about that is that that could only have come from the Doer government's direction, because they appointed the floodway head, Mr. Ernie Gilroy. That is what was out in the public.

It was interesting that the construction companies in Manitoba got wind of this and they said, "Well, wait a minute. What are you talking about a project labour agreement? A project labour agreement ensures that all companies are unionized, ensures all people pay union dues, and we are not unionized. The first we ever heard of a project labour agreement was on the radio. We have had no discussion with it whatsoever."

* (15:10)

So this side of the House, the Progressive Conservative caucus, decided to start asking some questions of the Doer government. What we found was very, very interesting. We found that the Minister of Water Stewardship stood up and said that, absolutely, there would be a project labour agreement. That means that all companies that work on this that are fortunate to get bidding are going to have to be unionized. That was what the Minister of Water Stewardship said.

It is what the Floodway Authority head had also indicated. The Premier tried to come to the defence of the Minister of Water Stewardship, and said, "Well, just a minute, hold on for a second. There is not any plan in place. There is no plan, so I do not know why it is that everybody is getting excited."

Well, let us follow and connect the dots. If there was no plan in place according to what the Premier said, then how is it that the 50-50 funding, 50 percent by the taxpayers of Manitoba, was going into the provincial funding, and 50 percent of the taxpayers of Manitoba was being directed by the federal government. So you have 50-50 funding on this project, Province and federal government.

The Premier says, "There is no plan in place so I do not know why everybody should be excited." Well, the head of the Floodway Authority was down

talking to the other funding partner, the federal government, about the plan for the floodway.

So you get this sense that the Doer government is looking at one of the single biggest opportunities of construction in Manitoba, the expansion of the floodway. I might remind all members of this Chamber, the original floodway built by the honourable Duff Roblin, a proud member of our party, was the original floodway project. Now we see that the NDP government, the Doer government, the Leader of the NDP party is now looking at expanding the floodway.

It is so fascinating that this Doer government has bungled this issue so badly. You have the employer groups being left out of the negotiating table. You have the Premier and his staff saying one thing about forced unionization. You have the Minister of Water Stewardship contradicting the Premier. You have the head of the Floodway Authority saying a third thing. So what ultimately had to happen, unfortunately, the Doer government had to bring in somebody to try to save this Doer government's face, try to give them a sense that, "Okay, we have sort of bungled this thing so badly we cannot get out of it," is what they are saying. That is what they are telling the people of Manitoba. We cannot handle this big project properly, so we are going to have to bring in Mr. Wally Fox-Decent.

Mr. Wally Fox-Decent did come into this project. I thought it was very interesting that during concurrence the member from River East and myself had a chance to ask the Minister of Water Stewardship the very, very simple question: Have you met at all with Mr. Wally Fox-Decent prior to releasing the report?

Was there any meeting between yourself, that being the Minister of Water Stewardship, and Wally Fox-Decent? The fact of life is because the Minister of Water Stewardship skirted the issue, talked about all sorts of other things other than a simple, yes, we met, or, no, we did not, it can only lead to one thing. That must be that the Minister of Water Stewardship did in fact meet with Wally Fox-Decent.

That was confirmed when the report ultimately came forward, because in the report we understand that there was a potential issue about a single contract. Well, a single contract would exclude every Manitoba company from working. They just cannot

abide by a single contract. That would have meant that money would have flowed to companies outside of Manitoba. I know members opposite on the government side really do not give a hoot about that, but we on this side care very deeply, because those companies that were involved in expanding the floodway and in the 1997 flood, ensuring that the Z-dike was built on budget, on time, they did it without any kind of project labour agreement, any direction at all from any government. They did it because they know how to run their businesses. They are the best at what they do when they have the opportunity to prove it, and they did.

So we now find ourselves in a position where this Doer government has come up with a recommendation and we have said all along, no strike, no lockout, all you have to do is write it into an agreement. It is no big deal. The non-unionized companies will do that. As I asked the Premier of Manitoba (Mr. Doer), I was quite surprised that he did not seem to understand that non-unionized companies—95 percent of the heavy construction industry of Manitoba that would be working on this project are non-unionized—do not go on strike. I know that was, maybe, somewhat news to the Premier but, regardless, it is a fact of life.

So now we have the Doer government in a position where they have brought in Wally Fox-Decent who has brought in a report and in that report it says that there will be no forced unionization. Well, we, on this side, feel that that is a victory in some respects, because we were against forced unionization. We said, very clearly, no strike, no lockout. If it is something that is important to you as the government of the day you simply write it into a project agreement. You just write it in. There is no big deal. You do not have to have a big process and make a big deal about it because, again, 95 percent of the construction companies that will be working on it are non-unionized. So, if you are concerned about no strike, no lockout, you write it into the agreement. That is not a problem.

Instead, what we see, we see the Doer government making such a big issue about: "Well, Mr. Fox-Decent came up and his report says no strike, no lockout, and, boy, is that not a great thing?" Well, hallelujah, all we had to do before Mr. Fox-Decent got involved was simply ask the non-unionized construction company, "Are you prepared to have a no-strike, no-lockout agreement?"

They would have said, "Absolutely." They have said it consistently all along, but what we are finding it out through this process is that there is more to this than meets the eye.

I cannot imagine and I would be surprised if any members opposite went back into their constituencies and said to the average Manitoban who is out there working hard, "What do you think if we were to force non-unionized workers to pay union dues? Do you think that that is fair?" I think that is the question. Is that a fair question? "Do you think it is unfair to charge non-unionized workers union dues?" Well, I think the answer to the majority of Manitobans—I have confidence they would look and say, "Are you crazy? Why would you do that? What reason would give you the right to force a non-unionized worker to pay union dues?" That is No. 1.

The second thing is, knowing that 95 percent of the construction industries, the employer group is excluded from the table but the unions have a position, the Premier's (Mr. Doer) staff have a position, but those who are doing the work, the employer groups, the construction companies that are doing the work, they are not represented at the bargaining table.

Mr. Speaker in the Chair

Again, I do not understand why it is that we hear political rhetoric from this Premier, from this NDP government. They accuse us of taking an extremist position because we do not agree with non-unionized workers paying union dues. We agree that the employer groups, that is the construction companies that are going to be responsible for the training, for the workplace and safety of all of their workers, they should have full participation at the bargaining table with the unions and the Floodway Authority. So what we are getting back is that, somehow, that is an extremist position.

Well, I have heard many times this Premier talk about that if the members opposite wanted to have a campaign and they wanted to campaign on XYZ, whatever XYZ, whatever sort of suits the flavour of the day for the Premier, he would be happy to do that. I would say that I would be delighted to campaign in Manitoba against the leader of the New Democratic Party on the basis of whether it is fair to charge non-unionized workers to pay union dues. Is it fair to exclude the employers' groups, those that

are responsible for their employees on this construction site, the expansion of the floodway? Is it fair to exclude them from the bargaining table and put them on the sidelines, while the unions and the Floodway Authority are the only people, along with the Premier's staff, that can be at the bargaining table?

I would say that, if the members opposite of the New Democratic Party and the Doer government believe that that is an extreme position, well, then, heaven help the taxpayer of Manitoba what other schemes they might be dreaming up.

* (15:20)

It was interesting that we were given information that the Trades Council, the union, basically, has already made a proposal to the Doer government saying, "Look, we will provide all the training on this project, and for that service we will charge you 10 percent of the project."

Well, this project, as we know it today, is a \$660-million expansion project. That is \$660 million that is being paid on behalf of the taxpayers of Manitoba. They are saying, "Well, we will charge you 10 percent." So what they are prepared to do is they are prepared, without any tendering, without any process, basically to flow \$66 million of taxpayers' money, \$66 million basically to the Trades Council union, without any kind of tendering.

The members opposite think that there is absolutely nothing wrong with that. What is the problem? I mean, they shrug their shoulders. What is the problem? Well, I think I know what the problem is. It was absolutely put forward by a member of one of the construction employers groups. I know that members opposite do not want to hear this, but one of the construction companies, when they heard about this, they looked at it and said, "That reminds me a whole lot about what the Liberals are going through with their Adscam issue."

They are trying to flow money surreptitiously through the backdoor to their union boss friends. Well, I can tell you that that scheme has got the federal Liberal government into a whole lot of trouble. I can tell you that if this Doer government insists on trying to exclude the employers' groups from the table, from the negotiating table, and if it tries to force non-unionized workers to pay union dues, and ultimately if it tries to flow \$66 million of

taxpayers money through the backdoor to their union bosses, this Doer government is going to be into a whole lot of trouble.

I hope that they do the right thing. We have been asking them on behalf of the employer groups to ensure that they do not force non-unionized workers to pay union dues. Give the employers group a seat, a full-participating seat at the bargaining table and ensure no untendered contracts like the one that they are talking about, flowing \$66 million. Put a stop to it. Be open and transparent on behalf of all of the taxpayers of Manitoba. Thank you very much, Mr. Speaker.

* * *

Mr. Leonard Derkach (Official Opposition House Leader): Mr. Speaker, I would like to clarify something for the House regarding the list of ministers for concurrence that I tabled in the House earlier today.

With regard to the Minister of Family Services (Ms. Melnick), the committee had agreed to set her aside and come back to questioning of her later on. It is our intention that she be placed on the list to follow the minister of highways to continue with questioning.

Mr. Speaker: Okay. That is information for the House.

We are on grievances. The honourable Member for Southdale (Mr. Reimer), on a grievance.

* * *

Mr. Jack Reimer (Southdale): Mr. Speaker, I must say that, you know, rising on a grievance is something that I have not done very often since my time here in the House, but I think that it is very important at this time to bring forth a situation that we have been debating. There has been a lot of discussion in the House in regard to the floodway agreement, because, as an urban member, naturally the floodway is of great concern to the city of Winnipeg.

We have always been in favour and always been supportive of the expansion of the floodway to protect not only Winnipeg, but Manitoba in general into a proper management of the Red River. So to

begin on my speech, we are in favour of this expansion. It is the process that we are questioning right now.

I guess it goes back to when it was first announced. The government, the Premier came out with one position, the Minister of Water Stewardship (Mr. Ashton) came out with another position. We could see there was a conflict there, but what did they do? They thought, "Well, we will bring in a mediator and we will bring in Mr. Wally Fox-Decent to give us his opinion and his direction as to how it should be resolved." It is true that Mr. Fox-Decent has been used when we were in government. We used him in various situations. There is a respect and admiration for this gentleman. He does an admirable job in what he is tasked to do, and we have no problem with this individual.

The report itself, I think, did have a fair amount of government influence, because the gentleman reported after the positions of the government were outlined and he was, in a sense, exposed to which way the government was looking and trying to bring forth the Winnipeg floodway project labour agreement.

It has pointed out by our leader the fact that we are looking at a very, very large contract to be awarded here in Manitoba, a contract of between \$600 and \$700 million over the next few years. It is a huge amount of money and a great expenditure of taxpayers' dollars. And that is the thing: it is taxpayers' dollars that are going to pay for it. This is where the accountability factor has to be brought into the equation. The fact that the contract is so big and the fact that this government is saying that the workers in this project have to be unionized, or if they are not unionized, they have to pay union dues. Now, the words "union dues" are not particularly spelled out in that way, but it is called "service fees," equivalent to union dues that union members have to pay working on the floodway.

This, in essence, is what you might call a kickback. This is a kickback that is going to go back into the union coffers and the union bosses, because of an IOU as an outstanding relationship that this government has with the unions. It is wrong in the sense that it is something that is going to cost the taxpayers of Manitoba extra dollars.

I want to read into the record an e-mail that I got from an individual, a constituent of mine that was

involved very much and very heavily with the floodway when it was first built back in 1960. This Premier stands on record, lauding the efforts of former Premier Duff Roblin in getting it done, the way that he did it and the tremendous impact that it has had on the city of Winnipeg, and the billions, literally billions, of dollars that have been saved because of the vision of Premier Duff Roblin at that time. He often goes back to using Duff Roblin. Duff Roblin built a ditch and he is going to expand it. Why are you criticizing what he did?

I want to read into the record an e-mail that I got recently. It was sent to my leader and to the president of the heavy construction industry, and to myself.

"Gentlemen, I am one of the first three employees involved in the construction of the floodway from 1960 to 1968, as well as one of the only two superintendents during that construction. I personally supervised all construction from St. Mary's Road to Highway 15 and numerous contracts from Highway 15 to Lockport. I can advise you that no contractors were operating under union regulations and there were no labour problems during the period of construction that came to my attention."

This is from one of the superintendents that worked that whole project from 1960 to 1968. The Premier stands up here and he says he wants labour peace and he wants harmony, and he does not want any lockouts. He does not want any strikes during this construction period. He just has to look back to the expansion of the floodway from '60 to '68, and there was no such thing, and there was no union-exclusive contract at that time. This, what the Premier is bringing forth now, is a sweetheart deal. It is a kickback, in a sense, to the union bosses and that. It smacks a lot of what we have gone through in the last little while when we look at the federal scheme and we see the ad scam problems that the present Liberal government or Liberal Party went through with their handling of public dollars.

The people of Manitoba are going to see and they are going to recognize this is of the same nature. It is something that has been brought forth in huge dollars. In the federal ad scam situation, we are talking about \$100 million. That is for all of Canada, where you have 30 million people. Here in Manitoba, where we have just over a million people, we are talking almost \$60 million to \$70 million possibly that is going to be used in this, that is going

to cost the taxpayers extra money because of the exclusiveness in this contract.

In the agreement that was adopted by the government, to the Minister of Water Stewardship (Mr. Ashton) and to this government, there is the exact, as I was mentioning, one of the clauses is that non-union workers will pay an equivalent service fee in a fund managed by independent third party within the Floodway Authority.

Well, we do not know who this third party is. We do not know who this individual party or individual is that is going to be managing this fund. You have to ask the question: If you are negotiating a contract, the contract is negotiated at the beginning of the project.

* (15:30)

Once that negotiation is finished and the contract begins, there is no need for any more consultation or fee to be paid, but during the rest of that contract of the building of the floodway, the fees will continue to be rolling in and rolling in and rolling in. You have to ask for what purpose.

Why would all that extra money have to keep coming into this third-party slush fund, if you want to call it? We do not know where that money is really going. We do not know who is going to be managing this money. But it is upwards of \$60 million to 70 million that we are talking that is going in.

No labour agreement is going to have service fees or service charges of \$60 million to administer. This just does not sound reasonable, but the government is going to go ahead with this because we know where that money is going to end up. That money is going to end up somewhere back into the system for kickbacks associated between the party and the NDP, I mean, the NDP and the union bosses.

So this smacks of a lot of questions that have not been answered, and this is one of the reasons why we are opposed to this agreement. You have 95 percent of the workers in this project that are non-unionized. They have made a choice. They made a choice that they do not want to be unionized. I know that this government took away the choice, the vote to join unions. Now they are giving the opportunity or the exposure for the possible union recruitment during this six years for members on this project.

What you are going to see happening with these companies is they are going to set up two different companies. They are going to set up a company that is going to operate here in Manitoba and they are going to have another company operating somewhere else under the same, you know, because of the restrictive nature that this government is going to put on for the formation of this project.

They are going to look at ways to get around it. This is not good for the economy of Manitoba. It does not help the people of Manitoba in job security or for job growth because there is that type of uncertainty within business, and the one thing that business operates best in is a certain stability, a climate where they can do their business. If there is disruption, if there is the ability that they are going to not be working in a cohesive manner, they are going to move somewhere else, and they will.

So we have to be very, very careful when we say that, you know, when you are looking at industry that is 95 percent non-union that is going to be all of a sudden having to pay these so-called service fees, equivalent to union dues, it is going to be managed by a third party where we do not know who is going to be looking after this money.

We do not know what the composition of this third party is, even who, whether it is one person or a committee that is going to be looking after this money. But it is a tremendous amount of money that is going to be just flowing in there, just like the casinos and the kenos that this government over on the other side loves to expand on. So it is a money-making machine, in a sense, for certain individuals with this contract.

The other thing is, Mr. Speaker, the principals in this contract, the people that represent the non-union workers, the people that are the employers of these individuals do not even have a place at the table. They do not even have a place at the negotiation table to be part of the decision-making. They have been totally left out of the loop.

It is inconceivable where you have an industry that is 95 percent non-unionized not having the ability to even be part of the negotiation table or a negotiation package that has been put forth between this government and the principals in regard to the floodway.

It is handled willy-nilly. The Premier (Mr. Doer) stands up and says, "Let us go ahead; let us build this floodway." We agree. We are not saying that we do not want the floodway expanded, but at the same time there has to be an accountability. It is a huge amount of money, a huge amount of money that is going to be on the table. The concern and the direction of that flow of money is what we are very, very concerned about. I referred back to that letter, that e-mail that I got from one of my constituents, that said it was built without labour disruption. There were no labour regulation agreements at that time under the first floodway agreement. It went very well. It was recognized that it was a tremendous achievement. It can happen again. It can build up a lot of harmony within the construction industry here in Manitoba.

This is something that we should be heralding as a good initiative by industry and by the government to go. So this is something that I think that we all have to be in favour of, but not the way it has been outlined here and not the way it has been proceeded with by this government. They got caught between two ministers in statements that were made between the First Minister and the Minister of Water Stewardship (Mr. Ashton). They brought in an individual to make recommendations that they have now brought forth. It sets in motion a system that is going to generate a huge amount of money that is going to flow through the public coffers by the extra costs of memberships and dues.

The involvement of a third party to manage this money, who it is, we do not know. What the composition is, we do not know. How it will be disbursed, we do not know. What kind of benefits will come about, we do not know. There are too many questions that still remain unanswered. That is one of the reasons why I agree with today and with those comments I will sit down. Thank you very much.

ORDERS OF THE DAY (Continued)

GOVERNMENT BUSINESS

House Business

Hon. Gord Mackintosh (Government House Leader): In Room 254, if we would continue concurrence. Sorry, 255. We will continue

concurrence there and in the House. Mr. Speaker, if you would call the third reading in concurrence of the following bills: 39, 42, 43, 44, 45, 46, 48, 50 and 53. I understand that the Committees Branch has issued a list of the bills coming from committee last night for the convenience of members along with the number and the title.

Mr. Speaker: First of all, I want to enforce Rule 23.5. The Committee of Supply will meet in Room 255.

Mr. Deputy Speaker, would you take the Chair in Room 255.

CONCURRENCE AND THIRD READINGS

* (15:40)

Bill 39—The Residential Tenancies Amendment Act

Hon. Gord Mackintosh (Government House Leader): I move, seconded by the Deputy Premier (Ms. Wowchuk), that Bill 39, The Residential Tenancies Amendment Act, as amended and reported from the Standing Committee on Social and Economic Development, be concurred in and be now read for a third time and passed.

Mr. Speaker: It has been moved by the honourable Government House Leader, seconded by the honourable Minister for Agriculture and Food (Ms. Wowchuk), that Bill 39, The Residential Tenancies Amendment Act, as amended and reported from the Standing Committee on Social and Economic Development, be concurred in and be now read for a third time and passed.

Mr. Leonard Derkach (Official Opposition House Leader): Mr. Speaker, I hate to do this to you, but can I ask that this bill be held for a few minutes until we have had a little time to consult, and can we move along with another bill?

Mr. Speaker: Is there agreement to not debate right now Bill 39, The Residential Tenancies Amendment Act, but bring it back later? Is there agreement? *[Agreed]*

Bill 42—The Mines and Minerals Amendment Act

Hon. Gord Mackintosh (Government House Leader): I move, seconded by the Deputy Premier

(Ms. Wowchuk), that Bill 42, The Mines and Minerals Amendment Act, reported from the Standing Committee on Legislative Affairs, be concurred in and be now read for a third time and passed.

Mr. Speaker: It has been moved by the honourable Government House Leader, seconded by the honourable Minister for Agriculture and Food (Ms. Wowchuk), that Bill 42, The Mines and Minerals Amendment Act, reported from the Standing Committee on Legislative Affairs, be concurred in and be now read for a third time and passed.

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

Bill 43—The Personal Health Information Amendment Act (Spiritual Health)

Hon. Gord Mackintosh (Government House Leader): I move, seconded by the Deputy Premier (Ms. Wowchuk), that Bill 43, The Personal Health Information Amendment Act (Spiritual Health), reported from the Standing Committee on Social and Economic Development, be concurred in and be now read for a third time and passed.

Mr. Speaker: It has been moved by the honourable Government House Leader, seconded by the honourable Minister for Agriculture and Food (Ms. Wowchuk), that Bill 43, The Personal Health Information Amendment Act (Spiritual Health), reported from the Standing Committee on Social and Economic Development, be concurred in and be now read for a third time and passed.

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, we have been supportive of this bill and the changes that it recommends. It basically changes the definition of health care to not only include the mental and physical aspects of health but also the spiritual aspects of health. We are talking about mind, body and spirit. We appreciated hearing the comments the other evening from members at the committee, and, certainly, a lot of these issues were clarified and well defined by those people seeking the changes in the system.

As I have said before, we have been supportive of changing this definition and respect the work that pastoral care workers in the system do as well as others from the community that attend to patients in

hospitals and we respect that. The spiritual aspect of care is an integral part of care and support the change in this particular legislation. Thank you.

Hon. Jon Gerrard (River Heights): We support this legislation. We want to thank those who came to the committee and pointed out that there need to be some additional significant changes to The Personal Health Information Amendment Act and hope that the government will proceed with these in the not too distant future. Thank you.

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

An Honourable Member: Question.

Mr. Speaker: The question before the House is Bill 43, The Personal Health Information Amendment Act (Spiritual Health).

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

Bill 44—The Colleges Amendment Act

Hon. Gord Mackintosh (Government House Leader): I move, seconded by the honourable Deputy Premier (Ms. Wowchuk), that Bill 44, The Colleges Amendment Act, reported from the Standing Committee on Legislative Affairs, be concurred in and be now read for a third time and passed.

Motion presented.

Mr. Kelvin Goertzen (Steinbach): I know that the Minister of Advanced Education is sitting concerned in her seat about the comments that I might have on this particular bill. She has tried to pass it off as a fairly innocuous piece of legislation, as a housekeeping bill to the Legislature, and, in fact, that is probably what it is, Mr. Speaker. So, with those few comments, I will stop speaking.

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

An Honourable Member: Question.

Mr. Speaker: The question before the House is Bill 44.

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

Bill 45—The Engineering and Geoscientific Professions Amendment Act

Hon. Gord Mackintosh (Government House Leader): I move, seconded by the honourable Deputy Premier (Ms. Wowchuk), that Bill 45, The Engineering and Geoscientific Professions Amendment Act, as amended and reported from the Standing Committee on Social and Economic Development, be concurred in and be now read for a third time and passed.

Motion presented.

Mr. Ron Schuler (Springfield): Yes, thank you very much, Mr. Speaker, and I do want to put a few comments on the record in regard to Bill 45. Bill 45 went to committee last night. I think we can refer to it as the evening of infamy, I think, for years to come. We will talk about the evening that confounded most seasoned members of this Legislature, how a government and a minister could so badly bungle a piece of legislation.

When the bill was first tabled, it looked like something fairly innocuous. It looked like a housekeeping bill, and I, as the critic, happened to take it and send it out to three organizations. Yes, Mr. Speaker, we sent out three letters to the three stakeholders and found out that only one, the one that was sort of interested in having this moved forward, was the one consulted. In fact, the architects had not been consulted, which had always traditionally been the case in Manitoba.

By the time I had an opportunity to meet with the architects, they informed me that they had not had the opportunity to even meet with the minister, had not had the courtesy to meet with the minister or with her department, had not even had the courtesy of getting a copy of the bill until I had mailed it to them.

At that point in time, the temperature was starting to rise on this issue and the right thing on behalf of the minister, the correct thing on behalf of the government would have been to have withdrawn the bill, allow the organizations an opportunity to get together and see if there was not a means for compromise.

It took 10 months from the initial contact from the engineers and geoscientific professions, when

they contacted the government, to committee last night. In 10 months, the minister did not have the wherewithal, the time, the desire, the want to meet with the other stakeholders and completely froze them out of the process until last night.

Last night was the night of infamy, where we saw two professional organizations, the architects and the engineers, those who build our province, from a light switch to a hydro dam, from the way sidewalks are laid out to the way office towers are built—in every aspect of our life, architects and engineers have an impact on our life—and what we saw last night was a disgrace. It was unbelievable.

We said to the minister at that point in time, "Minister, we will give 15 minutes leave, 15 minutes leave. Take the two groups, go out into another office, see if you cannot stop the bloodletting." It was unbelievable where you had two organizations going at each other in a committee room and the minister and her staff sat and did nothing and allowed it to happen, Mr. Speaker.

A senior member of the government finally intervened, because the minister sat comatose and did what she has done in all other areas of her department, did nothing, so senior members of the government pulled the Deputy Minister of Labour out, and said, "Start dealing with this. Start figuring out how we are going to get the government out of this mess." What we saw in 10 months of the minister's activity, nothing was accomplished. It took 20 minutes in some hallway in a backroom somewhere and an agreement was made.

In fact, I had a look at the bill today, Bill 45. Sixty-four percent of the bill was completely changed. It was amended by the minister, and 64 percent of a bill amended, that is unheard of. That is unprecedented in the history of this Legislature. That is how badly this minister, that is how badly the Doer government bungled this issue. We had to sit in committee and listen to architects and engineers carve each other up, and nothing was done.

I know what is on the mind of the Minister of Labour (Ms. Allan). I know what is on the mind of the Premier and other Cabinet ministers. I know exactly what they are thinking. They are thinking, thank goodness for the Progressive Conservative opposition who got them off the hook on this one. That is exactly what is going through their mind.

*(15:50)

It is unfortunate that we had to wait 10 months before the architects had an opportunity to voice their concerns on the bill, the heroes of this very sad, sad tale. The heroes are the engineers and geoscientific profession and the architects' profession, because even though words were spoken that probably should not have been spoken, words were said on both sides, the minister should never have allowed it. She can turn her back to me, and that is just fine. The facts will still be on the record, and she can be as disrespectful to me as she was to both of those groups last night.

But you know what? They had the wherewithal, they had the grace to go out in the hallway and compromise on this issue. Are both of them pleased? I think not. But they did what was in the best interests of this province. They went out and they cut a compromise, and to both organizations, I say, "Hats off to you."

It shows the kind of integrity, it shows the kind of people that we have in this province, our engineers and our architects, that even though something that the government bungled, not them, because it is not up to the engineers to go with a bill and run around the province and get sign-off on it. Far from it, that is the government's role. Instead, they walked out and, as professionals, they walked out and they settled this issue.

We had tabled at committee last night a huge stack of letters complaining about what was going on. We had a huge stack of letters from the engineers come forward on this issue. I would suggest that this is a lesson for a government who governs very lightly, does not do its homework, does not consult, uses arrogance above everything else, thinks that it can just blunder its way through everything from a forced unionization of a floodway all the way down to trying to sneak stuff through.

I will retract that. They did not try to sneak it through; they simply bungled their way through on Bill 45.

Mr. Harry Schellenberg, Acting Speaker, in the Chair

Again, the heroes last night were the architects and the engineers who, no matter how harsh the

language was, no matter how hard their feelings were offended by two professional organizations going after each other, they recognized that they have a weak minister that they are dealing with, a weak department and they are dealing with a weak government. That is why they came to that point. They had the wherewithal to settle.

We would like to see this bill go on, because both organizations agreed to it, they settled on it, and we will concur with this. We will vote for this legislation and let it move on, not because of a minister who bungled it, because of two organizations that had the dignity and the grace to get together and work out their differences. My hat is off to them. Congratulations to them.

Hon. Jon Gerrard (River Heights): Mr. Acting Speaker, I rise to put a few words on the record with respect to The Engineering and Geoscientific Professions Amendment Act.

We had quite a long session at the committee stage last night. What was rather extraordinary about the whole process is that there was a major group of professionals, the Manitoba architects' association, who had not been consulted by this minister, in spite of the fact that she had started working on this at least as long ago as September of last year. The result was a major confrontation and major problems with the legislation as it had been drafted by the NDP government and by the minister responsible.

The process was made more difficult by the fact that the NDP and the Conservatives got together to fast-track the whole legislative agenda against our objections, and so we had in front of us something like 75 letters objecting to the fast-tracking that was going on. Fortunately, there was the ability of members of the architects' association and the engineers to get together and find a resolution which involved major changes to the proposed legislation. After quite extensive changes to the legislation, it was approved last night at committee and we are ready to approve it here.

I want to also mention that part of the problem that the Manitoba architects' association has had with this government is not restricted to this legislation. Part of their problem is that this government has failed to show leadership in resolving a very important issue in terms of the architects' practice and The Architects Act. It emerged during the

presentations that aspects of The Architects Act are not being properly enforced by this government, and this is creating a group of architects who are very unhappy and feel that this government, in its lack of leadership, has let them down.

It is not just a matter of this being before the committee of architects and engineers, you know. It is a matter of the government enforcing its own laws and making sure that those laws can be and are applicable. The problem is compounded by the fact that this government, this year in this budget, introduced a 7% retail sales tax on architects, a 7% retail sales tax on beautiful buildings.

This is a real problem for all sorts of reasons for the architects, as they explained last night. There are problems if there are not clear rules which are not being enforced, and the reality is that this government needs to get its house in order very quickly, because they are planning to apply this retail tax starting July 1, we understand, and this matter needs to be sorted out very quickly.

There were, perhaps, some encouraging words from the deputy, well, that the deputy minister had provided to the members of the Manitoba architects' association. But when they were asked about this, the response was really quite unequivocal. It was clear that there was not, at this point, the full commitment that is necessary to resolve this issue on an urgent basis, and that this may cause a whole variety of problems, including problems of architects looking at leaving this province because of the bumbling of the NDP government with respect to the Manitoba Architects Act.

In fact, we had a wonderful presentation by a young architect who is an intern, who started interning a number of years ago, and he said he had expected when he started training in architecture quite a number of years ago that this would be resolved. But the matter has gone on for 12 years under, of course, both Tory and NDP governments and is still not resolved. This government has had four and a half years to get the job done and they have failed, failed, failed. Now they are trying to introduce a 7% sales tax on beautiful buildings right in the middle of this just to cause people more problems. The architects and the young architects are getting so frustrated that they are starting to say, "Well, we are not sure that it is worth staying in Manitoba with a government like this." What is clear

is that this is exactly what people were saying last night, that there needs to be some improvement in this area, some improved recognition of the importance of architects and engineers in our province, and the important contribution that they are making.

* (16:00)

We are pleased that there has been a small step with this act which will help the engineers and which will meet in a satisfactory manner the concerns of the architects, but there clearly are some major residual issues which this government must be held responsible for and need to get to work at a lot faster than the minister has been working over the last little while, without being able to meet with the architects since last September even though there are all these outstanding issues which are very important. Thank you.

Mrs. Myrna Driedger (Charleswood): I just have a few comments to put on the record about this particular bill. I was on committee last night as well. I think in my six years of being a legislator, I have never seen such poor handling of a piece of legislation at all. It was embarrassing to sit there and watch these two groups who were actually put in an awful position by this Minister of Labour (Ms. Allan), who dropped the ball on this, who bungled this so badly that it created a situation where two highly recognized professional groups were put in a position of tearing each other apart in a very public way in a public committee hearing.

It happened, Mr. Acting Speaker, and it did not have to happen, if this Minister of Labour had done her homework. There was also, according to one of the architects that stood up, a Mr. Cohlmeier, who put some interesting comments forth, but he did indicate that there was an unprecedented clause in that bill which is unprecedented in this country. It makes me wonder why the Minister of Labour did not do her homework to recognize what she was actually putting in that bill and the effect it could have across professions here in Manitoba.

It took intervention by members on our side, Mr. Acting Speaker, and by our critic before anything was resolved. The minister sat there paralyzed, unable to make any changes, until she was told to do something by her House leader. Until then, she was quite prepared to sit there and watch these two

groups, these two professional groups, tear each other apart. It was so uncomfortable sitting there and it was so embarrassing, even though it was not our fault for the bungling. Sitting there and having to watch this was absolutely embarrassing and very uncomfortable.

It was intervention by members on our side, Mr. Acting Speaker, which actually brought some action together and brought some compromise together. It was compromise by the two groups that finally resolved the problems. So, I would acknowledge the two groups, certainly in the professional manner they were very willing to work together. It appears to me—
[interjection]

The Acting Speaker (Mr. Schellenberg): Order. I cannot hear the speaker. You will get your chance to speak when you have the floor.

Mrs. Driedger: Thank you, Mr. Acting Speaker. I have huge respect and know a number of architects and engineers in this city. I am sure they would have been most uncomfortable with this particular situation. That they were forced to have to compromise in such a public way and in such an uncomfortable situation really, I think, merits an apology from this Minister of Labour (Ms. Allan) to both of those groups.

I certainly hope that the minister will go a lot further than what she did last night in terms of trying to help to patch up some of these problems. These two groups, which have been having some problems over the last few years, this situation was only exacerbated, and right at the beginning of the meeting we knew that that was going to happen. The minister was not prepared to budge, was willing to allow this to continue on. It was so uncomfortable, Mr. Acting Speaker, sitting in and having to listen to that. I hope that the minister will take some heed with this and see where amends could be made so that these two groups have not made a rift that was even bigger than what was there before because of her poor handling of this situation.

Mr. Acting Speaker, with those few comments, because of the compromise that was made, the bill was acceptable then in the end to both groups, and certainly I have no trouble supporting what they did finally come up with. Thank you.

Mr. David Faurshou (Portage la Prairie): The bill, No. 45, that we are debating on third reading

here in the Chamber this day is something of an embarrassment for this government. When, in fact, a bill is rewritten, basically two thirds of the language within the bill was replaced by amendment at committee because of the debate that took place at committee through presentation. I am thoroughly embarrassed again this afternoon when the honourable member from St. James continues to make commentary from her seat in regard to what took place last night when I cannot even note her presence there last night.

As far as the presentations last night, it was something that I have not experienced in my six years here in the Chamber, to see two professional organizations here in the province of Manitoba that are so vital to the economic prosperity of this province bitterly in disagreement over a piece of legislation that obviously was extraordinarily poorly researched and ultimately proposed to the legislative Chamber, Mr. Acting Speaker.

I have to commend this side of the House where we went and contacted the respective House leaders who initiated discussions between the two parties, the architects and the engineers, to a consultative process that started in the hallway and ultimately ended up in the common room where, effectively, this bill was rewritten. This bill is at the present time acceptable to all parties.

However, I must say that the process was so extraordinarily flawed that I concur with my honourable colleague from Charleswood that a letter of apology be sent by the minister to the respective participants of the committee last night and a personal visit by invitation to the respective associations where she in person can apologize to the respective professions for the legislation that was proposed and was heard by committee last night.

All individuals that were present on committee last night were taken aback by the obvious lack of consultation that had taken place because the two professions were so at odds last night. I see the smirk on the face of the Member for St. James when, obviously, this is an embarrassment to the government side of the House. I hope that she is able to show a little maturity and recognize the situation to which it was last night.

* (16:10)

I know that the Minister of Finance (Mr. Selinger) and the Minister of Health (Mr. Chomiak) were both present last night, and they concurred in regard to the involvement of the House leaders to set up this consultative process while the committee continued to sit, because, Mr. Acting Speaker, I will say last night that the critic proposed that the committee recess for 15 minutes so that this consultative process could be started and, yet, that side of the House, the minister said no. It was on the record the minister denied that the committee recess for 15 minutes so that the consultative process could get started.

Mr. Acting Speaker, I want the record to reflect right now that the immature member that represents St. James continues to banter on while I have the floor in debate on third reading of Bill 45. If she wants to participate in the debate, then she can stand in the House when I yield the floor.

The Acting Speaker (Mr. Schellenberg): Order, please. You are going to interfere with the speaker. You will get your opportunity to speak when you are recognized.

Mr. Faurshou: Thank you, Mr. Acting Speaker. I appreciate you calling the Member for St. James (Ms. Korzeniowski) to order.

I will conclude my remarks—[interjection]

The Acting Speaker (Mr. Schellenberg): The Member for Portage la Prairie, you have the floor.

Mr. Faurshou: Thank you very much, Mr. Acting Speaker, for recognizing that I do have the floor. I will yield this momentarily so that the Member for St. James can, indeed, rise and put her remarks on the official record, and I certainly look forward to that.

I hope that the Minister of Labour (Ms. Allan) does, in fact, take the suggestions of the honourable Member for Charleswood (Mrs. Driedger) and myself, that a letter of apology is definitely in order for all participants of the committee last night and to invite in the respective associations to meet with them personally and to express her apologies as to how the evening unfolded last night, and for many comments that are now part of this Assembly's official record that were not needed if the consultative process would have in fact taken place. Thank you very much, Mr. Acting Speaker.

The Acting Speaker (Mr. Schellenberg): Any further speakers? Is the House ready for the question?

An Honourable Member: Question.

The Acting Speaker (Mr. Schellenberg): The question before the House is concurrence and third reading of Bill 45.

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

Bill 46—The Teachers' Pensions Amendment Act

Hon. Rosann Wowchuk (Agriculture, Food and Rural Initiatives): I move, seconded by the Minister of Labour (Ms. Allan), that Bill 46, The Teachers' Pensions Amendment Act, as amended and reported from the Standing Committee of Legislative Affairs, be concurred in and be now read for a third time and passed.

Motion presented.

Mrs. Heather Stefanson (Tuxedo): I am very pleased to put a few words on the record with respect to Bill 46, which essentially implements some recent recommendations of the recent pensions task force, a group made up of representatives from the Manitoba Teachers' Society and the Department of Education.

Mr. Acting Speaker, myself and a number of my colleagues on our side of the House, and I believe probably a number of members on the government side of this House, have received numerous letters from retired teachers in the community that were very, very concerned about this legislation coming forward. Certainly, we saw from the presentations last night in committee what their concerns were and, by and large, many of the concerns were not so much what was in the bill, but what was not in the bill.

Certainly, I know there are some aspects of this bill that we do support, being the maternity leave and the adoptive leave as extended for retired teachers, but there are some aspects to this bill that we do not agree with and was a reason why last night we brought an amendment forward.

I introduced an amendment to offer a retired teacher a position on the TRAF board, the Teachers' Retirement Allowance Fund board. Regrettably, I

was very concerned with the fact that the Minister of Education (Mr. Bjornson) did not see fit to support this amendment, considering the fact that the Retired Teachers' Association of Manitoba known as RTAM represents roughly around 60 percent of retired teachers in Manitoba. That is a fairly significant body that represents retired teachers. This minister did not see that it was his prerogative to vote in favour of this amendment, to do the right thing, that is, to offer a seat on the TRAF board for the retired teachers to allow them a voice at the table when it concerns their pension money and their futures. I think that that is extremely, extremely unfortunate.

Mr. Acting Speaker, just to say a few more things. Certainly, last night we heard very clearly from committee members and from the presentations that retired teachers do not feel that they have been properly consulted when it comes to the content of this bill, and I think indeed it reflects the fact that they are not properly consulted at all when it comes to legislation with this government. I think that there are some very serious concerns with respect to this. Clearly, the minister met with MTS and decided how they would draft this bill, but I think what is unfortunate is that the retired teachers were left out of that process and clearly that is reflected in this bill.

We also heard last night that retired teachers do not necessarily feel, Mr. Acting Speaker, that the Manitoba Teachers' Society represents them when it comes to the TRAF board and issues surrounding their pensions. I think that that is a very serious concern.

Certainly, a number of the 14 000 existing active teachers right now, a very significant number of them will be retiring over the next five, ten years or so. I think we need to take that into consideration when we are dealing with how many retired teachers we are going to have in this province.

We have already seen that RTAM represents about 5200 retired teachers in Manitoba of the 9000, roughly around 60 percent. Those numbers are growing, growing massively, and they are going to continue that kind of growth over the next number of years as we see more and more teachers retiring in our communities. That is why we feel it is imperative that they have a seat and a representative at the table when it comes to concerns with their pensions and with the monies that will be theirs and that are theirs.

Certainly, we have great concern when it comes to that.

We also heard last night from the Manitoba Teachers' Society. When asked whether or not they had a problem with the retired teachers having a seat at the TRAF board table, they really did not have a problem with it at all. They just did not want it to be one of their seats.

* (16:20)

Some Honourable Members: Oh, oh.

The Acting Speaker (Mr. Schellenberg): Order, please. It is difficult to hear the speaker. You will get your opportunity to speak when I recognize you. The Member for Tuxedo, you have the floor.

Mrs. Stefanson: Thank you very much, Mr. Acting Speaker, and certainly we were not in our amendment last night to this legislation advocating that that retired teacher on this TRAF board come from one of the seats from MTS. We were saying that it should come from one of the seats that this minister, as he stated last night, he has the prerogative to appoint. All we wanted him to do was recognize in this legislation last night that he would take that very seriously and actually put it into legislation, that he would appoint a retired teacher to the TRAF board.

What I find very disturbing and unfortunate is that he chose not to support this amendment last night. I think that reflects very badly for retired teachers in Manitoba to not have a seat at the board. Certainly, last night the minister of this government, members on the other side, we had a recorded vote last night. It was clear that members on that side chose not to support retired teachers in Manitoba.

Certainly, in speaking to the retired teachers that came out last night, that took time out of their schedule to spend into the wee hours of the night, to spend that time to come out, this is obviously a very serious issue. I think that they deserve to at least have the ear of the minister. But, even more than that, they deserve to have a seat at the board. That was unfortunate last night when the minister and members opposite chose not to recognize them as members of society and as members that are very important when it comes to deciding and managing their own pension funds. I find that very unfortunate.

Last night the minister had the opportunity to do the right thing when it comes to this legislation.

He could have done the right things months ago, but he chose not to. He could have met with this organization. Instead he met with MTS that apparently represented this group. Well, this group said, and I quote actually from their presentation last night. I will quote from the presentation of the Retired Teachers' Association of Manitoba. It says, and I quote, "We have raised the issue of representation with a number of previous ministers of Education. We have been advised repeatedly to work this out with MTS. MTS is opposed to our having one of their seats. We were not even informed by MTS that the restructuring of the TRAF board was an issue on the table and only learned through the Minister of Education during a meeting he had in January that this would be a future item of discussion." But they went on to say, "We were never, ever given an opportunity to participate in these discussions."

That is where I have a serious, serious concern when it comes to this legislation, when it comes to everything that is done with this Minister of Education, with this government, in the lack of consultation that takes place with various stakeholders. There is a serious lack of consultation that takes place. I would encourage the Minister of Education to ensure that when he decides to next open The Teachers' Pension Act, I would encourage him to at least do the right thing to properly recognize these people, to properly recognize the retired teachers in our province and do the right thing, not just listen to MTS, which obviously the retired teachers have concern that they are not properly represented there, not just listen to them but give them a real seat at the board, give them an ear.

Having said that, there are obviously some serious concerns that we have with respect to this. But there are also some things in this bill that we do like, that the retired teachers do like as well. I mentioned those earlier, the maternity leave, the adoptive leave. There are some things there that are good, but what we are really concerned about with the retired teachers, what the retired teachers are concerned about is not necessarily what is in the bill, as was mentioned last night, but what is not in the bill. So, that can be taken care of at later dates, I guess. It is unfortunate that we have to do that. We will have to rely on this Minister of Education to

open up this act once again. It has been opened up 10 times or so in the last number of years, but I think it is unfortunate these issues were not addressed at this time. I think it sends a very, very bad message from this Minister of Education, from the Premier of Manitoba (Mr. Doer), that they do not take retired teachers in Manitoba seriously.

I would say that is extremely disappointing and I think I will leave it at that. I know there are maybe a couple of other of my colleagues that would like to put a few words on the record who were also at this committee hearing last night who were somewhat disappointed with the minister and with members opposite who voted against retired teachers in Manitoba. Thank you.

The Acting Speaker (Mr. Schellenberg): Before I recognize the Member for Steinbach, there are too many conversations going on. If you would like to have your conversation, you can go to the loge or out in the hall, because we have a difficult time hearing the speaker.

Mr. Kelvin Goertzen (Steinbach): It is a pleasure to put a few words on the record regarding Bill 46. As the Member for Tuxedo mentioned, I was one of the committee members who had somewhat the unfortunate experience of having to be on committee yesterday to hear the concerns that were ignored by the Minister of Education.

It was disheartening for me to have to listen to presenter after presenter bring forward very valid concerns only to see the smug Minister of Education not address those concerns, not listen to them, not pay attention and just simply pretend those concerns were not there, were not valid. I think, in stark contrast to the smug opinions of the new Minister of Education who seems quite filled with his own new position, was the attitude of the Member for Tuxedo who did an excellent job of listening to the concerns by the presenters yesterday, of asking very insightful questions about the concerns they raised. I know the Member for Tuxedo has, prior to the committee yesterday, met and conversed and consulted with the Retired Teachers' Association regarding their concerns and was looking to bring forward a thoughtful solution to the concerns they raised in committee yesterday and prior to that.

I think that is certainly an approach that was missing by the Minister of Education. I know the

Minister of Education is relatively new to his minister portfolio. He is the third or fourth or fifth Minister of Education under this government in the rotating door. I can look over and see ministers past scattered on the benches of the government as they go through education ministers one after the next. It seems like the current Minister of Education is going to be the next in a long line of ministers of education that are started by this government because of missteps and an inability to listen to the concerns that are raised by people regarding the education system generally or this particular piece of legislation in particular.

Yesterday, we heard the fourth Minister of Education listen to—sorry, third, I am getting ahead of myself. That is coming. I look over at the government benches. Maybe the Member for Brandon East (Mr. Caldwell) is ready to go back into the game, ready to get back in and take over from the Member for Gimli (Mr. Bjornson). I am sure the Premier (Mr. Doer) is already looking around for the next Minister of Education to replace this one who is already having so much difficulty this early in the game. It is reflective of why he is in the trouble he is in from what we saw yesterday.

When a very, very fair position was put forward by the Retired Teachers' Association of Manitoba, simply looking for a voice, simply looking for a seat at the table, not majority control of the board that governs the pension, not lateral control, not substantive control, not reflective control, simply looking for one seat, a voice so their concerns could be heard at the table.

* (16:30)

I think if we would go forth to Manitobans, put the case before Manitobans, and tell them what happened last night and say that there is a group of individuals, thousands of Manitobans represented as retired teachers who are looking for a voice, a single voice, a seat at the table so that they could have input into their own pensions, and then we told these same Manitobans that the Minister of Education turned them down flat, turned them down without a true hearing prior to the committee yesterday, said very little to them all night yesterday, I think Manitobans would be concerned. I think Manitobans would be dismayed. I think Manitobans would be disappointed. Certainly, as a member of that committee last night, I was disappointed. I was disappointed in

this new Minister of Education, the third minister soon to be the most recently deposed Minister of Education in the Doer government.

When you look at the case the Retired Teachers' Association put forward yesterday, it seems clear that the amendment that was brought forward by the Member for Tuxedo (Mrs. Stefanson) was a reasonable one. The Retired Teachers' Association of Manitoba, I understand from what I learned last night, represents 60 percent of retired teachers.

Mr. Acting Speaker, you yourself might be a retired teacher. I believe you were in the profession at one time. I know that there are certainly many others in the province who fall into that category and 60 percent of retired teachers are governed by this or represented by this particular association, the Retired Teachers' Association of Manitoba. What they were asking for was a democratic right, a democratic choice, the ability to have some input into the decisions that are made that are going to affect their retirement years.

You know, I listen to members opposite. Members of the NDP stand up now and again and try to proclaim themselves as the voice for teachers, as the voice for teachers. Well, that voice fell flat last night, Mr. Acting Speaker. That voice was silent last night. They point proudly to the number of teachers that fill their ranks in the government and yet they betrayed their own last night. It is the worst kind of betrayal. It was shameful.

I had to listen yesterday as retired teachers were in the audience of the committee—

The Acting Speaker (Mr. Schellenberg): Order, please. There is too much conversation. I cannot hear the speaker. You will get your opportunity to speak when I recognize you. There are too many conversations going on.

Mr. Goertzen: Well, thank you very much, Mr. Acting Speaker, and I appreciate you admonishing the members on the government side to listen carefully to the comments that are being put on the record. I know this is a sensitive issue for them. It is sensitive because they have betrayed their own. They have betrayed their own. The voice that they used to stand up to say that they were representing people in the teaching industry and the society of teachers,

now that voice is silenced. They can no longer make that claim because of what happened last night.

So I know why the Minister of Education (Mr. Bjornson) is sensitive about this issue. I know why he is feeling ashamed today. I know now he sits there with a smug look on his face, reminiscent of the smug look we saw yesterday as retired teacher after retired teacher brought forward their concerns before the Legislature. He seems to have just brushed off those concerns, so filled with his own position that he does not simply care any more about those teachers.

It is only, how many thousands of teachers? Oh, a number of thousands of teachers. Oh, what does it matter to the Minister of Education? Now he has this new position, their voice does not matter anymore. Let them come and let them make their argument. He ignored their concerns last night and that will reflect in the record for many, many years, Mr. Acting Speaker.

I know that the Minister of Education will do his best to not bring forward what happened last night in committee but we will make sure, we will make sure that teachers present and retired are reminded of what happened. I think, and this is a point that needs to be made, I think if you were to survey acting teachers about their right to have a voice on the retirement board, because they are going to be retired themselves someday, some of them very quickly in fact in the next number of years as the retirement rate accelerates in that particular field, as in many fields in Canada, I think that they would say that this is unfair. I think that they would say that they are concerned with what happened last night and the lack of democracy which happened last night at committee led by the Minister of Education, the third Minister of Education in this government.

I know, Mr. Acting Speaker, I hear the Member for Interlake (Mr. Nevakshonoff) chirp over from his seat, probably fresh from a recent bear hunt. I know there are other members on the other side of the House who have been chirping over there about this particular issue, and I challenge them to get up and speak to the legislation. I challenge them to get up and speak to this particular issue. *[interjection]*

It is not the only time, Mr. Acting Speaker, that I have made that challenge. You know, the mighty bear hunter from the Interlake seems to have a lot of

things to say from his seat. He is very brave to talk from his seat but he will not stand up and put his words on the record. "He has been muzzled," says the Member for Pembina (Mr. Dyck), and I think that he is correct. There are two choices. He has either been muzzled by his Premier (Mr. Doer), been muzzled by the Minister of Education (Mr. Bjornson) or he does not have the convictions of his own beliefs. I would say shame on the member for him to sit there and chirp from his seat, but he does not have the nerve, he does not have the conviction, he does not have the ability to stand up and speak on his own.

This is not the first challenge I have had to make to members opposite. We were on the committee last night. A number of members were on the committee from the NDP and I challenged them to speak yesterday. I challenged them when the retired teachers were before the committee because they were chirping then just as they are chirping now. I said then to those members, "If there is anybody who wants to say anything from the NDP on this committee, now is your time to speak." You know what we heard, Mr. Acting Speaker? Nothing. Silence. Those members were muzzled. Those members were not saying a thing. They were not standing up, they were not defending. Oh, but, they are not silent now. No, they chirp as they walk around with their smug looks on their face. They are feeling very proud of themselves. Well, yesterday, they were ashamed. They were ashamed as retired teacher after retired teacher came forward and brought forward their concerns. It is a shame that they will have to live with for many, many years. It is a shame that they are going to be reminded of time after time after time when teachers come forward and ask why their voice has been silenced when it comes to their pensions. Why do they not have a democratic voice, one voice?

The Minister of Education, of course, yesterday he kind of pompously says from his seat, "Well, I have the prerogative to appoint someone to the board who might be a retired teacher. I have the prerogative." He sounded very strong in his powers, that he had been given all these new powers. If he chose to appoint a retired teacher, he would and perhaps we should all come on bended knee and ask the minister to appoint a retiree. Well, that is not what they were asking for, Mr. Acting Speaker. Retired teachers were not coming cap in hand and asking if the minister would please appoint

somebody to their board, and would he give them the time of day, would he speak to them now and he did not speak to them before, kiss the minister's ring and ask him if he would be able to appoint someone to the board.

That is not what they were asking from him, Mr. Acting Speaker. They were asking for in legislation a clear directive that would say that it would be mandatory that a retired teacher from the Retired Teachers' Association of Manitoba, RTAM, would be appointed on that board. What was the response that we heard? What was the response that we heard from the Minister of Education yesterday? He said, "Well, you know, only 60 percent of teachers are represented by the Retired Teachers' Association of Manitoba." We do not recognize that because only 60 percent of retired teachers are represented by this association.

* (16:40)

An Honourable Member: Just over 5000.

Mr. Goertzen: Just over 5000, the Member for Inkster (Mr. Lamoureux) properly points out. The Member for Inkster, to his credit, was there last night as well fighting for this particular amendment, and I give him credit for that. Only 60 percent, Mr. Acting Speaker, so what is the alternative from the minister? What alternative did he put forward? He said, "Well, I might, I might if I feel the whim of it, I might have the prerogative to appoint a retired teacher who represents nobody on the board." He snubs his nose condescendingly at an association that represents 60 percent of retired teachers in the province. He says, "I might appoint somebody who meets my fancy, who goes forward and will do what I ask them to do." That is not respectful. It is not respectful to those retired teachers who were there yesterday, who have given so much to our province who have just spent years in the classroom educating our young people and contributing to the province of Manitoba.

I was shocked because I would have thought the Minister of Education (Mr. Bjornson) who talks often about the years he spent in the classroom, and to his credit that is admirable he spent that time in the classroom, but it seems that has all been forgotten now he has come to the Legislature. Now he does not stand up for teachers anymore. Now it is not as important anymore. He is living in the ivory tower now and he does not have to think about what

the rights are under the Golden Boy. He does not think about what teachers' concerns are anymore, and I think that is shameful. I do not think there is any betrayal that cuts more deeply than when it comes from one's own. I think perhaps that is one of the reasons teachers were so, I saw many of the retired teachers leaving the building last night and I had the opportunity to talk to them. They were visibly upset. They were visibly shaken.

I think not only because of the result of the hearing last night because it was one of their own who had done it to them. It was one of their own who had turned them down. It was one of their own who they thought would have given them a better hearing than they got last night, and that is why I think they were so disappointed. That is why they were so distraught. That is why they were so devastated. I say shame on this minister, the third Minister of Education, soon to be the former Minister of Education. He should be ashamed of himself.

Mr. Ralph Eichler (Lakeside): I, too, was at the meeting last night and I would like to put a few words on the record regarding the committee meeting the way it was handled last night and my disappointment in the Minister of Education.

The minister flatly refused to listen to what was really being told to him last night. We, on this side of the House, heard loud and clear from the 13 presenters who were presenting there last night, their wishes and their desires to have a representation on the TRAF board. When these people made their presentations, they were referring to one of the previous ministers of Education, the member from Brandon East, whereby they made plea with that minister at that time from Brandon East. Four years ago they asked for equal rights as far as the maternity and adoption leave. They said they would look at it. Go ahead and pass the bill. Trust us. That did not work. They are still waiting four years later.

One of these days I do not know how you younger people feel, but once you get to be my age, a year slips by pretty darn quick, and where are their benefits going to be four years from now? Wait for another new Minister of Education which will probably be very soon—

An Honourable Member: It will not be long.

Mr. Eichler: It will not be long at all, as the member from Steinbach reminded me, because it does have a

tendency to move very quickly on that side of the House.

The member from Tuxedo brought forward a motion where the minister could have redeemed himself. That did not happen. That side of the House, before she even had the words out of her mouth, the minister had his hand in the air speaking out against this amendment. I say shame on him. I had my hand up. I was going to speak on the motion next. Before I even had a chance to get noticed, the minister shot it down. He did not look at his people. He did not look at the people who were sitting in the crowd and I say shame on that minister.—[interjection]

Actually, I am glad the minister brought that up. I was the administrator of Interlake School Division and I will tell you what. I was proud to be the administrator of Interlake School Division and I did do one thing. I made sure fairness was fair and all people had to be heard. I can stand in this House and say, "By golly, I did my job and I did it well and I would not turn my back on anybody."

I do not care what the Minister of Education says. We are here for all people. This is what we have to do, not party politics, not NDP politics, not Conservative politics. We are here to represent all the people. When this motion was brought forward by the member from Tuxedo, what happened was, we asked the Minister of Education to reconsider before he shot it down the first time. No, he does it twice. I say shame on him again.

The second thing that happened after that, the people in the crowd, you could see the thought that was going through their mind, disappointment. Disappointment, I say. When this Minister of Education has to go and answer to these people, he has a chance, there are some good things in the bill, there is no doubt about that, some very good things and this bill does need to move forward, there is no doubt about that. This minister had a chance to redeem himself last night. He refused to do that. I say, again, shame on this minister.

When the new minister takes over, he has two problems to fix, the previous minister from Brandon East and his own mistakes he has made. I will leave it at that, and I will ask the minister to do the right thing and appoint somebody from the teachers' retired board to serve on that board.

The Acting Speaker (Mr. Schellenberg): Before I recognize the Member for Southdale (Mr. Reimer), we must keep our noise level down so we can hear the speaker.

Mr. Jack Reimer (Southdale): I appreciate that because a lot of the things I do say I want the members in the Chamber to hear because it is very important the words of—

An Honourable Member: Wisdom.

Mr. Reimer: It is very important that words of wisdom get put on the record because we are talking about a bill that was passed last night and moved on through the committee hearings.

I was not on the committee, I will admit to that right now. I was not on the committee, but I was there as members are all entitled to be there to listen to the presenters, to listen to the minister, to listen to the replies, to listen to the concerns that are brought forth by the people. That is very important because here in Manitoba it is truly unique. The people have the ability to come forth when a bill is before the Legislature to express their opinions. It is up to the government to listen; it is up to the opposition to listen; and it is to come to some sort of consensus as to whether the things that they are bringing forth are worthy of consideration by the government.

A lot of times the people that come forth are very, very serious, very dedicated, very concerned about what is affecting them because of legislation that is brought forth by the government. When we were in government and now that they are in government, it is these same types of concerns that they have to be aware of. This is why the committee meetings are held, and this is why it is very, very unique here in Canada that people have this type of opportunity to bring forth concerns—very, very legitimate concerns.

We saw that in one committee room last night where there was, I believe, almost 40 presenters in regard to a bill that was brought forth by the Minister of Labour (Ms. Allan). There was concern. There was an expression that there should be something done about it. It was just not right. It did not sit right for the people that were being concerned. The minister, through her staff, came to some sort of reconciliation, and it was looked at in a way to be conciliatory to the parties involved.

In the other committee room there was an expression brought forth by a lot of teachers, retired teachers, people that have dedicated their life to trying to help the children and the people that grow into better Manitobans, and they are still teaching here in Manitoba.

The retired teachers did have a concern, Mr. Acting Speaker. They had a concern about their pensions. They wanted to be heard, they wanted to be listened, and they lobbied. They lobbied the government, they lobbied the opposition, and they lobbied our Member for Tuxedo (Mrs. Stefanson).

They came in, they talked to us, and they presented their story of it, a legitimate concern. All they wanted to do was to be heard at the table that makes decisions in regard to their pensions, a laudable position, easy to sell. "You are dealing with our money as pensioners, teachers that have contributed to their retirement. We want to have a voice on the table." There is nothing really innocuous about that recommendation. It was not a great departure of taxpayers' dollars. They were not asking for more money. They were not asking for abandonment of principles. They just wanted to be heard. They just wanted to be at the table to make these decisions.

Mr. Acting Speaker, we thought, "I think that maybe the government will listen to this." We were very optimistic that this government did have that type of attitude, especially dealing with the Minister of Education (Mr. Bjornson) that comes from a teaching background, a person that is also dedicated to teaching, a wonderful individual, who won awards and was recognized for his teaching abilities and his ability to outreach to children, and someone that was bringing a new perspective into this Chamber, not only for the government, but for the whole Chamber. All the members would have the benefit of his experience, his background as a teacher, as a person dedicated to helping young people and trying to enrich their minds. That is the type of person that should be involved with government.

I am not trying to be partisan or on one side or the other, but it is the logical thing that if a person with a teaching background has the ability to reach back into his profession and help them and help the retired teachers, there is an optimism that may be that will change and he will look at that amendment to the bill that was brought forward. It was not looked at. It was not adopted. It was defeated by the

government. It was defeated through his administration and him as the minister.

Mr. Acting Speaker, it just does not sit right that a person with his background, his understanding, a dedication to a wonderful profession in this province, would not have the ability to at least say, "Well, maybe there is room for some sort of budgeting on this; maybe there is room to look at it in a more realistic area and help these teachers, the retired teachers, who are looking for a place on the board." A one-seat board, not majority, not to overrule the board, but at least to be there at the board to make decisions regarding their pensions.

Mr. Acting Speaker, there are a lot of teachers that have come through this Chamber. There are a lot of teachers that are still in this Chamber that have a teaching background. They understand the ability that, when they retire, they would like to be able to have a little bit more control of their retirement assets and their funding. Through sitting on the board for the review of their pension funds, they have the ability to maybe have at least an input. That is all they are asking for.

I know a lot of those teachers. They have contacted me; maybe they phoned me or e-mailed me or met with us in our caucus. I know that they tried to meet with the minister. I will honestly say that I do not know whether they did meet with him to sell their case. They did meet; the minister is saying they did meet. He does recognize where they are coming from.

* (16:50)

Now, I would hope that there is still a chance that maybe, just possibly maybe, they will revisit this decision. Now it would be an outreach into the community. It would be an outreach through his profession. It would show a dedication to a situation where it is not going to cost them any money either.

Mr. Acting Speaker, we are not asking for this government to increase funding. We are not asking a minister to decrease a funding decision. We are asking for the ability of an individual group of people to be represented at the bargaining—not the bargaining table, that is the wrong word—at the negotiation table for their pension.

I just wanted to get those words on record, because I think it is very, very important, especially

to this minister who has that type of background and, I believe, a dedication to a very, very noble profession, which, I think, maybe at the end of his career as a politician, he may go back to. I would think that he could go back to it with the understanding that he really made a difference, made a difference not only while he was Minister of Education (Mr. Bjornson), but made a difference to his profession, which is something that I think he would be very, very proud of. Thank you, Mr. Acting Speaker.

House Business

Hon. Gord Mackintosh (Government House Leader): On House business. Would you canvass the House to see if there is leave for the House to break from 5:30 p.m. to 6:30 p.m. in order for staff and members to have supper, and, as well, Mr. Acting Speaker, for concurrence to break for that same period of time?

The Acting Speaker (Mr. Schellenberg): I will just canvass the House here. Is there agreement for the House and the Committee of Supply to break between 5:30 p.m. and 6:30 p.m.? *[Agreed]*

* * *

Mrs. Myrna Driedger (Charleswood): Mr. Acting Speaker, I just have a few comments to make on this particular bill. I have received a number of phone calls and letters from several retired teachers who are very concerned about their lack of voice in this issue.

I think they have a solid argument. It is certainly worthy of some government attention. They are concerned about their pensions, and that is a legitimate issue. They are the ones that are living with their incomes. They know how to best represent their own voices. They know what are issues for them.

I think they bring forward a very legitimate concern in this area. They just want to be heard, and have been left out of these consultations. It reminds me very much of what was happening last night in the other committee where the architects were also left out of consultations.

Here we have two ministers, two new ministers, barrelling ahead with some new legislation, and in both these cases retired teachers are left out of consultations and the architects are left out of

consultations. So here you have got many, many people being offended by this government, not being listened to by this government.

I think that it is leaving a real void out there. I would have thought that the Minister of Education (Mr. Bjornson), who himself is a teacher, would have had a better understanding of the issue and an understanding of the concerns being brought forward, but, obviously he seems to have lost that particular connection.

The member from Tuxedo brought forward an amendment, which, I understand, was shot down. All the amendment asked for, representative of the retired teachers, was to give them one seat on the TRAF board. That is all they were asking for, one seat, and it was not even something that the government was willing to entertain. It is not an unreasonable amendment, and it would give them a voice and a right to represent themselves. That is something, I think, that this Minister of Education should have paid more attention to, should have treated with more respect.

Certainly, there are parts of this bill that are good aspects to the bill. The maternity and adoptive leaves, we certainly do not have a problem with, but the other aspect where retired teachers are denied a voice regarding their own pension seems to me to be a bit short-sighted and somewhat offensive by this government. I would hope that the government still has a bit of time to perhaps make some changes, and I would hope that the Minister of Education might give that some serious consideration. Thank you.

Mr. David Faurshou (Portage la Prairie): I would just like to participate in Bill 46's debate on third reading this afternoon to acknowledge the Retired Teachers' Association and their conduct through all of the deliberations that took place regarding Bill 46 and the leadership that they showed in regard to the issue of pension for retired teachers here in the province of Manitoba.

I will say that this bill does not represent all of what the retired teachers wanted to see in the bill, although there are many positive aspects to the bill which we are supportive of. The only disappointing point that I would like to suggest this afternoon is that of the proposed amendment by my colleague the honourable member from Tuxedo that was placed in front of committee last evening, and that was to

recognize the Retired Teachers' Association insofar as having representation on the board to which this legislation provides for.

The Retired Teachers' Association represents more than 5000 retired teachers, and in fact the retired teachers in the province of Manitoba have an investment within the pension plan that is regarded by analysts as being more than 45 percent of the funds in the pension plan at the present time. The board that we are providing for under Bill 46 has jurisdiction over that fund, and so I say 45 percent of the resources within that fund do not have direct representation on the board. The Retired Teachers' Association proposed, through amendment that was entertained last evening at committee, only one position on the board. I believe that reflects their respect for the teachers and for the government appointees to the board. In retrospect, the Retired Teachers' Association, in proportion to their investment within the fund, should have been asking for three positions on the board. I believe that it was a compromise reached within the Retired Teachers' Association to ask for just one position so that they could be represented.

I believe that the minister will indeed some day retire himself, and I know that he would like to see that his funds that he has worked long and hard for and has placed in the care and trust of the pension fund, that he have representation as to how the fund is managed. I know that he will reconsider, hopefully in the not-too-distant future, the error of his way at the present time, to see fit to see direct representation from the Retired Teachers' Association on the board responsible for the pension fund.

I, once again, would like to commend the Retired Teachers' Association and all of those who participate and represent that association for their conduct throughout the deliberations of Bill 46. I commend their responsible attitude toward seeing the legislation passed today. Thank you very much.

Mr. Larry Maguire (Arthur-Virden): Mr. Acting Speaker, I would just like to put some words on the record in regard to this bill as well, in regard to the retired teachers' pension fund. It is discouraging that this government will not look at dealing with some of the most important parts of this bill, and that is the fact that the retired teachers have asked for some representation on this board.

I know that the Retired Teachers' Association of Manitoba has made many presentations to this government trying to bend its ear in regard to having a representative on the Teachers' Retirement Fund, the TRAF board, Mr. Acting Speaker, and I know that it was certainly, you know, the government has said, "Well, it will not be one of our spots," and so they are not allowing. The Manitoba Teachers' Society does not seem to want to give up a spot for that as well.

* (17:00)

I think it is incumbent upon a minister that is in charge of this department now, who has been a teacher, in the short time that he has been a teacher, Mr. Acting Speaker, in the province of Manitoba, that even as a teacher he has to realize that some day he will be a retired teacher. In fact, he may be already. He may be re-enacted shortly, but you know, never mind.

Mr. Speaker in the Chair

He will become, if he is not already, a retired teacher at some point and I think it would be just a very considerate move on behalf of him as a government minister in the Province of Manitoba, the Department of Education, that he would recognize that either, you know, it is not a matter of adding more, Mr. Speaker, it is a matter of whether or not he would look at convincing his colleagues in the Teachers' Society to provide one of those spots for a retired, sort of, I will make the comment, an active retired teacher in the Retired Teachers' Association or else one of the positions that the government has itself.

I know that there are a number of other areas in this bill that I do not have any problem with in regard to the maternity leaves and a number of the other areas, adoption leaves and that sort of thing, Mr. Speaker, but I just wanted to put a few words on the record here today to let the minister know of the Westman Retired Teachers' Association out where I come from, from Brandon to west, a number of them in southwest Manitoba, you know, a number of those people who were here in the committee last night making their presentations known and I know that they have been here before.

I know that they have been here before making presentations to both the government and ourselves as opposition and I commend them for their

dedication. I also have a relative, Mr. Speaker, Ms. Leona Nelson, who has spent much time dealing with this particular issue and I know dealt with, was part of the Westman group when they made presentations, and even some of the meetings that I was able to attend, myself, while in Brandon, and I know that they are very concerned about the retired teachers' pension fund and the fact that it is not meeting inflationary needs and that the government is looking at cutting some of those areas back.

So, with those few comments, I am going to just end my comments there, Mr. Speaker, so I will leave it that. Thank you.

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I wanted to express some concerns in regard to Bill 46. I have had opportunity both last night and earlier today in Question Period. I think there is good reason for us to be somewhat concerned in terms of what it is that has been asked of the government and how the government ultimately has responded.

Mr. Speaker, in Question Period, I had indicated that the government, particularly this Premier (Mr. Doer) has turned his back on retired teachers. We are quite surprised in the sense that the Premier has not seen the value of having retired teachers sit on the Teachers' Retirement Allowance Fund board.

Mr. Speaker, the presentations were of most interest. I wanted just to pick up on a couple of points. First and foremost is that we need to recognize that the Retired Teachers' Association of Manitoba represents over 5000 retired teachers and approximately 60 percent of all retired teachers.

The board that is being created is a board that will be made up of seven people, three of those people are going to be representatives from the Manitoba Teachers' Society and we see that as a very strong positive thing. I would applaud the government in recognizing that MTS should have legislative positions on that board. Of course where we differ is in regard to the retired teachers. The Retired Teachers' Association of Manitoba was very clear, and members of its association have made it very clear, that they believe that there is a need to have retired teachers on that board.

I applaud the member from Charleswood who brought forward an amendment—Tuxedo, I am sorry,

member from Tuxedo—who brought forward an amendment, that would have seen a retired teacher mandated by law to be on that board. I think the government has made a mistake. I truly do believe that they should have supported that amendment. I do not quite understand why it is that they did not support it. It is disappointing when you look at the different stakeholders. Who have more of a vested interest than the retired teachers? They do have a role to play on that board. The government has chosen not to give them that role.

It is interesting, when the MTS rep was here I had asked MTS, would they oppose a retired teacher from being on the board. The concern that they had, Mr. Speaker, was as long as they have their three spots, that they would in fact be comfortable with it. That was what they had implied. Now then it is up to the government to ultimately then determine whether or not they are prepared to give up one of their four spots. The government made a decision, and that decision was that no, we are not going to do that. What was unfortunate is they started to call into question the validity of the Retired Teachers' Association of Manitoba. That is what the Minister of Education (Mr. Bjornson) started to do.

Well, they do not represent all of the retired teachers, Mr. Speaker. Here you have a vast majority of the retired teachers being represented by this organization, an organization that has incredible individuals that invested a great deal of energy and time in educating people throughout our province being completely ignored.

The government questioned the validity of the Retired Teachers' Association of Manitoba. Well, I believe the government has made a serious mistake. You are talking about, just with that association, well over 5000 teachers and their respective families.

* (17:10)

I do not think it reflects well on the government when the government has chosen to take the direction that they have in terms of the appointment. Speaker after speaker raised different issues. They talked about the importance of COLA. They talked about other issues regarding pensions. These were issues which they felt the government could have incorporated into the legislation, but what they did include in the legislation, they were hopeful that there would have been some sort of an amendment

that would give them some form of acknowledgment that they do have a role to play. We saw that in fact was denied.

Mr. Speaker, we truly wish that the government would have supported the member from Tuxedo's amendment. Still, it is not too late. The Minister of Education could amend the legislation today. *[interjection]*

In the twelfth hour he can amend the legislation and ensure that there will be representation of retired teachers. Members of the opposition are, in fact prepared to give leave to allow that to occur. I say that so the Minister of Education, if he is listening to what the opposition members are saying, more importantly, if he is listening to what the retired teachers are saying, would take the opportunity to bring in the amendment that would, in fact, put them into the legislation. I do believe that the Minister of Education would be given full marks for doing that.

I had posed the question to the minister last night if he was aware of other jurisdictions, and he was not aware of any other jurisdictions. But I suspect that there are other jurisdictions where retired teachers are in fact represented. Even if that is not the case, I would suggest to him that Manitoba could lead the way on it, because we should have retired teachers involved in boards of that nature.

If the Minister of Education wants to be able to make that amendment, I think some would say the bill has gone too far or he has dug in his heels too much, or possibly was put in a corner. Well, I tell you, the Minister of Education would get a great deal of credit and support, not only from members of the Chamber on all sides, I would ultimately argue, but I think that he would be acknowledged by retired teachers and others that he has seen a flaw in the legislation and is prepared to rectify it.

There is a difference. As the Minister of Education could say, you know, he has the prerogative to appoint. There are four appointments. He could say, well, I will guarantee. He could stand up today in closing debate and say, well, you know what, I am not going to bring in the amendment but I will guarantee a retired teacher will in fact be on the board. That would be something. But I will suggest to the Minister of Education that that is quite different and it is really not good enough. What would happen is, if you designate, if you give the

responsibility, as an example, to the Retired Teachers' Association to provide, let us say, three names, they then would provide the minister three names and the minister would have the option to choose one of those three, or even possibly request another three names. So he still has some control in terms of who is going to be on the board. That, in itself, should be able to appease any other concerns that the minister would have by including them in the legislation itself as opposed to hand-picking an individual that might be a retired teacher and appointing that individual to the board.

My intentions were not to speak at length on this bill. It was more just to express my appreciation for the efforts of those presenters that came forward to share their concerns, a concern that we share with them, and I would appeal to the Minister of Education that it is not too late. Leave would be there that would allow the minister to make the change. In fact, we are going to break for supper. There is still plenty of time to do it.

I would have a whole lot more faith in the system if, in fact, there was a change of that nature made and the Minister of Education would have my personal respect for doing such. I do realize it would take a great deal of courage, in order to do it.

Having said those few words, we will cross our fingers on this side. In closing debate, whenever the minister does close debate, if he is not going to move the amendment, please do indicate very clearly that there will be retired teachers on the board and perhaps we will see legislation in the future that would address that particular inequity. Thank you very much.

Mrs. Bonnie Mitchelson (River East): I just want to put a couple of words on the record. I will be very brief, Mr. Speaker.

I think the Minister of Education (Mr. Bjornson), who is a former teacher, and I would believe one day will be a retired teacher, has done a great disservice to those that came before him.

Mr. Speaker, he has dismissed them and said to them, "You are not worthy. You are not valuable enough to be a part of the process to sit on the TRAF board."

I am sorry I did not have the opportunity to be at committee to hear the retired teachers make their

presentation last night because I was on the committee that was dealing with Bill 45. We saw how the government bungled Bill 45 and I would tend to want to indicate to Manitobans that they have bungled Bill 46.

Mr. Speaker, I talked to a retired teacher from my constituency who was leaving committee last night, and he was quite upset with the treatment that retired teachers had received when they were denied the amendment that the Conservative Party put forward to include a retired teacher on the TRAF board. I find it very strange to think that we have a Minister of Education who is a teacher, who obviously must have had respect for those that have retired before him, to indicate to them that they really were not relevant in the whole issue of dealing with teachers' pensions.

Mr. Speaker, I know a lot of teachers who are personal friends that will be retiring very shortly. I know from discussion with them that they feel it important that they still be valued as members of a very worthy profession and that they should have the ability to at least provide some input. They are not asking for a majority on the board. They are only asking for a voice. It is a sad day in Manitoba when we have a New Democratic government that would say no, that would turn their backs on these individuals that have contributed greatly to the education of all of us in this House. I would venture to say that the very people that this Minister of Education is denying a voice are the people that taught him and gave him the education that allowed him to become a teacher and move on to be an elected member of this Legislature. The very people that he owes a debt of gratitude to were snubbed by him and his government.

So I would say this is a sad day for teachers in general in Manitoba I know that MTS was not opposed to retired teachers being on the board because I think they recognize and realize that one day they will be retired teachers and they will want to be included in a process that deals with teachers' pensions.

Mr. Speaker, with those few words, I just want to say shame on this government for turning their backs on retired teachers. We do value them as contributing members of society and I do not believe they should have been put out to pasture like this Minister of Education has done.

* (17:20)

Mr. Speaker, I would agree with the member from Inkster, although I do not agree with him all the time, that the minister could take a sober second thought and bring in an amendment at third reading and we would be prepared to give leave, take a bit of a break even over the supper hour, I am sure the Legislative Counsel would be available to bring in that amendment. He could change his mind, and the retired teachers in the province of Manitoba would applaud him.

So I reach out to the Minister of Education, show some respect for retired teachers in the province of Manitoba and give them a seat on the board. Thank you, Mr. Speaker.

Hon. Jon Gerrard (River Heights): Mr. Speaker, I want to talk for a few minutes on Bill 46, The Teachers' Pensions Amendment Act. This is a bill that was brought forward by the Minister of Education (Mr. Bjornson) and, in contrast to my complimentary words the other day on The Safe Schools Charter act, clearly, the Minister of Education, as we saw with the Minister of Labour (Ms. Allan) earlier today, has not really done his homework very well and not consulted very well with a whole lot of people.

We end up with the result, a bill which we will probably pass today, but will probably need some further changes and amendments in order to correct the mistakes that were not addressed today. Clearly, one of the gaping holes is representation on the pension board by retired teachers, and this could have been fixed. It is sad that it was not. The minister could even have an opportunity yet to do this, but clearly he has made up his mind and so it will be.

It reflects, I would suggest, just like with the Minister of Labour on the other bill that we were dealing with, engineers and geoscientists, a lack of proper consultation with a number of the people who have a real interest in this bill.

I have met, Mr. Speaker, with a number of retired teachers, as has the MLA for Inkster (Mr. Lamoureux), and had some quite intensive discussions about this bill and about the management of the pensions for teachers. You know, clearly this is a very important matter, the pensions for teachers, and

having on the board some retired teachers and the benefit of their wisdom as retired teachers and the benefit of the fact that this is an area where they have a particular focus.

Younger teachers are less focussed often on pensions because it is some distance in the future. For the retired teachers, this is a major focus and a major issue for them, and, clearly, there needs to be some representation and some consultation, which they clearly did not adequately occur in this respect with this minister and this bill.

I believe that one of the problems that we are seeing on this occasion is the collusion of the NDP with the Tories to change the rules in the last couple of days and to fast-track legislation. The same problem, we had 75 letters yesterday talking about the blow to democracy from this collusion between the NDP and the Tories.

You know, we are seeing problems with legislation which could have been addressed if things, due process had followed a normal course, but because it is going so quickly, there is just not the adequate time to make the corrections [*interjection*]

Well, hey, you know, we believe that it was a bad mistake to have closure, it was a bad mistake to limit this Legislature to 59 days sitting this year, and that with a little bit more attention to democratic processes, as we have argued on the Liberal side, we would have had better democracy and better functioning of this Legislature.

So, Mr. Speaker, I just wanted to add those words and to speak very briefly to this act and the importance of benefiting from the wisdom and the experience of retired teachers in having the best possible management of the pensions for teachers.

I mean, we heard in the discussions that I had with retired teachers' concerns over the COLA and concerns over the long-term disability and how things were being managed and the accountability issues and a whole variety of things, and it seems to me that attention to detail and that wisdom could have been used to advantage on this board, and it is just too bad that this minister did not seem fit to do so and this government did not seem fit to pay attention to the retired teachers in Manitoba. Thank you.

Mr. Leonard Derkach (Russell): My colleagues seem to be very anxious to move this bill along and so am I, Mr. Speaker. I do not want to move it along until such time that we have had adequate time to debate this bill. We have heard very little from the government on this bill. Yet there are significant problems with this bill. I guess the best way is to allow this bill to move and let the government wear the problems of this bill. Then perhaps it will require a different government to come in and correct some of the errors that this government is getting itself into.

Mr. Speaker, can you imagine this? Now this is a government that says they are the protectors of the teachers and the people who are in the teaching profession. I think their actions show that they are not, because last night, after the presenters were finished, both members of the Teachers' Society and the retired teachers were upset with this minister. They were all visibly upset with the position that was taken by this government on this legislation.

Now, Mr. Speaker, what this government does is it puts in a clause in this particular piece of legislation that is supported by everybody, members on this side of the House, members on that side of the House, supported by teachers, supported by the general public, but in doing that they put a clause in the bill that upsets and puts a wedge between what should be people who are of like-mind from the Teachers' Society and the retired teachers.

The retired teachers are not asking for the moon, Mr. Speaker. They are asking for something fairly basic. Simply, they are asking for a member on the TRAF board. That is not difficult. It is not going to upset the decision making of the board; all it does is it gives them a democratic voice on the TRAF board. What is wrong with that?

Do retired teachers not deserve a voice on a board that they depend on for their livelihood for their retirement pensions? I do not understand why the minister would block this because of a very narrow view of the world. He is going to wear this because he is going to be tagged as the minister who would not come forward and give retired teachers a voice on a very important board that they have been requesting.

Mr. Speaker, how many retired teachers are there in this province? There are about 14 000 retired

teachers—[*interjection*]—9000 retired teachers, okay. The active teachers are 14, the retired are 9. There are about 5000 teachers that belong to the association. So this is a fairly significant group. The minister refuses to listen to them, refuses to consult with them. He did not even consult adequately with the Teachers' Society because even the Teachers' Society was not happy with the bill last night.

So, Mr. Speaker, I conclude my remarks—

Mr. Speaker: Order. Is there leave for the honourable member to conclude his comments? [*Agreed*]

Mr. Derkach: Thank you, Mr. Speaker, and I simply want to conclude my remarks by indicating that, although there are supportable aspects of this bill, in general I would say that the minister has made a mistake.

He is not prepared to reconsider. [*interjection*] I might go on for another hour. I think I have latitude here—[*interjection*] Speaker's latitude, there you go. So I can speak for another hour. Seriously, I have to say that this minister is responsible for the shortcomings of this legislation. I think that in future he will have to reconsider.

There will be amendments to this bill in the fall I am sure because I think by then the minister will have had enough feedback from retired teachers that he will have to reconsider this legislation and his approach to it.

So, with that, Mr. Speaker, I think we are prepared to move this legislation along.

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

Some Honourable Members: Question.

Mr. Speaker: The question before the House is concurrence and third reading of Bill 46, The Teachers' Pensions Amendment Act.

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

The hour being 5:30 p.m., as agreed, we will recess and will reconvene at 6:30 p.m.

The House recessed at 5:30 p.m.

The House resumed at 6:30 p.m.

Bill 48—The Human Tissue Amendment Act

Hon. Gord Mackintosh (Government House Leader): I move, seconded by the Minister of Aboriginal and Northern Affairs (Mr. Lathlin), that Bill 48, The Human Tissue Amendment Act, reported from the Standing Committee on Social and Economic Development, be concurred in and be now read for a third time and passed.

Motion presented.

Mrs. Myrna Driedger (Charleswood): I have a few comments to put on the record on Bill 48, The Human Tissue Amendment Act. Just to indicate that this issue has been of some concern to us for quite some time, actually. We know that there are currently 4000 Canadians waiting for an organ donation and as many as 30 percent of patients die before getting a transplant. It is, certainly, something that causes some concern. I am sure not just in Manitoba, but right across the country, because there has been a failure to make inroads in this particular area. I have had the opportunity to speak in this House on previous occasions on this matter, and I am pleased to see the amendments that are being made to this bill. It will, certainly, streamline the organ donation process and, hopefully, it will increase donation rates.

As we also heard during committee hearings, there are some other steps that can be taken to enhance organ donations in Manitoba and, certainly, an organ donation registry would be something that we would encourage the government to have a serious look at. In the interim, this is certainly a good direction, I think, to go and have teams of people, agencies that are well versed in this matter, trained in the matter of making the ask, being able to approach families or patients and making what is often a very, very difficult ask for a patient or a family at a very, very sensitive time. I find it is good that the amendment includes having people trained in these areas to make that ask, and I think that, in itself, will go a long way in increasing donation rates in this province.

So, Mr. Speaker, we look forward to passage of this bill. Thank you.

Hon. Jon Gerrard (River Heights): Mr. Speaker, we are supportive of this legislation and want to see it moved through to completion under royal assent. Thank you.

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

Some Honourable Members: Question.

Mr. Speaker: The question before the House is Bill 48.

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

Bill 50—The Municipal Assessment Amendment Act

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, I move, seconded by the Minister of Aboriginal and Northern Affairs (Mr. Lathlin), that Bill 50, The Municipal Assessment Amendment Act, reported from the Standing Committee on Legislative Affairs, be concurred in and be now read for a third time and passed.

Motion presented.

Mr. Mackintosh: Mr. Speaker, I just want to put on the record that I am very pleased to see the legislation come to this point and be supported. I think this is an important piece of legislation for some of those community centres. I, certainly, know of one in West Kildonan, in the city of Winnipeg, that has taken over the operation of arenas, and it will relieve them of some burden.

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

Some Honourable Members: Question.

Mr. Speaker: The question before the House is Bill 50, The Municipal Assessment Amendment Act.

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

Bill 53—The Statutes Correction and Minor Amendments Act, 2004

Hon. Gord Mackintosh (Government House Leader): I move, seconded by the Minister of Aboriginal and Northern Affairs (Mr. Lathlin), that

Bill 53, The Statutes Correction and Minor Amendments Act, 2004, reported from the Standing Committee on Legislative Affairs, be concurred in and be now read for a third time and passed.

Motion presented.

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

Some Honourable Members: Question.

Mr. Speaker: The question before the House is Bill 53, The Statutes Correction and Minor Amendments Act, 2004.

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

**Bill 39—The Residential Tenancies
Amendment Act**

Mr. Speaker: As previously agreed, we will revert to Bill 39, The Residential Tenancies Amendment Act.

Mr. David Faurschou (Portage la Prairie): Mr. Speaker, I appreciate the opportunity to participate in debate on Bill 39 in third reading.

There are a number of positives to this bill, and we will be supportive of the bill and its passage at third reading. However, I do want to say that there is concern in regard to the clauses that involve the redefinition of rent versus tax as far as it pertains to mobile homes or manufactured homes here in the province of Manitoba.

It is a concern to recognize that there has been change in the wind as far as municipal assessment of these types of structures, and that a realignment of taxes both for municipal services and for education taxes may cause duress to those now occupying manufactured homes and mobile homes that are on rental properties. I want to air the concern that with the separation of these with new definition, the year-over-year increase will be able to be greater than what is currently allowed by the Residential Tenancy Branch.

I hope that there will be consideration within the changeover that the amount of increase year-over-year the mobile homeowner will be subjected to will be not inordinately large, so that persons can

accommodate the change without significant duress experienced by themselves because of the large demand or increased demand by municipalities and school divisions here in the province of Manitoba.

Otherwise, within the bill there are very good clauses recognizing the need to make change in allowances for landlords and tenants alike here in the province of Manitoba. So I thank you very much, Mr. Speaker.

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

Some Honourable Members: Question.

Mr. Speaker: The question before the House is Bill 39, The Residential Tenancies Amendment Act.

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 call Committee of the Whole to deal with The Budget Implementation and Tax Statutes Amendments Act.

Mr. Speaker: Okay. We will move to Committee of the Whole.

Would the honourable Member for Rossmere (Mr. Schellenberg) please take the Chair.

* (18:40)

COMMITTEE OF THE WHOLE

**Bill 54—The Budget Implementation and Tax
Statutes Amendment Act, 2004**

The Acting Chairperson (Mr. Harry Schellenberg): Order, please. Today the Committee of the Whole will be considering Bill 54, The Budget Implementation and Tax Statutes Amendment Act, 2004.

Does the minister responsible have an opening statement?

An Honourable Member: No.

The Acting Chairperson (Mr. Schellenberg): No opening statement.

Does the official opposition critic have an opening statement?

Mr. John Loewen (Fort Whyte): Yes, just a brief one, thank you.

* (18:50)

The Acting Chairperson (Mr. Schellenberg): The floor is yours.

Mr. Loewen: Mr. Acting Chair, as everyone is aware, this bill will implement the tax increase and other issues that were raised by the government and the Finance Minister in his budgets. The budget that will see tax increases of at least \$70 million, despite the pleas from the Premier that he was not elected to raise taxes.

On this side of the House, we are very disappointed that this government has found itself in a position where, once again, they had to resort to increasing as many backdoor taxes and fees—

The Acting Chairperson (Mr. Schellenberg): Order. The noise level is too high. I cannot hear the speaker. The floor is yours, Member for Fort Whyte.

Mr. Loewen: Thank you, Mr. Acting Chair. As I was saying, we are deeply disappointed in the budget measures which are going to see significant tax increases for Manitobans all across the board, whether it is increases in penalties, increases in licence fees, increases in the various other tax measures that we see before us. This is a budget that will not only hurt individuals, in terms of the \$70 million of tax increases that we see in this budget, but it will also have a damaging effect on the ability of the business sector within this province to compete on an equal footing with businesses that are located in jurisdictions that we touch, jurisdictions that surround us, as well as those in the North American marketplace.

Our manufacturing sector, in particular, and our agriculture sector have been hurt dramatically over the course of the last year. The minister has indicated in his budget some of those issues, of course, BSE and the rise in the Canadian dollar. What he does not talk about, in addition to forest fires, are the damaging implications of the New Democratic government's tax measures that are leaving Manitoba businesses more and more in a situation where they are just unable to compete on a level playing field

with other North American providers. Manitoba is fortunate to have a very broad and diverse economy; this, in the past, has had the ability to protect, to some degree, our economy from severe fluctuations, particularly during times of recession.

It is an economy that was growing rapidly in the late 1990s. For three or four years, in the era from 1996 to 1999, we were consistently ranked in the top three in the country, in terms of provinces, in terms of economic growth, in terms of the growth of our gross domestic product. Unfortunately, since then, most jurisdictions around us have been able to cut taxes substantially, provide substantive tax relief to their business sector, and they have recognized the importance of providing an environment whereby the private sector can grow and prosper and drive the economy.

For some strange reason, which I have yet to understand, the Doer government has decided to take the opposite tack in what, I believe, they do in their budget process. I think what we are seeing, again, here, is that this is a government that looks at their expenses first, and then determines how much revenue they can drain out of individuals and out of corporations in order to meet what they hope will be their budgeted expenditures.

We have seen a history of this government, as well, of being unable to estimate their expenses on a prudent basis and totally unable to live within the expenses that they project. As a result, year after year after year, this is a government that spends considerably more than it budgets. This year, in particular, it has spent considerably more than it has been able to raise in terms of revenue, and this is in a period that we have seen dramatic increases in federal transfer payments. We have seen dramatic increases in terms of revenue flowing to the Province.

Federal transfer payments, just for an example, since 1999, have increased close to a billion dollars; 1998-1999, the last year of the Filmon government, the federal transfer payments were \$1.56 billion, down from a 1995-96 figure of \$1.873 billion. So, during the 1990s, the Filmon government was able, through economic growth, to increase the size of their own source revenue and fill in some of the gaps that resulted from the horrendous cuts that the federal Liberal government made during the 1990s.

As a result of dramatic growth in the GST, the federal government in the late nineties and early in this century has found the means to restore a considerable amount in terms of those transfer payments, as a matter of fact, to take those transfer payments up to an all-time high to the point where the NDP government has benefited from almost a billion dollars a year more in federal transfer payments. Yet they still are unable to get control of their expenses. They are still unable, even with that tremendous increase in revenue, to provide the basic services that Manitobans need to enjoy a high standard of living. They have failed to live within their means. Debt has increased year after year after year under the Doer government. Again, this government has found itself in a desperate position in this budget whereby their only option was to raise taxes through the back door.

We see in this year's third-quarter forecast that, even to give the illusion of balancing the budget, the government has had to restore to the unheard of and the unprecedented step of choosing to ignore \$75 million in expenditures in order to give the appearance of balancing their budget. On top of ignoring that \$75 million, this is a government that has had to take \$143 million out of the rainy day fund, a projected draw of \$143 million, simply to give the illusion of balancing the budget.

The result, Mr. Acting Chairperson, is a serious consequence to the people of Manitoba, not only from the perspective that it hurts them in their individual pocket books, but it hurts businesses' chances of growing. We have seen that from many pre-budget consultations and recommendations that were given to the Finance Minister. In particular, I refer to the Business Council of Manitoba's pre-budget consultation, which very clearly laid out to the Minister of Finance (Mr. Selinger) that the biggest problem facing business in Manitoba—and I should preface that by saying the Business Council represents the largest employers in Manitoba. It represents locally-owned business and large-scale operations that are basically the driving force of our economy. This organization of some 60 business leaders within our community, spiralled all across Manitoba, has told the Finance Minister in unequivocal terms that businesses in Manitoba have been placed in an uncompetitive position as a result of the efforts of the Doer government. That will have devastating effects on this province.

We have seen already that this government is totally reliant on bringing in immigrants. We have said a number of times that, while we are for immigration, the best way to grow our economy, the best way to grow our province, is to make sure we are able to provide jobs and career paths for our own young people. Unfortunately, as a result of the uncompetitive position, we continue to see that our young people are fleeing the province. We have again this year statistics which indicate that in the age group basically between 24 and 35, the young individuals who would provide the backbone for growth in this province are leaving the province in numbers which are far, far too high.

We should be attracting people here but we cannot because the jobs and the opportunities are not here because our economy is basically stifled. The only thing right now that really is driving any economic growth is public sector expenditure. We see in the statistics from last year that privat-sector expenditures are forecast to be down 14 percent. Public-sector expenditures are forecast to increase. That is a wrong course for this province to be on. We cannot continue to rely on piling on debt and increase public-sector expenditures to fuel the growth in our economy. We need to look to the private sector to grow the jobs, to provide hope and opportunity for our young people to see the people stay here and our population grow.

*(19:00)

At the rate we are losing people, particularly our young people, we will continue to have a stagnant population on into the future. That is not acceptable. We need to ensure that we provide a competitive environment so that our economy has room to grow. So, in terms of an overview, I think that is the most damaging effect that this Doer government has had on the province of Manitoba. Again this year, despite pleas from the business sector, we see a number of taxes being raised. The minister should be aware that at one point Winnipeg was the hub of the banking community for western Canada. At one point, the sort of secondary head offices of the banks resided in Calgary and in Winnipeg and we had many, many senior executives of all five of the major banks located here in Winnipeg.

Today, basically that group of executives has moved on to Calgary, for a number of reasons. One, because the bank has made a decision to move them

there because it is more competitive for the banks to have their people there, but also the executives of the banks who typically came to Winnipeg for a four- or five-year stint, have made it very clear that if they are going to move out of the banks head office in Toronto and spend some time in the field, they would much rather spend it in a jurisdiction like Alberta, as opposed to Manitoba, simply because their economy is much more vibrant and their taxes are much lower.

So in all ways, the banks have come to understand, and that is what we have seen over the course of the last 20 years within the province of Manitoba. We have seen large national organizations and multinational organizations continue to move their senior executives out of the province of Manitoba. We have seen the insurance company decimated as a result of some of the steps that were taken in the eighties by the Pawley government. We have seen our meat packing industry desert this province. We have just lost and lost and lost. Unfortunately, because of the uncompetitive position we find ourselves in as a province, we are continuing to lose those jobs which help create a bigger and better economic opportunity and help to create hope for the young people.

We have somehow got to break this cycle. The only way to break this cycle is to understand clearly that these businesses must be allowed to be competitive. We must provide a competitive environment for the private sector and they must be given the opportunity to grow. We have heard as recently as in the last two or three years from Palliser Furniture, one of the big drivers of economic growth in the province of. Their CEO and chairman, Art DeFehr, has been very, very harsh on this government in terms of economic policy. He has been faced with many, many decisions to make in terms of growing this business, and he has flat-out said to the Minister of Finance and said to the Premier of this government that he is going to be looking for opportunities elsewhere because of the result of the uncompetitive tax structure.

You add that into the unfriendly labour environment that has been created by this government and you have a situation where businesses are just not willing to invest and to grow all their business in Manitoba. They are looking for a back-up spot. Even though the first choice of these organizations would be to plan for their growth in

Winnipeg and in Manitoba because, quite frankly, that is where the owners live, they have been forced by consistent uncompetitive policies foisted on them by the New Democratic government to look at the financial implications of having some of their operation elsewhere.

There was a time in the nineties and early into this century where the dollar made a huge difference, and the dollar was basically at a historic low in comparison to the U.S. dollar. Of course, our manufacturing industries, which had adapted to free trade and which had made the adjustment to become competitive enough to export into the U.S. market, had a tremendous advantage, just based on the dollar. But that has changed dramatically in the last year and a half. As a result, that competitive advantage of being located in Manitoba and in Canada has been basically lost. It has been about 20 percent right off the bottom line for a lot of our manufacturers that export. Yet, in spite of that, when they come to this government for help, they get pretty much totally ignored and in fact sometimes they just get slapped in the face, not only by the labour laws but by the fact that this government not only refuses to reduce taxes but, in fact, in many cases goes about increasing taxes.

One particular example that is particularly worrisome in this budget, of course, is the 7% provincial retail sales tax that has been put on legal, accounting, architectural, engineering, security and private investigation services. That is simply an added cost of doing business in the province of Manitoba. I have had a number of individuals contact me, whether they are accounting firms, architectural firms, engineering firms, to indicate that the result will be a loss of business for those firms. It will make them less competitive. It means that their customers are going to have to pay another 7 percent onto the bill. That is going to be very damaging.

The business community is very creative. That is why they are successful. They are very innovative and 7 percent is a significant number. For many firms, that will amount to their profit percentage that they are used to running on, sometimes even more. So, when that is added in to these types of costs, they will look wherever they can to reduce those costs and realize the savings as profit.

I think this government would be a lot better off and the province would be a lot better off if this

government would just tilt its view a little bit and, instead of looking at how much tax they could increase, how much revenue they could receive by increasing taxes, they should look at how much revenue they could receive if they reduced taxes and encouraged companies to grow and become more profitable. I believe if they were to take that approach, they would realize far greater growth in revenue simply off the growth in the tax base from profits, as opposed to forcing companies to look elsewhere as a result of taxes that come off their revenue figures as opposed to their bottom line.

There are many other issues, budget issues that we take exception to that we have identified throughout the course of the budget speech, but surely the imposition of the 7% tax as well as the increases in fees and levies that this government has decided to impose upon Manitobans to the tune of over \$70 million a year will have a devastating effect on the future prospects in this province.

I would go on to say that one of the unfortunate issues that we deal with in this budget is the fact that the government refuses to give detailed information on their Estimates, and so, for example, they are estimating that the imposition of the retail sales tax will result in an increased revenue of roughly \$17 million this year. They are estimating that in a full year it will be \$24 million. Their only basis is some estimates on what happened in the province of Saskatchewan.

You know, we have heard from the Law Society, we hear from the Institute of Chartered Accountants, we hear from the other professional organizations that in fact the revenue to the government could be considerably higher.

* (19:10)

It reminds me last year of the tax that they imposed on the mechanical and electrical contractors. This year, when we tried to get information on how much revenue was garnered by the Province of Manitoba as the result of that increased tax, we were unable to get the information.

So the government makes an estimate and then never seems to have the ability to follow through and identify exactly what the result of their budget measure was. That is disheartening, because it needs thorough analysis in order to help paint the proper

picture for this government in terms of what the damage will be to Manitoba in the long run.

So, having said that, I will close my opening comments and I am prepared to enter into questions on Bill 54.

The Acting Chairperson (Mr. Schellenberg): We thank the critic for those remarks. We shall now proceed to consider Bill 54.

Hon. Greg Selinger (Minister of Finance): I just wanted to say a couple of things. The member talked quite a bit about business competitiveness and it is important that we have a competitive environment, not only for business but for families in this province and any individual that lives here.

I would like the member just to consider the work that is done in the Manitoba Advantage. The model that they use in there was developed under the former government. They looked at the total cost of doing business in Manitoba and they came down to the internal rate of return for manufacturing, large and small firms in cities like Winnipeg and smaller communities like Brandon, and we are at the top.

We are at the top for business competitiveness in the Manitoba Advantage, page 14, if you are interested. Earlier pages, they look at effective tax rates and they look at pre-tax net income, et cetera, so we do actually have a pretty thorough model. I think this model will continue regardless of who the government is because it is a useful way to measure the total cost of doing business in a community, land costs, utility costs, taxation rates, wage costs, et cetera, and they work it out.

We remain very competitive here on a sort of broad based review of what the cost of doing business is. They measure it a variety of different ways and, of any of the three ways they measure it, net cost of investment, pre-tax net income, effective tax rates and internal rates of return, we wind up in a competitive position in all those different measures of the cost of doing business in the province.

As the member also knows, even though we broadened the sales tax base on certain types of services this year as enumerated, we also continue to reduce our banner headline corporate tax rates for both small and larger business as well. The member also is aware of the fact that we have changed the

capital tax from an exemption to a full deduction on the first \$5 million, which allows businesses to grow over that \$5 million without having a clawback on their capital tax.

So there are a number of things that we have done to improve business competitiveness within Manitoba on the taxation side as well as on the program support side. I do not know if the member mentioned at this time the venture capital funds we have from the capital pools we have in the province. There are a number of elements that go into making a business competitive. One of them is having access to trained, competent labour. Another one is having access to the right sources of capital at the right stages of development of that business. Another one is the overhead cost which I have just discussed.

We are trying to put together a package of resources that help business at a variety of stages continue to grow. There is the manufacturing tax credit. There is also the R&D tax credit which has been very popular in the province. So as we move forward, I think the member will see, and I do not think I have the document here, but it was quoted by the Minister of Energy, Science and Technology (Mr. Sale) earlier today that we had an 80% growth in biotech firms in this province last year.

We have put in place with industry leaders an incubator to help biotech firms grow. Those incubators are in the Smartpark, which is contiguous to the university, which gives those new companies good access to highly skilled, trained people, scientists and other forms of labour that can be part of those firms. I think that is going to be a very positive development for the future of the province.

There is not just one element that makes business competitive. It is a variety of elements. I think we are working on all of those elements that are essential to business succeeding. I think the diversity of the economy that the member mentioned is a strength. But we need to not just stay on our laurels, we have to continue to diversify. I think we have the potential to do that. I know we have the potential to do that.

I can tell the member when I went down to see some of the bond rating agencies a few weeks ago, the Manitoba story still is a very positive story outside this province. There is still a good deal of respect for the way we are running the finances of this province, for what we are doing to continue to

stimulate employment growth, for what we are doing to stimulate the economy.

Our vision for every part of our community in terms of not only young people and First Nations people, small business and large business, growing the universities, all of those things, they ask you questions about that. It is actually very interesting that they are not just interested in specific, the narrow form of credit worthiness, they are interested in the big picture on credit worthiness; in other words, your ability to sustain a growing economy and to remain competitive in the so-called global context.

In that regard, I think the Manitoba story remains very strong. With those comments, I am ready to turn back to you, Mr. Acting Chairperson.

The Acting Chairperson (Mr. Schellenberg): We thank the minister for those comments. We shall now proceed to consider Bill 54, The Budget Implementation and Tax Statutes Amendment Act, 2004, clause by clause.

Because of the length of the bill, is the committee agreeable to consider—

Oh, excuse me. I will recognize the Member for Fort Whyte (Mr. Loewen).

Mr. Loewen: Mr. Acting Chair, I just feel the urge and the necessity to respond to some of the comments that the minister has put on the record. I think he needs to take a much closer look at the document he calls Manitoba's competitive advantage. I think he would, if he really took the time to do a thorough analysis, he would understand the fallacies that are built into that document.

If it is this minister's hope and dreams that Manitoba will continue to build itself and show to have competitive advantages on the basis of low housing prices and low wage payments, then that is the road that he has chosen. It is obvious by the tax measures he is imposing that that is the road that the New Democratic government has chosen.

I would think it would be far more in his interest if he would actually sit down and listen and go through in detail what the Business Council of Manitoba is telling him because they are telling him very specifically that taxes in Manitoba are

uncompetitive. While the member from Radisson wants to shake his head because he seems to think that he has some better idea of how to grow the economy than 60 CEOs of the largest companies in Manitoba, well then I would suggest to him that he go out and talk to them and maybe have some dialogue with them.

But it is not the case. The Business Council of Manitoba has told this Finance Minister, has told this Premier (Mr. Doer), has told this government year after year after year that Manitoba is in an uncompetitive position from a tax base situation. The minister needs to pay close attention to that. The minister talked and wanted to refer to his trip to see the bond agencies in New York. What they are analyzing is the ability of the Government of Manitoba to pay its debts, and a big part of what goes into that analysis is an interest rate factor.

The minister knows that he has had the good fortune of being able to be the Finance Minister in the Province of Manitoba when, in spite of the fact that debt is increasing at a rapid rate, he is benefiting from the fact that interest rates are basically at historical lows. Now, it is fine for him to base his financial decisions on that for the next short three years that he will be in office, but he must understand that in the long run Manitobans are going to pay a very, very heavy price for his mistakes. Quite frankly, in this type of environment, to have debt growing at the rate that it is growing, and I am talking about tax-supported debt. I have excluded Manitoba Hydro. We know how much the debt is going up at Manitoba Hydro, but we are all hoping and praying that the government does not interfere too much with the operations of that Crown jewel and that it will be able to service its debt payments.

We have seen from 1995 until 1999, the tax-supported debt went down for Manitobans from \$8.58 billion to \$7.66 billion in 1999. What has happened since then? Well, a projection as at the end of '04-05, tax-supported debt—and this is taken right from the minister's finance documents—will be back up at over \$8.7 billion. That is not including the pension liability, that is not including extra debt that has been lopped on to Manitoba Hydro so that the Minister of Energy, Science and Technology (Mr. Sale) could take as well as a keno dividend, he could take a dividend from Hydro. That does not include those. It just includes the tax-supported debt which is the debt that the people of Manitoba owe.

* (19:20)

Now, the difficulty is when interest rates rise and we are hearing talk of it every day, how the Bank of Canada is possibly looking at interest rate increases, who is going to pay the price. Every Manitoban is going to pay the price in two ways. They are going to have to pay more taxes and they are going to have to see more and more of their tax dollars go into supporting debt as opposed to being used to provide necessary services for the people of Manitoba. That is the dilemma that this Finance Minister and the Premier are leaving this province in.

It is a very, very serious situation. I would hope the minister would take it very, very seriously. There was an article in the paper that Manitoba now, on a per capita basis, has the highest net debt west of Québec. No province west of Québec has a per capita higher debt than the Province of Manitoba. That is nothing to be proud of. As a matter of fact, that is something that the minister should be addressing very, very quickly and in very short order. He needs to do that by reducing the expenditures, reducing the waste in government and focussing in on how we can get this province back on a competitive footwork. That has to be his challenge.

I am in opposition, but this is one case where I certainly hope the minister will be successful because if not in three years, we are going to inherit the situation in three years anyway, but we are going to inherit a situation that is probably going to be more damaging than what was inherited by the Filmon government in 1989. There was such a mess left there. I mean it is incredible. Well into the mid-1990s, we were still wrestling with the mess that was left behind by the Pawley government, the high taxes, the high debt, the disproportionate amount of revenue that was being forced to pay off the debt.

The Filmon government took some dramatic steps. I know members opposite liked to refer to them as draconian, but they did what they had to do in a time of worst recession since the Great Depression of the late 1920s hit Canada. That is what that government dealt with, and they made the tough decisions. I wish this Finance Minister and the rest of his ministers would look at the situation and start to make some tough decisions, too, because until they do we are going to continue to head down the wrong path.

I have got to raise this as well, because the minister talked about employment opportunities. Well, once again, we have a situation. I just received last Friday labour force statistics for May 2004. What do we see there?

We see in Canada an increase, a growth in jobs of 318 000. We see in Manitoba a job growth of 3800, 1.1 percent of all jobs created in Canada were created in Manitoba. That is a serious, serious problem. If we cannot grow industry in this province, if we cannot create jobs at least at the same rate as the rest of Canada is creating jobs, we are not going to be able to grow our economy. It is those jobs which provide the incomes for immigrants coming into Manitoba. It is those jobs that provide the hope and opportunity for careers for our young people which will keep them here. It is by providing those people with jobs, our young people, our immigrants, the other citizens of Manitoba that this government would generate enough tax revenue, because it is the income tax off those jobs, it is the income tax off the profits of growing industries that will provide us into the future with enough revenue in order to meet the needs, the basic needs of the province of Manitoba.

You know, we must get over this thought that somehow we have a competitive advantage in Manitoba because we have the lowest cost housing in all the country. All that means is when you sell your house you do not get much for it. Even the Finance Minister would have to, I think, agree that he would be much better off in a situation where the housing market was growing, similar to how it grows in Toronto and Calgary, in order to have an investment in the future. But we do not have that in Manitoba, so people lose hope. People are unable to see opportunities and they leave.

I really, really hope that the minister will start to take some of the information that is coming to him from the various agencies that spend a lot of time and a lot of effort determining what economic activities are positive for the province, and what tax measures are negative for the province, and in particular, the information that is supplied to him on an annual basis from the Chambers of Commerce and the Business Council of Manitoba.

I just hope for all our sakes that he starts to take that information very, very seriously and starts to adjust the course of government before it is too, too late.

Having said that, I would just like to ask the minister with regard to the budget change that will see the subordinated debt being included in the taxable capital of banks, trust and loan corporations. Could he give me some indication of what the thinking is behind that?

Mr. Selinger: Yes. Just on the last question, first, the subordinated debt. It is more and more the practice to be included in the capital debt for the capital base for calculation taxation rates in other jurisdictions. We were one of the last jurisdictions to include subordinated debt in our definition of bank capital. So we are just bringing ourselves up into conformity with what most other provinces do.

Just a couple of other points. The member actually seemed to ignore the points I made about business competitiveness. I did not talk about housing prices. That was his decision to talk about that. I talked about internal rates of return. I talked about the cost of doing business, overhead costs. I talked about pre-net rates of return. I tried to refer him to the model that was developed and used by both the former government and the present government to look at business competitiveness, and I made the point that business competitiveness in Manitoba remains extremely strong.

The other thing the member talked about was in terms of retaining young people. We have reduced by 50 percent the number of young folks leaving Manitoba compared to the nineties and the member seems to completely ignore that. We are retaining more young people now than we have in over a decade, and in addition to that we have more international immigration and refugees coming to the province of Manitoba. The net result is that we are growing the population which is a necessary requirement for the future.

So the Provincial Nominee Program has been ramped up and given additional support, but also we are retaining more young people in Manitoba and that is a very important thing and young people are coming back from other jurisdictions. So I think he needs to understand that.

The final comment the member made is that we should listen very carefully to representations we receive on the budget. I can assure him that we do that. We have a very good dialogue every year with a wide variety of Manitobans, a wide variety of groups

including CEOs, the Manitoba Business Council, the Manitoba Chambers of Commerce, the Winnipeg Chamber of Commerce, the Canadian Federation of Independent Business, the Taxpayers' Federation, as well as the Social Planning Council and a variety of groups. Each of them brings a unique perspective and a valuable perspective to the process. Their advice is considered very carefully in the way we structure our budget and move forward.

The member should also maybe take a look at last year's budget, where we put in there the Premier's Economic Advisory Council macro plan for growing the economy and building prosperity in the province. That plan was done in consultation with members of the business community, with members of the regions of Manitoba, with labour leaders, Aboriginal leaders and a variety of other prominent Manitobans who have a contribution to make on how we put in place an overall growth strategy for the province, including scientists and entrepreneurs that have a strong science and R&D background. There is a variety of ways that we listen to what Manitobans have to say and then try to structure it into a budget set of priorities that allocates resources in a way to grow the province.

* (19:30)

Now, the member also talked about debt. The key indicator of your ability to carry tax-supported debt, the key indicator of that is debt-to-GDP ratio. If your debt-to-GDP ratio is declining, that is an indicator that your capacity to support debt which is used for various investments is growing, is getting stronger.

The member says debt as if all debt is bad. Certain kinds of debt are extremely valuable for growing the economy, debt that is invested in infrastructure which conforms to the accounting rules, money that is borrowed to invest in key capital assets such as schools, such as hospitals, such as other facilities that allow us to grow the economy targeted to specific industries, et cetera. This is not a situation that we had in the seventies in the country and many other parts of the world, where the deficits were growing faster than the economy and the debt-to-GDP ratio was actually worsening. This is a situation where the debt-to-GDP ratio is actually strengthening every year that we have been here. The investments that we have made have been targeted at increasing the potential of Manitobans to be able to

earn income, build wealth and increase prosperity within the province.

Mr. Loewen: I would just, by way of ending my argument on that, indicate to the minister that when it comes to his spin or the statement from the Business Council of Manitoba that the No. 1 concern they have is the uncompetitive position that they are put in as a result of the taxes imposed upon them by the provincial government. I will take the word of the Business Council every day of the week. I think the minister would be wise to pay some attention to that.

Then he might not find himself in a situation where he has to wiggle and squirm and decide at the end of the day not to recognize over \$75 million in expenses just so he can avoid a 20 percent cut in pay.

I would also remind the minister that under his government the rainy day fund has fallen from \$427 million to \$106 million. That is an indication right there of the direction that they have taken the province in.

I would just ask the minister to confirm that he would expect the tax increases from changes in the corporate capital tax to still result in a net increase of \$13.5 million this year.

Mr. Selinger: The projections still hold. We have no reason to suggest otherwise at this stage. Quarterly reports will give an update on that.

I just have to mention to the member now that our legislative counsel is feeling some pressure to be in another place. So, if we want to start doing the line by line, he is giving me the hint that he would like to at least move on that fairly soon if you are willing to do that. We can come back after if you would like to continue the larger discussion. I know the member likes to make the best use of our staff resources, and I am getting a small lobby over here to get on with the main show.

The Acting Chairperson (Mr. Schellenberg): Any further speakers from the floor?

Mr. Loewen: I will not be very long, although I must say under the circumstances I am somewhat inclined to keep Legislative Counsel here, knowing what may be awaiting.

I just have one more quick question with regard to the increase in the retail sales tax, and then I think we can move on to the line by line and then come back, provided that, I know the member from River Heights has a number of questions, the minister will allow him to ask them as well and we will free up Legislative Counsel.

Will the minister confirm that it is still the estimate that the change in the provisions to the retail sales tax, primarily the inclusion of legal, accounting, architecture, engineering, security and private investigation services, will result in an increased revenue, he still believes, of a little over \$17 million this year and close to \$24 million in a full year?

Mr. Selinger: I have received no information that those projections are to be changed at this stage.

Mr. Loewen: Then we are prepared, and I would suggest that we go part by part. We are comfortable doing that to expedite the process, on the understanding that my colleague from River Heights will have the opportunity to pose questions to the minister after that.

The Acting Chairperson (Mr. Schellenberg): If there are no further questions, we will begin. We shall now proceed to consider Bill 54, The Budget Implementation and Tax Statutes Amendment Act, 2004, clause by clause.

Because of the length of the bill, is the committee agreeable to considering the bill in blocks of clauses to conform to the parts of the bill?
[Agreed]

Consideration of the table of contents and the enacting clause and title is postponed until all clauses have been considered in their proper order.

Clauses 1 to 8—pass; clauses 9 to 30—pass; clauses 31 to 42—pass; clauses 43 to 57—pass; clauses 58 to 61—pass; clauses 62 to 82—pass; clauses 83 to 101—pass; clauses 102 to 112—pass; clauses 113 to 122—pass; clauses 123 to 125—pass; table of contents—pass; enacting clause—pass.

The honourable Member for River Heights, you have the floor.

Hon. Jon Gerrard (River Heights): First of all, there are a number of issues around the implementation of the retail sales tax increases that the government is imposing. Is the government still planning to have those operative, I think it is July 1 or thereabouts?

Mr. Selinger: The short answer is yes, but our officials will be working closely with the organizations and individuals affected to assist in drafting a bulletin that gives as much clarity as possible and then working with them through the first quarter, et cetera, to make sure it is all up and running properly.

* (19:40)

Mr. Gerrard: I take that to mean that those bulletins are not yet drafted. I know that there was a whole series of issues that, for instance, the architects had, and certainly, when they were talking last night, one of the big issues had to do with whether, in fact, the government will start enforcing The Architects Act as it currently exists and making sure there is real good clarity so that there is not a situation where architects' activities are being done by other people without being taxed.

Mr. Selinger: The enforcement will be done in such a way that it recognizes the newness of some of these requirements. The bulletins are up on the Web site right now. They are out for consultation. Any feedback that our officials get will be taken into account in final fine-tuning of the bulletins and clarifications to make sure that under the application of the taxes it is as transparent as possible. A number of the issues that were raised through the architects last night have already been addressed in the allocation of tax in, for example, architects' services compared to, say, design services. The rule that will be followed, I believe, is that 30 percent of the architects' services will be considered taxable to recognize that a number of activities they engage in use design services. So design services will not be taxed to remain competitive with designers outside of architects' firms that do similar activities.

So that has been considered and those issues have been addressed. If there are any other issues that arise, they will continue to be addressed. As for the enforcement of The Architects Act, that is not the purview of the Minister of Finance. That is another

minister's, and that will be looked at as committed last night.

Mr. Gerrard: There was sort of a vague commitment in terms of how far the government was ready to go to make sure that The Architects Act was being enforced so that there would indeed be clarity of the situation and certainty that people were not going to be putting in bids, for example, that did not include architects when architects were needed, and so on. So I think certainly one would hope that the minister would provide a pretty strong reassurance that he will be working closely with his colleagues to straighten that out and get it much more certain than it is at present by July 1 when this will come into play. I would hope the minister would be ready to give that sort of assurance.

Mr. Selinger: As indicated last night, the process of the joint council between the architects and the engineers has been revitalized and there is a new chairperson. I believe it is a Mr. Dave Woody who, if I understand correctly, is the head of the schools of Architecture, City Planning, Interior Design, et cetera. There is a consolidated set of faculties out there, or schools, into one larger entity. I believe he is a very credible member, recommended by the engineers, but very credible to the architects to chair that joint council to sort out the relationships about who does what and what is appropriate, what the appropriate roles are. Our commitment on the retail sales tax is to apply it fairly to only those services done by architects, not done by other professionals.

Mr. Gerrard: My understanding from the presentation, for example, by I think it was Steve Cohlmeier, was that quite clearly one of the problems is that there is legislation now. There is interpretation by Judge Monnin and that the real problem is that the Province is enforcing the current legislation, and that is creating an uncertainty and unhappiness among the architects over the situation and that, rather than just tossing the ball back to the committee, there needs to be some provincial leadership in enforcing the existing status so that there will not be the kind of uncertainty there seems to be at the moment.

Is the minister, at least, going to commit to working with his colleagues to do that?

Mr. Selinger: Well, as I said, those acts, the act that the member refers to is under the responsibility and

jurisdiction of another minister. That minister, I thought, made a very clear commitment last night to meet with all the groups affected and to work with them to clarify their respective roles, and the joint council has been revitalized under the chairpersonship of a person who I believe is very credible to architects.

So our government will work on the commitments that were made last night to clarify this long-standing situation, and on the Finance side, which is the bill we have before us tonight, we will work with the respective professional groups to ensure as much clarity and transparency as possible to allow the implementation of these tax measures in a way that makes them as efficacious as possible.

Mr. Gerrard: The level of tax in Manitoba, and the minister has already spoken about, and there has been some discussion about, competitiveness among provinces, from one province to another, and key to that clearly is the extent of revenue that comes in through the equalization transfers, and with the current federal election going on, there is, I guess, a worst-case scenario that there might be a party elected which would impose a regime where the oil and gas revenues are not taken into account in terms of equalization. Just in terms of risk management, has the Minister of Finance looked at what the implications of that might be for the finances of Manitoba?

Mr. Selinger: Well again, I addressed that both in the public domain yesterday, and I think the member saw the story, I did not, I was here, and I addressed it as well in Question Period today. Yes, we have looked at the potential implications. It is still very much a hypothetical scenario. I am not prepared to get too deeply into the hypotheticals, but there are risks under a variety of different scenarios under there, including the current regime just re-legislated by the federal government that just took us into an election. So there are a number of concerns.

We have not gone to the 10-province standard yet, but the removal of non-renewable natural resources entirely from the formula would have some negative consequences for a number of provinces, but we the provinces are looking for a commitment from the next federal government to meet to discuss both stable health care funding as well as the fiscal imbalance issues, and we will be well prepared to

make what we think is a very strong case on the way equalization should be structured in the future.

Mr. Gerrard: Again, I would ask in understanding the risk management of the situation, that it is my understanding that the risk potentially could be as much as \$100 million in terms of transfer and that this, if it were fully implemented over several years, and of course the risk could be more over the longer term, depending very much on what happens with oil and gas revenues and oil and gas prices, which are of course high at the moment, so the situation here in terms of what happens with the potential for risk for the finances and the implications for taxes in Manitoba are potentially significant. It would seem to me important to have some estimate of that risk in terms of what would be the full implementation if, well, suppose for example, that over the last five years there had not been oil and gas revenues included, what would the situation be now in terms of the current transfer from the federal government?

Mr. Selinger: Well, I think the member needs to understand that under the current five-province formula, the oil and gas revenues of Alberta are not included currently, and that is one of the concerns. Because they are not included there is already a growing disparity between certain provinces and provinces that are resource-rich in oil and gas. That is one of the current problems. However, the five-province standard has been just passed again in legislation for another five years with some minor improvements to the formula, and so any new government would have to actually go back and undo that legislation to make any other changes.

I can tell the member, without getting too specific on the numbers, that the risk to us is not on the order of \$100 million a year. This risk is more along the lines of growing disparity over time depending on where the prices go. The member might have heard some of my comments last night where we sort of start having greater separation between the provinces in terms of their capacity to offer similar levels of service at similar levels of tax effort or tax rate.

So all the parties that have weighed in on equalization have said that nobody would be worse off through the transition phase of any proposed scheme they have. So one could, on the face of it, take that as an indication that there would not be any immediate loss of revenues. I think the scenario is

more along the lines of not being able to grow as rapidly, in terms of revenues, as some of the provinces that would have the natural resources by acts of God within their jurisdiction.

Mr. Gerrard: So, on the question, it would be on a five-year forward vision if the equalization changes were made that the lack of growth would be on the order of tens of millions rather than hundreds of millions? Is that what the minister is saying?

Mr. Selinger: I do not actually have exact numbers on that scenario, but a lot would depend on the value of those resources in the marketplace as the member correctly indicated. I think what I am trying to suggest is that the fundamentals would be wrong. It would miss the spirit and the intent of section 36 in the Constitution, that provinces should have the capacity to offer similar levels of service at similar levels of tax effort, and the withdrawal of natural resource revenues from the formula would undermine that specified purpose of equalization.

I am suggesting that the formula for equalization should not move in the opposite direction of the purpose of the program. The removal of nature resource revenue, I believe, would move the formula contrary to the purpose of the program. So the fundamentals, I think, have to be closely looked at. Now there may be other ways to offset that, though not immediately apparent. But, on the face of it, I think it has an outcome which is contrary to the purpose of the program.

* (19:50)

Mr. Gerrard: You saw the minister sort of nodding his head when we are talking about a potential for tens of millions of dollars of difference over several years, so it would clearly be advantageous in terms of making the case for the Province to know what those numbers are, and to be able to make the case effectively that that is not a very smart thing to be happening, and maybe it is a good time to be making the case at the moment because there is a national debate on this issue right now.

It would seem to me that a clearer public understanding of this issue would certainly be helpful, because what is being said out there now is, in essence, a national debate over where this program may be going. I think it is healthy that the minister was talking about it last night, but clearly something

now is the time to be engaged in a public debate, because now there is a major public debate going on.

So I think it would be important for the minister to have that assessment and to make the case and then, maybe being part of the public discussion would be pretty important in terms of where things go in the long run, because once people start making commitments and decisions without having that kind of knowledge then we can end up in a direction that you do not necessarily want to go. So I would urge the minister to do further assessments and to make those assessments public so that they can be part of a national debate on where we go in the long run for Manitoba and indeed for the country.

The issues in terms of transfers and the retail sales tax and how this retail sales tax is going to compare, its effect to other provinces, one of the issues that has been raised on a number of occasions has to do with the application of the retail sales tax both to firms working from inside of Manitoba and those working outside of Manitoba in equivalent fashion. I know the minister is aware of this because I have already raised it, but I would ask the minister for a little bit of an update on the analysis that has been done and the assurance that the minister is going to be able to carry through in applying this in a way that is fair and that does not put Manitoba firms at a disadvantage. I wonder if the minister would give us some clarification.

Mr. Selinger: There are already many taxes that are applied differentially within and outside the province, so this is nothing new. If two firms compete for a contract in the province and one is headquartered outside and one in, they both have to apply the tax. If two firms apply for a contract outside of Manitoba and one is headquartered in Manitoba and one is not and they both apply for a contract outside the province, neither has to apply the tax.

We will not be putting our firms at any competitive disadvantage either within our jurisdiction or outside of our jurisdiction. The rules will be applied equitably in those two circumstances, and we think that will be very helpful. It is not new. We do it in other forms of taxation. We have allocation rules for firms that do part of their business here and part of their business in other parts of the country. So this is not a new concept for

application, implementation and enforcement of tax law within Manitoba.

Mr. Gerrard: Just a couple of points of clarification here. If somebody does work here who is an architect and work here that is done as part of a project in building a structure somewhere else, would it from your description or from the minister's description not be taxed? That work that is done here would include or that is done elsewhere would include the accounting work, for example, presumably because of the changes and the complexities of the application of the tax, et cetera. When the local firm is doing the work out of province and gets the accounting work done because they are a local firm and they are in this case presumably employing a local accounting firm that there would be a 7% tax on those accounting services for a project done out of province.

Mr. Selinger: I would make the same point I just made. The determination will depend on where the activity is located. If the accounting firm and the architect firm are doing work on a project in another jurisdiction, they will not have to pay the PST as if they were in Manitoba. Contrary wise, if the outside firm is doing work here and sourcing accounting work from outside the province, they will have to pay the PST on the accounting work they incur within our jurisdiction to keep them on a level playing field with local operators.

So the rules will work in such a way that it is either "tax out," when it is outside of Manitoba or "tax in," inside of Manitoba, regardless of where the source of the work comes from.

Mr. Gerrard: I can see why some of the people who are involved in the application of the tax are complaining about the complexity of having to figure out—*[interjection]* Well, it is new in terms of the retail sales tax on architects and lawyers and engineers and private security people. If you have a local firm contracting for legal services and it is an architectural firm, but they are doing a project in New York, then those legal services, even though they are contracted to a local firm by a local firm, will still not be paying tax, because the eventual project downstream that we are dealing with is in New York, for example.

That, certainly, means that the legal firm now has some accounting work, and the accounting work

that is done for the legal firm that is done for the architectural activity for New York; that means that the accounting firm is going to have to separate, you know, down all the way.

Mr. Selinger: There are software programs and applications that allow firms to attribute or not attribute taxes on a project-specific basis. So we are not reinventing the wheel here. This is activity that has been dealt with similarly in other jurisdictions and we can learn from that experience.

The Acting Chairperson (Mr. Schellenberg): Order please. We will continue passing the clauses of this bill. Title—pass.

Is it the will of the committee that I report the bill?

Some Honourable Members: No.

Some Honourable Members: Yes.

Voice Vote

The Acting Chairperson (Mr. Schellenberg): All those in favour of reporting the bill, say yea.

Some Honourable Members: Yea.

The Acting Chairperson (Mr. Schellenberg): All those opposed to reporting the bill, say nay.

Some Honourable Members: Nay.

The Acting Chairperson (Mr. Schellenberg): In my opinion, the Yeas have it.

An Honourable Member: On division.

The Acting Chairperson (Mr. Schellenberg): Agreed. The bill will be reported, on division.

Committee rise. Call in the Speaker.

* (20:00)

IN SESSION

Committee Report

Bill 54—The Budget Implementation and Tax Statutes Amendment Act, 2004

Mr. Tom Nevakshonoff (Interlake): The Committee of the Whole has considered Bill 54, The

Budget Implementation and Tax Statutes Amendment Act, 2004, and reports the same without amendment.

I move, seconded by the Member for Fort Garry (Ms. Irvin-Ross), that the report of the Committee of the Whole be received.

The Acting Speaker (Mr. Schellenberg): It has been moved by the honourable Member for Interlake that the report of the Committee of the Whole be received.

Agreed? [*Agreed*]

CONCURRENCE AND THIRD READINGS

Bill 54—The Budget Implementation and Tax Statutes Amendment Act, 2004

Hon. Gord Mackintosh (Government House Leader): I move, seconded by the Minister of Finance (Mr. Selinger), that Bill 54, The Budget Implementation and Tax Statutes Amendment Act, 2004, reported from the Committee of the Whole be concurred in and be now read for a third time and passed.

Motion presented.

The Acting Speaker (Mr. Schellenberg): Is it the pleasure of the House to adopt the motion?

Some Honourable Members: Agreed.

Some Honourable Members: No.

Voice Vote

The Acting Speaker (Mr. Schellenberg): All those in favour of the motion, please say yea.

Some Honourable Members: Yea.

The Acting Speaker (Mr. Schellenberg): All those opposed, please say nay.

Some Honourable Members: Nay.

The Acting Speaker (Mr. Schellenberg): In my opinion, the Yeas have it.

I declare the motion carried.

An Honourable Member: On division.

\$899,110,000 for the fiscal year ending March 31, 2005.

The Acting Speaker (Mr. Schellenberg): On division.

Motion agreed to.

* (20:10)

* (20:20)

Mr. Speaker in the Chair

Tabling of Reports

Mr. Speaker: Order. I would like to table a Supplementary Report to the Legislative Assembly from the Commissioner for MLA Pay, Allowances and Retirement Benefits. I would also like to table the report of the Legislative Assembly Management Commission to the Legislative Assembly containing recommendations regarding the Supplementary Report for MLA Pay, Allowances and Retirement Benefits 2004. Copies will now be provided for all the members.

Mr. Selinger: Yes, Mr. Speaker, I move, seconded by the Minister of Justice, that there be granted to Her Majesty for the public service of the Province for the fiscal year ending the 31st day of March, 2005, out of the Consolidated Fund the sum of \$7,292,990,400 as set out in Part A, Operating Expenditure and \$140,591,900 as set out in Part B, Capital Investment of the Estimates.

Motion agreed to.

INTRODUCTION OF BILLS

Bill 52—The Appropriation Act, 2004

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, I move, seconded by the Minister of Justice (Mr. Mackintosh), that Bill 52, The Appropriation Act, 2004; Loi de 2004 portant affectation de crédits, be now read a first time and ordered for a second reading immediately.

Motion agreed to.

Committee Report

Mr. Conrad Santos (Chairperson): Mr. Speaker, the Committee of Supply has considered and adopted a motion regarding Concurrence of Supply.

Committee Report

I move, seconded by the honourable Member for Selkirk (Mr. Dewar), that the report of the committee be received.

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, I move, seconded by the Member for Russell (Mr. Derkach), WHEREAS all members of the Legislative Assembly agree that the supplementary report to the Legislative Assembly of Manitoba dated June 8, 2004, from the Commissioner for MLA Pay, Allowances and Retirement Benefits be accepted by the Assembly, and that, in consideration of the commissioner's strong recommendation that the Assembly remove the necessity for MLAs to vote directly on their own compensation levels, that The Legislative Assembly Act be amended to allow for the appointment by LAMC of an independent body or commissioner to determine MLA compensation levels without the necessity of further approval of the House.

Motion agreed to.

Hon. Gord Mackintosh (Government House Leader): I move, seconded by the honourable Minister of Finance (Mr. Selinger), that this House concur in the report of the Committee of Supply respecting concurrence in all supply resolutions relating to the Estimates of Expenditure for the fiscal year ending March 31, 2005.

Motion agreed to.

* * *

Hon. Greg Selinger (Minister of Finance): I move, seconded by the Minister of Justice (Mr. Mackintosh), that there be granted out of the Consolidated Fund for Capital purposes the sum of

THEREFORE BE IT RESOLVED that the Legislative Assembly accept the Supplementary Report to the Legislative Assembly of Manitoba

dated June 8, 2004, from the Commissioner for MLA Pay, Allowances and Retirement Benefits and recommend that legislation providing for the appointment of an independent body or commissioner proceed forthwith.

Motion agreed to.

SECOND READINGS

Bill 52—The Appropriation Act, 2004

Hon. Greg Selinger (Minister of Finance): I move, seconded by the Minister of Justice, that Bill 52, The Appropriation Act of 2004; Loi de 2004 portant affectation de crédits, be now read a second time and be referred to a committee of the whole.

Mr. Speaker: It has been moved by the honourable Minister of Finance, seconded by the honourable Attorney General, that Bill 52, The Appropriation Act of 2004, be now read a second time and be referred to a committee of the whole.

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

INTRODUCTION OF BILLS

Bill 51—The Loan Act, 2004

Hon. Greg Selinger (Minister of Finance): I move, seconded by the Minister of Justice (Mr. Mackintosh) that Bill 51, The Loan Act of 2004; Loi d'emprunt de 2004, be now read a first time and ordered for a second reading immediately.

Mr. Speaker: It has been moved by the honourable Minister of Finance, seconded by the honourable Attorney General, that Bill 51, The Loan Act of 2004, be now read a first time and be ordered for a second reading immediately.

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

SECOND READINGS

Bill 51—The Loan Act, 2004

Hon. Greg Selinger (Minister of Finance): I move, once again, seconded by the Minister of Justice, that Bill 51, The Loan Act, 2004; Loi d'emprunt de 2004, be now read a second time and be referred to a Committee of the Whole.

Mr. Speaker: It has been moved by the honourable Minister of Finance, seconded by the honourable Attorney General (Mr. Mackintosh), that Bill 51, The Loan Act, 2004, be now read a second time and be referred to Committee of the Whole.

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

The House will now resolve into Committee of the Whole to consider the report of the Capital Supply bill, The Loan Act and the Main Supply bill, The Appropriations Act, for concurrence and third reading.

COMMITTEE OF THE WHOLE

Mr. Chairperson (Conrad Santos): The Committee of the Whole will come to order to consider Bill 51, The Loan Act, 2004; and Bill 52, The Appropriation Act, 2004.

Bill 51—The Loan Act, 2004

Mr. Chairperson: Does the minister responsible for Bill 51 have an opening statement?

Hon. Greg Selinger (Minister of Finance): No.

Mr. Chairperson: We thank the honourable minister.

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

An Honourable Member: No.

Mr. Chairperson: We thank the honourable member.

During the consideration of a bill, the enacting clause, the schedule and the title are postponed until

all other clauses have been considered in their proper order.

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

We shall proceed to consider Bill 51, The Loan Act, clause by clause.

Clauses 1 and 2—pass; clauses 3 thru 5—pass; clauses 6 and 7—pass; schedule A—pass; schedule B—pass; enacting clause—pass; title—pass. Bill be reported.

* (20:30)

Bill 52—The Appropriation Act, 2004

Mr. Chairperson: We shall now proceed to consider Bill 52, The Appropriation Act, 2004, clause by clause.

Does the minister responsible for Bill 52 have an opening statement?

Hon. Greg Selinger (Minister of Finance): No.

Mr. Chairperson: We thank the honourable minister.

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

An Honourable Member: No.

Mr. Chairperson: We thank the honourable member.

We will postpone consideration of the schedule, the enacting clause, and the title until all the clauses have been considered in their proper order.

Shall we again proceed in blocks of clauses that conform to the pages of the bill, but we will stop at any clause where members have comments, questions or amendments to propose?

Is that agreed? *[Agreed]*

Clause 1—pass; clauses 2 thru 4—pass; schedule A—pass; schedule B—pass; enacting clause—pass; preamble—pass; title—pass. Bill as reported.

Committee rise. Call in the Speaker.

IN SESSION

Committee Report

Mr. Conrad Santos (Chairperson): Mr. Speaker, the Committee of the Whole had considered Bill 51, The Loan Act, 2004, and Bill 52, The Appropriation Act, 2004, and reports the same agreed without amendment.

I move, seconded by the Member for Selkirk (Mr. Dewar), that the report of the Committee of the Whole be received.

Motion agreed to.

CONCURRENCE AND THIRD READINGS

Bill 51—The Loan Act, 2004

Hon. Gord Mackintosh (Minister of Justice and Attorney General): I move, seconded by the Minister of Finance (Mr. Selinger), that Bill 51, The Loan Act, 2004, reported from the Committee of the Whole, be concurred in and be now read for a third time and passed.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Honourable Members: Agreed

Some Honourable Members: No.

Voice Vote

Mr. Speaker: All those in favour of the motion, please say yea.

Some Honourable Members: Yea.

Mr. Speaker: All those opposed to the motion, please say nay.

Some Honourable Members: Nay.

Mr. Speaker: In my opinion, the Yeas have it.

Some Honourable Members: On division.

Mr. Speaker: On division.

* (20:40)

Bill 52—The Appropriation Act, 2004

Hon. Gord Mackintosh (Government House Leader): I move, seconded by the Minister of Finance (Mr. Selinger), that Bill 52, The Appropriation Act, 2004, reported from the Committee of the Whole, be concurred in and be now read for a third time and passed.

Motion presented.

Hon. Jon Gerrard (River Heights): I rise to make a few comments on the session that we are about to complete. This began after a few preliminary days in March with the budget, a budget which was marked particularly by an increase in the Pharmacare deductible, a tax on the people who are sick and cannot afford it. There are far better ways to sort out and manage health care than to tax the people who are sick. What kind of an NDP government is this that has gone out and raised effective taxes on the people who are sick.

We then had a tax of 7 percent on lawyers' services, engineers' services, accountants, security personnel and private investigators. Well, from an NDP prospective, these guys are the rich guys making money, so you would expect this perhaps, but the reality is that in most of the circumstances when you are putting a tax on lawyers' services what happens is that it is a tax on the mother who needs to get her allowance from maintenance support, because she needs legal services.

So we have an NDP government taxing single mothers needing legal services to get maintenance support, an NDP government putting a tax on basic justice, putting a tax on human rights. People who need legal services to get human rights and justice now are taxed and taxed and taxed another 7 percent.

The government has claimed that all this was revenue-neutral. That was a claim. We are not sure. We do not really believe them. But the reality is that we are now learning that they may never actually account, so we may never really know, but we are sure going to try and find out, because they sure need to be held to account.

When it comes to health care, a basic and fundamental need for people in Manitoba, we have a government which has continued to provide poor management. This was exemplified by their

approach to the diagnosis and treatment of sleep disorders. People who have sleep disorders which are not properly diagnosed and treated get heart attacks, strokes, respiratory problems, heart failure, all sorts of medical problems, hospitalizations, extra costs, deaths. All these things are happening because of poor management, access, lack of access to quick sleep diagnosis testing, and higher medical costs as a result.

More and more medical errors are becoming apparent, and one of the major problems here is that we found out this session that this government is not even adequately measuring the number of medical errors in Manitoba. How can you manage the system if you do not even measure the problems? There are lots of them. Poor management, once again.

When it comes to education, there was an opportunity here to really make the changes that are needed in education funding. But, what did they do? Just some minor little tinkering here and there. They do not want to change the substantive things. They do not want to move from the old Tory pattern to decrease provincial funding from 72 percent to 62 percent. The NDP are just continuing the Tory pattern. They have taken it down from 62 percent to 61 percent to 60 percent to 59 percent to 58 percent to 57 percent, 56 percent, and it is going down and down. That is an NDP government for you—away from provincial funding, more and higher education taxes locally. What a government full of problems. They are not able to tackle the really fundamental issues.

** (20:50)*

We are pleased that they did, at least, move to make the gas tax accountable, so that we should have a better accountability. We need a level of independence. They still want to politicize it, but there is a little bit of a step.

One of the major problems that we have is democratic accountability. We have argued that there is a need for at least 80 days of Question Period, at least 80 days of legislative sitting, at least 80 days of accountability right here in this Chamber without the kind of escape talent, Houdini talent, for escaping from the Legislature that the NDP have shown a talent for. The almost amazing thing was that two days ago they sucked in the Tories, and the Tories seconded a bill to cut us off on debating. *[interjection]*

No, they moved it. They moved the closure, closure on debate to shut down the Legislature, to make sure that we did not sit any more than 59 days this year, only 59 days this year. Oh, goodness, this was the NDP and the Tories conniving, conniving to reduce democracy. Oh, what a shame, what a terrible shame, and already we have problems.

Within a day or so of having this happen, we had 75 letters talking about the government ramming through, fast-tracking, not giving people enough time to get to present, to make sure their case, the government not consulting on one issue after another causing divisions. There are problems in this government. There is no doubt about that.

One of the things when you do not have enough time and enough days in Question Period, ministers like the Minister of Conservation (Mr. Struthers) fail to answer simple questions like, "What is the process for reporting a bear that you shoot in self-defence?"

Day after day the Minister of Conservation stonewalled. He did not provide an answer. All these poor people who shoot bears, the people who shoot bears in self-defence do not know what to do. Oh, my goodness. The Minister of Conservation cannot even give advice. People in their cabins or out in the woods or in their gardens, attacked by a bear and they shoot in self-defence, and they do not know what to do, because the Minister of Conservation was unable to give them straightforward advice here in the Legislature. Oh, what a terrible shame.

Well, that is what happens when you do not have enough time in Question Period to hold people properly to account. They try and obscure the issues. They try and avoid the questions. They give people a tough, tough time.

You know, there are, of course, some MLAs who are afraid and scared of every bear that they see. Most of us who have done a little bit of canoeing, spend a little bit of time in the wilderness, know that if there is a bear around and you want to shoo it away, you bang a couple of sauce pans together and the bear does not particularly like the noise. You do not have to get out a gun and shoot it just to prove how macho you are, but the Minister of Conservation cannot even get a good story straight in terms of advising people how to deal with bears that they feel threatened by. That, I think, Mr. Speaker, is going to be one of the things that we will remember this

session for, a government which failed even to give us the bear facts.

This is a government which started out with a budget raising taxes which claimed they were revenue neutral and is going to hide things so we may never know, a government which brought in a series of bills, tried to force unionization in the floodway, tried to change all sorts of things and has backtracked a little bit, has realized that on labour legislation, on Bill 44, they had to make changes because they had made a mistake. What we are going to see, I predict, in the next session is that they are going to continue backtracking because they realize they are making more and more mistakes. We will continue to ask for the facts and we will continue to demand more time in Question Period and have more accountability and better democracy.

Mr. Stuart Murray (Leader of the Official Opposition): I, too, would like to stand and say a few words on the record as we draw the session to a close. I would like to thank the honourable Liberal leader, the member from River Heights for his wise words of wisdom.

I also, Mr. Speaker, on a serious note, would like to just start off by saying that we passed in this Legislature a very historic bill. It was Bill 21. We are all aware of it. It was unanimously passed. I think that it was an unusual thing. I would like to not only congratulate the member from Carman who came forward with an idea that, as he said very eloquently, was not exactly received with open arms, but eventually he and others convinced this Legislature that it was the right thing to do.

I would like to, at the same time, Mr. Speaker, just because I think it is historic, read into the record the pages that were involved in this session because I think it was important that they also experienced a bit of history. So Ashley Lavallee, Kyle Burkett, Rhiannon Kuzmin, Nikki Kipin, Carson Stoney, Valene Bertrand, Stephanie Mulaire and Frankie Sarson, those are the pages that I think, as they take their experiences away from this session, can say, "Yes, we remember that historic time when all of the members of the Legislature stood and supported unanimously a bill because it was one of the best bills that this province has ever seen." I think the member from Carman deserves credit. I think all of

us in this Chamber should acknowledge him for what he did.

Well, Mr. Speaker, I would like to also acknowledge the fact that what we saw in this session was a budget that was brought in by the Doer government. Of course, what was not surprising is when it got down to agriculture there was one whole line mentioned in the budget about agriculture. That was that the Doer government was going to stand beside our cattle producers in tough times. I have talked to a lot of cattle producers and, of course, with the budget, we know that it was the fourth consecutive deficit budget that was brought into the Province of Manitoba. In many respects it is unfortunate because it was the Doer government that basically was blaming the cattle producers for running a deficit.

* (21:00)

A lot of the cattle producers said, "Why are we being blamed because of the fact that this government cannot manage their own finances?" I know that what happened, what we saw in agriculture, the complete abandonment of agriculture in our rural economy, was that in the absence of one of the Premier's ministers leaving, what did we see? All of that Cabinet minister's responsibility that was left, where did they get heaped on? Onto the Minister of Agriculture (Ms. Wowchuk), who was barely being able to keep up with all of the challenges that we saw in agriculture.

So I think what we have seen was this government abandoning rural Manitoba, abandoning agriculture. Then, when we questioned the Minister of Agriculture, what was fascinating was that the Minister of Agriculture decided that, when times are really tough in Manitoba, when times are tough on the farm, when times are tough for agriculture, what should you do? Well, get off the farm and get a job. That was what was told to us by the Minister of Agriculture, but it gets better. The Minister of Agriculture said, "Well, get that job. You know what? You can go and work on the floodway because that way at least we know how we can unionize you."

That was what we heard from the Minister of Agriculture with respect to how to deal with this BSE crisis with respect to the economy. Well, I know that this comes as no surprise to members on

this side of the House because we never ever, ever hear from this Premier or from this Minister of Finance (Mr. Selinger) that Manitoba can be a have province. We never hear that muttered from this government, because the way that they do budgeting on that side is they basically do about 80 percent of the budgeting, and then they all join around the Cabinet table and hold hands and cross fingers and say, "Oh, I hope we get a lot of federal transfer payments; Oh, I hope the federal transfer payments are up because then maybe we might be able to afford all of these programs."

That is the kind of government that we see under the Doer government. Mr. Speaker, it is about a credibility gap. This Premier, before this budget came in, said, "I was not elected to raise taxes, I will not be raising taxes." Well, that is a nose-stretcher because what happened? He brought in \$90 million of new taxes and user fees. Can you imagine? After saying "I was not elected to raise taxes," \$90 million worth of taxes?

Then, of course, we noticed that there was a group of entrepreneurs that were doing quite well in the province of Manitoba. What are we going to do? We are going to throw a 7% entrepreneurial tax onto those people, because they should be punished because they are entrepreneurs. We are going to throw a 7% sales tax on the architects, on the engineers, on the lawyers, on the accountants.

But wait a minute, hang on for a second here, we are going to make a slight change. If you are a lawyer and you are working on behalf of a collective bargaining unit, you are exempt. No 7% for you, you are exempt, a free ride for that lawyer. We know that the tax-supported debt under this Doer government has gone up by over a billion dollars. That is a shame. That is this Premier offloading on future generations his spending problem.

We note that what we were hoping to see in this budget was some kind of long-term strategy. The Doer government's long-term economic strategy is pretty clear. It is let us add more VLTs and then let us increase the hours. Then, by the way, let us make sure that we get the Cadillac of VLTs and spend a hundred million bucks, because that is what our economic strategy is about. I say, shame on them, that is not a long-term economic strategy. The fact of life is that this Premier has seen \$1.5 billion of new revenue come into the Province of Manitoba, \$1.5

billion of new revenue and where has it gone? Where has it gone? We all know one thing, we all know that this Premier does not have a revenue problem. No, sir. This Premier has a spending habit.

It is very interesting to note that under his leadership they put a casino into The Pas. I can only say that, under the NDP, only under the NDP, could a casino lose money. But that is the kind of long-term economic strategy that we have seen from this government.

In health care, well, I just said there was \$1.5 billion of new revenue. You would think that that would be adequate. We know that they have put a billion dollars into health care, and what have we seen? I think it is important, and I think anybody who is the leader of a political party and becomes the Premier, and certainly the previous government demonstrated the kind of leadership that this Premier could only hope for, and that is that around the Cabinet table you make tough decisions on your government to make life a little easier for those in our society that perhaps do not have as much, or they are seniors or they are disabled.

What did we see? This government shoved another 5% deductible increase on Pharmacare, the third time in a row, 15%. So rather than the Cabinet ministers making tough decisions, they decided they would offload all of those tough decisions onto the seniors and the disabled. Now those seniors have to make a decision between milk and medicine. I say, shame on this Doer government.

The member from Charleswood has reminded us in this House numerous times when she asked the Minister of Health (Mr. Chomiak). We have seen a billion dollars of new revenue come into the province, or 1.5, I should say. A billion dollars more has gone into health care.

Well, I ask you, for the increase of a billion dollars, have we seen more full-time nurses? No. Have we seen shorter waiting lists? No. Have we seen more doctors in rural Manitoba? No. Has Grafton closed? No. What we have seen in this province under this Doer government is a billion dollars put into health care. The Winnipeg Regional Health Authority is running a deficit, and now they are going to have to make a decision. Now they are going to have to decide. Do they close 100 beds, do they continue to run a deficit or do they start cutting

surgeries? These are serious questions that this Minister of Health is unable to answer, because he does not have a clue. In his own words, he has no grand scheme for health care in Manitoba.

We saw some tragedy during this session; some very, very sad things happened. We saw, under the Minister of Family Services (Ms. Melnick), the tragedy of a 16-month-old baby dying. We asked some very serious, straightforward questions on the Minister of Family Services and there were no answers coming. We wanted an inquest on a specific issue, an inquiry into the department. Why? Because of the inactivity of that minister. It is very clear that there is chaos in that department and that is what we saw in this session. We saw a gag order being put on a minister, unprecedented, in a very serious, serious issue.

We heard the fact that when the current Premier (Mr. Doer), when he was Leader of the Opposition, when there were 30 children in a hotel, Mr. Speaker, that was a scandal. That was a scandal according to this First Minister. When we asked, under the Doer government, how many children are being warehoused in hotels, we were given an answer that clearly was misleading. They said, well, it is less than when you were in government. Well, the facts speak for themselves. The facts speak for themselves and there are more children being warehoused by the Doer government because the minister has her department in chaos. We say that that is a very serious, serious issue.

Mr. Speaker, when it comes to labour, normally in Manitoba my experience in business is that architects and engineers work hand in hand. That is the norm. They work together, but under this Minister of Labour (Ms. Allan), they are at each others' throats. That is not the way it should be. That surely is not called making positive business statements in the province of Manitoba.

Mr. Speaker, when it comes to education, in education we have seen funding, as a percentage, at its lowest in history, 57 percent of the funding of education comes from the provincial government, 43 percent is being forced upon the school trustees to raise the taxes.

* (21:10)

Mr. Speaker, what was interesting is that this Premier put together a study group that for two years

went around the province, looked at different models of how to fund education and what happened? Well, we got a report that said we know how you can fund education, you raise the provincial sales tax by one cent.

Well, Mr. Speaker, just as fast as he could call a by-election in Minto he jumped up in his place and said, "No. We are not doing that. That is not on. That is not going to take place." But there is no plan whatsoever in how we are going to fund education. We understand there is \$100 million of new money. Where is it? Where did the hundred million dollars go? Where is it at?

Mr. Speaker, on the issue of the expansion of the floodway, I can tell you that this Premier has a slogan on the floodway. That slogan is simply this: No union left behind. That is the slogan on the floodway. We know full well that this Premier has taken a report in. We have been on the record. We have said very clearly we should get on with building the expansion of the floodway. We know full well it was a Progressive Conservative Premier that built the original floodway. So we want to get on with building the floodway but the bungling of the Doer government on a very, very important project in Manitoba has been unprecedented. It has been unprecedented.

Instead of simply working with the non-unionized companies and saying to them, we are concerned about having a strike or a lockout because we want to make sure the floodway gets built on time, I was delighted, Mr. Speaker, to remind the First Minister, the Premier that non-unionized companies do not go on strike but that is another issue, apparently, all we said is, if you want to build the floodway, you want to ensure that there is no strike or no lockout, you simply put it into the agreement, but the bungling of the Doer government made Wally Fox-Decent have to come forward to try to rescue a very, very difficult position that between the Premier (Mr. Doer) and the Minister of Water Stewardship (Mr. Ashton), they found themselves at sixes and nines. They could not figure out exactly what the process was.

So, Mr. Speaker, Wally Fox-Decent has come in and he has made recommendations. Now we have said very clearly we support no-strike and no-lockout. We support training and education. Why? Because the non-unionized companies, the 95

percent of the heavy construction industry do that anyway. That is what they do. They are proud of it.

Those are the same companies that built the Z-dike on time and on budget. They deserve the opportunity to bid and be part of this floodway expansion project and not be forced to pay union dues and be given a seat at the bargaining table, Mr. Speaker. That would be the right thing to do, but this Premier sees it differently.

I would say that what we are seeing with the other issue of the \$66 million that is being flowed to his union buddies, well, we find that absolutely beyond reproach; \$66 million of non-tendered contract we think is absolutely unacceptable and should not take place.

What we have heard from the companies, the construction industry, is they said \$66 million or 10 percent of the entire budget is a sham. It is an adscam. That is what we are hearing from them. They know full well it is flowing money through a backdoor to their union bosses. We are opposed to that as well.

I would like to just make comment on the fact that on this side of the House, we were very proud, I know the member from Springfield was very proud to rise in this House and bring in The Pension Freedom Act, because we believe that pensioners have the ability to manage their own affairs. We do not think that they have to have a Big Brother watching over them.

As one of the members from the opposite side said, "Oh, my goodness, if they have a little extra cash, you know, they're going to go out and buy a cottage." They are going to buy a cottage. Can you imagine the horror of a grandchild getting a call from a grandparent saying, "I would like to invite you out to my cottage," the horror of all of that, the horror for the children that their grandparents should be able to buy a cottage.

At any rate, we were also very, very proud on this side. The Member for Southdale (Mr. Reimer) was delighted to bring in The Seniors' Property Tax Deferment Act. We believe that it is the right thing to do. I know that members opposite have made mention that it was done before. Well, as the honourable member said, just enact it. If it is so

good, just enact it. We believe in supporting our seniors because we think it is important.

The last comment is that Bill 211, the veterans licence plate bill, the member from Interlake was—*[interjection]* Lakeside. I am sorry. I apologize. The member from Lakeside. We will be talking about Interlake after the next election campaign, but the member from Lakeside, we were proud that he brought in a bill, particularly on the 60th anniversary of D-day.

We thought it was appropriate to recognize those veterans that fought so that we ourselves would have the kind of freedom that we believe is so precious to all of us. We thought that it was important to bring forward a private member's bill that would recognize those veterans and allow them to have poppies on their licence plate.

We believe that during this session we have seen some very, very interesting things from this government. We have seen their true colours when it comes to forcing non-unionized workers to pay union dues. We have seen their disregard for business with respect to having seats at a bargaining table. We have seen this government basically say to seniors, "We don't trust you. We don't have the ability to trust you with your own money."

We have seen the government say to veterans, "Well, we're not sure. We're going to have to look at some things whether we can do this, allow you to have a poppy on your plate." Particularly during the 60th anniversary, we hope that they do the right thing.

I am delighted that during this Thirty-eighth Session that members on this side of the House have brought forward some very meaningful legislation. They are trying to make a difference. We will make a difference in Manitoba. I can tell you that we look forward not only to getting out and talking to Manitobans this summer about why this government is forcing non-unionized workers to pay union dues and why they are excluding people from the bargaining table.

We look forward to when this government brings us back in November. If you think we have had a good session now, you wait until November. Thank you very much.

Some Honourable Members: More, more.

Hon. Gary Doer (Premier): Thank you. Sit down, it is okay. I am actually, how can I say, I am humbled by the experience. *[interjection]*

Mr. Speaker: Order.

* (21:20)

Mr. Doer: Mr. Speaker, I first of all would like to stand today and congratulate His Honour and Her Honour, our Lieutenant-Governor and his lovely spouse. They have travelled this province on behalf of Manitobans over the last five years. He has and she has conducted herself, I believe, with dignity and honoured the job as Her Majesty's representative, and all members of this Legislature owe Their Honours a testimony of thanks for their great work on our behalf. We would like to thank them.

I would also like to pay tribute to the veterans that survived the battle of Europe, the Battle of Normandy. It is still the 60th anniversary of that battle. We still have many families that have lost their loved ones in terms of the ultimate sacrifice for democracy and freedom. I think it was a real privilege for Manitoba and for all of us to have asked Duff Roblin to represent Manitobans. I know it was a very, very interesting mission, if you will, and quite different from the first time he was on the beaches of the French coast. He did indicate to me prior to the formal announcement that, in fact, the last time he had been to Beny-sur-Mer, he was, in fact, there while they were burying his colleagues from the Air Force that had fought in that battle.

So we pay tribute to Duff Roblin and all the veterans that survived and all the veterans who gave their life for Canada, for democracy. I think it is very fitting that we pay tribute today.

The Legislature has passed a lot of good pieces of legislation, and I want to say it was unfortunate, we were having the change of command, that I missed the speech of the member from Carman. But I want to thank him and all members of the all-party committee who listened to a wide array of views, who came forward with an all-party task force report, who provided us with the framework to proceed with the first provincial workplace smoking ban in Canada.

Congratulations to everybody in this Chamber. It shows us what we can do together when we commit ourselves to working together. That is what this Legislature should be all about more often, I believe, and there is the example of it.

I also want to say that we have had some major announcements made in our community in the last couple of weeks, and the last couple of years. This summer, the beginnings of the 2PPCLI troops will be moving to Shilo, Manitoba. When the report came out in the summer of 1999, it was a very, very strong recommendation to have those troops relocated to Alberta. This House has gone through the loss of the air base at Portage, the Air Command at the 17th Wing. It has gone through other losses of military investments in this province, and I think it is important that we work together and provide the leadership to keep the 2PPCLI in Manitoba. That is, again, what we can do together when we work as all members of the Legislature.

Just this last couple of weeks we, after a great deal of lobbying and competition, were just able to secure confirmation that the command and control of the Emergency Measures in Canada will be co-located at the Level 4 lab which is located in Winnipeg, Manitoba, Canada. The CDC North will be located here in Manitoba. Again, I want to say to all of the individuals who were involved in the business community and in the government sector and in the scientific community, with leadership like Doctor Plummer and Doctor Glavin, the two best microbiologists literally in Canada, with the work of the business community when we were meeting with the Prime Minister, again, when Manitobans work together they achieve great results together. I want to congratulate the people who were involved in this.

Now, Mr. Speaker, there is a positive mood in the province altogether. There are challenges. There are challenges in terms of agricultural income last year in the BSE crisis that continues this year. *[interjection]* As I said, there is a very serious situation in the agricultural economy with the reductions in income last year and the continuation of the BSE crisis. The border is still closed to live animals and, again, we have to continue, even into next week when the World Meat Congress is in Winnipeg and representatives from all agricultural economies are here in this province, to get those borders open. People, basically, have to believe in free trade and practise free trade, and that means

opening borders for livestock. We certainly believe that that should happen.

Having said that, Mr. Speaker, why are people in a more positive mood today than they were four years ago?

Some Honourable Members: Oh, oh.

Mr. Doer: I know they do not like the facts, Mr. Speaker, but the bottom line—

An Honourable Member: You are not going to get your endorsement, you know.

Mr. Speaker: Order.

Mr. Doer: Mrs. Happy has spoken again. She is such a happy person, Mr. Speaker, such a happy, gregarious individual.

Mr. Speaker, over the last four years incomes are up 5.5 percent over inflation. In the 1990s, income was 4.4 percent below inflation. That is why I thought it was rather interesting yesterday, I was listening to a few speeches from members opposite. What was their biggest complaint? Their biggest complaint was there is so much new housing going in in their constituencies that the schools need to be expanded in their areas. We were getting complaints about a growing economy. Shame on us. Shame on us. We have had a 14 percent—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: Mr. Speaker, there has been a 14-year high in terms of new housing starts in Manitoba over the last year. A 14-year high and that is why the only criticism we can get is build more schools quicker because the population is growing. We will deal with that growing population because we have a strategy to grow the population and we have a strategy to deal with the housing and the school programs that come with it.

Mr. Speaker, this week alone, there have been three separate reports talking about the strong state of the Manitoba economy. Canada West Foundation has just come out and stated that Manitoba has the best immigration policy anywhere in western Canada. The program that we initiated is working and working for the people of Manitoba.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: Secondly, Mr. Speaker, the Royal Bank of Canada has predicted Manitoba will have the highest growth of any province in Canada in terms of economic activity and, thirdly, there was an Ernst & Young report that talked about the biotechnology—I know it is biotechnology. It is a new science. It is something new. It is something that was not even known by members opposite. It is new foods, new medicines, new technology, bioterrorism. It is biotechnology and bioscience. The largest increase in Canada in terms of economic growth in biotechnology is taking place in Manitoba with this government.

Members opposite—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: Mr. Speaker—

Some Honourable Members: Oh, oh.

* (21:30)

Mr. Speaker: Order.

Mr. Doer: Thank you, Mr. Speaker. Members opposite are a little cocky tonight, but I remember the same speech in the year 2000, at the end of the session. Oh, this is going to be a one-term government. Oh, you only have two more years, only three more years. What are they saying today? *[interjection]* They should be very careful. They should always be very careful to predict what the public will do. The public will never vote for the negative nabobs that are across the way. They will only vote for positive people with positive ideas.

Mr. Speaker—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: I thank you, Mr. Speaker. There was a leader a few years ago that had talked about working with an adult daycare centre. I think today it is pretty

appropriate for members opposite. Not all members opposite, but just some members, just some members, and we will make sure their mittens are tied together. When November comes around, we will get a new set of mittens for the member opposite, so he can stay in line, something that is a novel idea for the member opposite, but I digress.

Mr. Speaker, again this week a new independent report, the CIHI report talked about one of the best survival rates in cardiac surgery was here in Manitoba and they talked about the great innovation of the neurosurgical program at the Health Sciences Centre, the first gamma knife in Canada located here, neurosurgeons returning to Manitoba. That is the kind of innovation we see from our Minister of Health (Mr. Chomiak), day in, day out and that is why the people support the programs we are putting in.

Mr. Speaker, the Liberals have said that they support The Gas Tax Accountability Act. Is this not rather ironic? Was it not the federal Liberals that said they were going to abolish the GST if they were elected in the red book, One? Are the Liberals not the ones who take \$165 million out of gas tax per year out of the highways and roads here in Manitoba? Is it not the Liberals who give us the crumbs off the table back here in Manitoba? We need a federal gas tax accountability act. We should pass one today for the federal government.

The Liberals are on both sides of every issue. Oh, they are in favour of the arena, they are opposed to the arena. They have one position on the floodway in Selkirk, another position on the floodway in Winnipeg. But I thought the real issue this week, and the member opposite talked about the House rules, the members opposite signed agreements with the other two political parties to organize the schedule of the Legislature to be predictable. What did they do? Sign it with disappearing ink? How dare they now criticize something that they had signed? I was shocked when the Member for Inkster (Mr. Lamoureux) decided to move adjournment two days earlier. You want to work less hours in this Legislature, that is the Legislative record that we will talk about around the cities and province of Manitoba.

The Tories, again, extremist and alarmist. Oh, the sky is falling, the sky is falling. We are going to amend the balanced-budget legislation. We are going

to bring in forced unionization. Last year we were wrong not to support the war in Iraq. Oh, we were wrong on supporting Kyoto. They are extremists, extremists and extremists. And the biggest extremist is the Leader of the Opposition (Mr. Murray), who is now getting further and further out into the extreme right-wings of Manitoba. You will listen to any Manitoba leader, extremists will never, ever, ever govern in the province of Manitoba, that I promise you, that I promise you.

Mr. Speaker, members opposite, the leader talked about bungling of the floodway. Manitobans believe in a no-strike-or-lock-out provision. They want predictability. But you know, I want to talk about the floodway and the floodway usage. In 1992 and 1993, \$150 million of basement damage because the floodway was not operated. We operated it in 2002 and again today. We operated it today because it was the right decision for the majority of Manitobans. We also provided full compensation to any victim. We did not have a deductible. We did not have a cap. We provided full compensation, and I am pleased that our legislation, in law, provides what members opposite would not give in 1997, when people were affected by the Red River Valley. That is the principle under which we are operating. Members opposite did bungle the use of the floodway by not operating the floodway in the early 1990s. That is why \$150-million worth of damage was created. We are taking a different, more enlightened approach to management of that floodway into the future.

We are a government for all the people. Next week we will be going to Garden Hill, or the week after, to open the first dialysis unit in an Aboriginal community, to have more people have those medical services in their own community.

Next week we will have the ship sailing on Lake Winnipeg, taking tests to help us clean up the lake. *[interjection]* Well, you want to talk about casinos, you better talk to the Member for River East (Mrs. Mitchelson). She opened two of them, expanded two of them. She is the queen of casinos. Members opposite should know that.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. The honourable First Minister has the floor. We need to be able to hear whoever has the floor.

Mr. Doer: Mr. Speaker, next week we will be opening the first MRI outside of the city of Winnipeg. Members opposite talk a good line about the whole issue of rural services. We are expanding the Brandon General Hospital and we are putting the first MRI machine in that hospital. That follows upon a CAT scan in Brandon, a CAT scan in Selkirk, Steinbach, The Pas, Thompson. We practise rural services. Members opposite cut rural services when they were in office.

We will be going to Gimli to take the third stage of the Gimli regional hospital: outpatients, day surgery, seniors' programs, wellness programs; a fine program for the people of Interlake. That is why the Gimli representative is on the government side, rather than on the opposition side.

We will have many announcements to make on energy and renewable energy. There was an article last week in the *Toronto Star*, there was an article in *The Guardian* of London talking about the leadership on renewable energy is located in Winnipeg, Manitoba, Canada. We are proud of that, Mr. Speaker, we are very proud of it.

I also want to say that we are proud of the work that we are doing in agriculture and we are going to work strenuously to have slaughter capacity go from—

Some Honourable Members: Oh, oh.

* (21:40)

Mr. Speaker: Order.

Mr. Doer: Mr. Speaker, we are going to go from 19 000 cattle that are finished in this province to many more under the efforts of a Minister of Agriculture (Ms. Wowchuk) who has had to take on extra responsibilities. She is our Deputy Premier, our Minister of Agriculture. She is a great minister in this government and the shots members took, I think, were very, very inappropriate to the quality and stamina of the member of Swan River. I want to publicly thank her for the hundreds of meetings she went to, to deal first-hand with the situation and agricultural producers. It is a tough job in any province, whether it is Alberta, Saskatchewan or Manitoba after May 20, and this House owes her a vote of thanks. I want to thank the member again.

Members opposite are very critical about Family Services. We are proud of the fact that this minister was the one who ended the Tory clawback on the child poverty benefit in Canada, ended the clawback, Mr. Speaker. Thousands of kids and children now will have greater economic—

An Honourable Member: If they live.

Mr. Doer: You know, Mr. Speaker, I have to say to members opposite and they may not know this, but year after year after year there were tragedies with children in the 1990s. There were tragedies in Family Services and we never, ever, once, personalized it with a minister. That is why members opposite should realize cheap shots will not work.

We have raised the minimum wage and again into the future we will be asking members opposite to join us in our all-party committee to talk about healthy living with our kids and our children, in not only the traditional communities but the Aboriginal communities, because we believe a child is a child is a child. That is why the Healthy Baby program under our government applies to every baby born in Manitoba and we will have our Healthy Child work in every community in Manitoba, First Nations communities and non-First Nations communities, because that is the kind of inclusive government that we are.

Mr. Speaker, I want to close by paying tribute to the three members of the Legislature that passed away during the last year: June Westbury, Peter Burtiak and Izzy Asper. I think we all know they made a tremendous difference to the people of Manitoba. They were all can-do people working as hard as they could from three different political parties, or two different parties, rather, for the people of Manitoba.

An Honourable Member: Jim Penner.

Mr. Doer: Oh, I am sorry, we spoke on him at the last session, but I will mention him as well, and Jim Penner as well that we spoke about at the last session, a very, very dignified individual. Mr. Speaker, they have all provided a service to the people of Manitoba, and I want to close this speech by honouring those who have contributed so much through their work, through their efforts on behalf of democracy. Thank you very much.

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

INTRODUCTION OF BILLS

Bill 55—The Legislative Assembly Amendment Act (3)

Hon. Gord Mackintosh (Government House Leader): By leave, I move, seconded by the Member for Russell (Mr. Derkach), that Bill 55, The Legislative Assembly Amendment Act (3), be now read a first time.

Mr. Speaker: Is there leave to move this motion? *[Agreed]*

It has been moved by the honourable Government House Leader, seconded by the honourable Member for Russell, that Bill 55, The Legislative Assembly Amendment Act (3), be now read for a first time.

Mr. Mackintosh: This bill—

Mr. Speaker: Just wait, I have to put—

Mr. Mackintosh: Mr. Speaker, as recommended by Commissioner Backman, this removes the necessity for MLAs to vote directly on their own compensation levels as set out in his report.

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

SECOND READINGS

Bill 55—The Legislative Assembly Amendment Act (3)

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, I move, seconded by the Member for Inkster (Mr. Lamoureux), by leave, that Bill 55, The Legislative Assembly Amendment Act (3), be now read a second time and be referred to a committee of this House.

His Honour the Lieutenant-Governor has been advised of the bill, and I table the message.

Mr. Speaker: Is there leave to move the motion? *[Agreed]*

Motion agreed to.

His Honour the Lieutenant-Governor has been advised of this bill, and the message has been tabled.

Mr. Mackintosh: Committee of the Whole, Mr. Speaker.

Mr. Speaker: We will now move into Committee of the Whole.

COMMITTEE OF THE WHOLE

Bill 55—The Legislative Assembly Amendment Act (3)

Mr. Chairperson (Conrad Santos): The Committee of the Whole, will please come to order to consider Bill 55, The Legislative Assembly Amendment Act (3).

Does the minister responsible for Bill 55 have an opening statement?

Hon. Gord Mackintosh (Government House Leader): No.

* (21:50)

Mr. Chairperson: We thank the honourable minister.

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

An Honourable Member: No.

Mr. Chairperson: We thank the honourable member.

During the consideration of the bill, the enacting clause and the title are postponed until all other clauses have been considered in the proper order. Also, if there is agreement from the committee, the Chair will call clauses in blocks that conform to pages with the understanding that we will stop at any particular clause or clauses where members may have comments, questions or amendments to proposals.

Is that agreed? *[Agreed]*

Clauses 1 and 2—pass; clauses 3 through 5—pass; clauses 6 to 9—pass; clause 10—pass; enacting clause—pass; title—pass. Bill be reported.

Is it the will of the committee that the Chair report the bill to the House? *[Agreed]*

Committee rise. Call in the Speaker.

IN SESSION

Committee Report

Mr. Conrad Santos (Chairperson): The Committee of the Whole has considered Bill 55, The Legislative Assembly Amendment Act (3) and reports the same without amendment.

I move, seconded by the honourable Member for Selkirk (Mr. Dewar), that the report of the Committee of the Whole be received.

Motion presented.

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

CONCURRENCE AND THIRD READINGS

Bill 55—The Legislative Assembly Amendment Act (3)

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, by leave, I move, seconded by the Member for Russell (Mr. Derkach), that Bill 55, The Legislative Assembly Amendment Act (3) reported from the Committee of the Whole, be concurred in and be now read for a third time and passed.

Motion agreed to.

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

Mr. Mackintosh: My understanding is the Premier (Mr. Doer) has gone to bring the Lieutenant-Governor into the Chamber.

Mr. Speaker, the Legislature notes that bill passed unanimously, for the record.

Mr. Speaker: For the record, that bill has passed unanimously.

ROYAL ASSENT

Deputy Sergeant-at-Arms (Mr. Blake Dunn): His Honour the Lieutenant-Governor.

His Honour Peter Liba, Lieutenant-Governor of the Province of Manitoba, having entered the House and being seated on the Throne, Mr. Speaker addressed His Honour the Lieutenant-Governor in the following words:

Mr. Speaker: Your Honour:

The Legislative Assembly of Manitoba asks Your Honour to accept the following bills:

Madam Clerk Assistant (Monique Grenier):

Bill 5—The Manitoba Public Insurance Corporation Amendment Act (Claimant Advisers); Loi modifiant la Loi sur la société d'assurance publique du Manitoba (conseillers des demandeurs)

Bill 6—The Cross-Border Policing Act; Loi sur les services de police interterritoriaux

Bill 9—The Manitoba Immigration Council Act; Loi sur le Conseil de l'immigration du Manitoba

Bill 10—The Gaming Control Amendment Act; Loi modifiant la Loi sur la Commission de régie du jeu

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 12—The Highways and Transportation Amendment and Highway Traffic Amendment Act (Trucking Productivity Improvement Fund); Loi modifiant la Loi sur la voirie et le transport et le Code de la route (Fond d'amélioration de la productivité de l'industrie du transport routier)

Bill 13—The Public Schools Amendment Act (Appropriate Educational Programming); Loi modifiant la Loi sur les écoles publiques (programmes d'éducation appropriés)

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 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 17—The Domestic Violence and Stalking Prevention, Protection and Compensation Amendment Act; Loi modifiant la Loi sur la violence familiale et la protection, la prévention et l'indemnisation en matière de harcèlement criminel

Bill 18—The Improved Enforcement of Support Payments (Various Acts Amended) Act; Loi visant à faciliter la perception des paiements alimentaires (modification de diverses dispositions législatives)

Bill 19—The Public Schools Amendment Act; Loi modifiant la Loi sur les écoles publiques

Bill 20—The University College of the North Act; Loi sur le Collège universitaire du Nord

Bill 21—The Non-Smokers Health Protection Act (Various Acts Amended); Loi sur la protection de la santé des non-fumeurs (modification de diverses dispositions législatives)

Bill 23—The Red River Floodway Act; Loi sur le canal dérivation de la rivière Rouge

Bill 24—The Travel Manitoba Act; Loi sur la Société Voyage Manitoba

Bill 25—The Amusements Amendment Act; Loi modifiant la Loi sur les divertissements

Bill 26—The Certified Management Accountants Act; Loi sur les comptables en management accrédités

Bill 27—The Agricultural Societies Act; Loi sur les sociétés agricoles

Bill 29—The Public Trustee Amendment Act; Loi modifiant la Loi sur le curateur public

Bill 30—The Safe Schools Charter (Various Acts Amended); Charte de la sécurité dans les écoles (modification de diverses dispositions législatives)

Bill 31—The Floodway Authority Act; Loi sur la Commission du canal de dérivation

Bill 32—The Provincial Railways Amendment Act; Loi modifiant la Loi sur les chemins de fer provinciaux

Bill 33—The Public Servants Insurance Amendment Act; Loi modifiant la Loi sur l'assurance des employés du gouvernement

Bill 34—The University of Winnipeg Amendment Act; Loi modifiant la Loi sur l'Université de Winnipeg

Bill 35—The Credit Unions and Caisses Populaires Amendment Act; Loi modifiant la Loi sur les caisses populaires et les credit unions

Bill 36—The Highway Traffic Amendment Act; Loi modifiant le Code de la route

Bill 37—The Labour Relations Amendment Act; Loi modifiant la Loi sur les relations du travail

Bill 38—The Fisheries Amendment Act; Loi modifiant la Loi sur la pêche

Bill 39—The Residential Tenancies Amendment Act; Loi modifiant la Loi sur la location à usage d'habitation

Bill 41—The Profits of Criminal Notoriety Act; Loi sur les profits découlant de la notoriété en matière criminelle

Bill 42—The Mines and Minerals Amendment Act; Loi modifiant la Loi sur les mines et les minéraux

Bill 43—The Personal Health Information Amendment Act (Spiritual Health); Loi modifiant la Loi sur les renseignements médicaux personnels (santé spirituelle)

Bill 44—The Colleges Amendment Act; Loi modifiant la Loi sur les collèges

Bill 45—The Engineering and Geoscientific Professions Amendment Act; Loi modifiant la Loi sur les ingénieurs et les géoscientifiques

Bill 46—The Teachers' Pensions Amendment Act; Loi modifiant la Loi sur la pension de retraite des enseignants

Bill 48—The Human Tissue Amendment Act; Loi modifiant la Loi sur les tissus humains

Bill 50—The Municipal Assessment Amendment Act; Loi modifiant la Loi sur l'évaluation municipale

Bill 53—The Statutes Correction and Minor Amendments Act, 2004; Loi corrective de 2004

Bill 54—The Budget Implementation and Tax Statutes Amendment Act, 2004; Loi d'exécution du budget de 2004 et modifiant diverses dispositions législatives en matière de fiscalité

Bill 55—The Legislative Assembly Amendment Act (3); Loi no 3 modifiant la Loi sur l'Assemblée législative

Bill 300—The Winnipeg Foundation Act; Loi sur la Fondation dénommée The Winnipeg Foundation

Bill 301—The Jewish Foundation of Manitoba Act; Loi sur la Fondation dénommée The Jewish Foundation of Manitoba

Madam Clerk (Patricia Chaychuk): In Her Majesty's name, His Honour assents to these bills.

Mr. Speaker: Your Honour:

The Legislative Assembly of Manitoba asks Your Honour to accept the following bills.

Madam Clerk Assistant (Monique Grenier):

Bill 51—The Loan Act, 2004; Loi d'emprunt de 2004

Bill 52—The Appropriation Act, 2004; Loi de 2004 portant affectation de crédits

Madam Clerk: In her Majesty's name, the Lieutenant-Governor thanks the Legislative Assembly and assents to these bills.

His Honour was then pleased to retire.

God Save the Queen was sung.

O Canada! was sung.

COMMITTEE OF SUPPLY

Concurrence Motion

* (15:40)

Mr. Chairperson (Conrad Santos): The Committee of Supply has before it for our consideration the motion I am calling on all Supply resolutions relating to the Estimates of Expenditures for the fiscal year ending the 31st day of March 2005.

On June 10, 2004, the Official Opposition House Leader (Mr. Derkach) tabled a list of ministers of the Crown who may be called for questioning in debate on the concurrence motion. The ministers listed are as follows: Minister of Transportation and Government Services (Mr. Lemieux); Minister of Family Services and Housing (Ms. Melnick); Minister of Conservation (Mr. Struthers); Minister of Labour (Ms. Allan); Minister of Health (Mr. Chomiak); Minister of Education, Citizenship and Youth (Mr. Bjornson).

Now we are on the Minister of Transportation and Government Services. The floor is now open for questions.

Mr. Kevin Lamoureux (Inkster): Mr. Chairperson, I actually have three issues that I was wanting to raise with the minister, two related to his highway portfolio and one regarding Government Services.

The first one, I guess, is dealing with a discussion that I had with someone that actually came to the local church that I go to. He drives truck and often is out on our highways. He had snapped some pictures and wanted me to share them with the minister of highways. What the pictures are of are garbage cans from different provinces. At one time, Manitoba used to have the old orbits, as he recalls. I can recall the orbits quite vividly. I can remember even driving on the highways. Well, Dad was in the front there, and we would do the countdown, 10, 9, 8, until we hit the zero and there appears the orbit. It seems to me, as he has explained to me, that they have been replaced by just blue garbage cans.

The other day, Mr. Chair, we heard of a huge announcement at the Winnipeg International Airport, where we are going to spend tens of millions of dollars for a new terminal. Part of the argument was, you know, this is where people are coming to see our city. The reason why I raise that is because our highways are gateways to not only the city of Winnipeg, but all of our municipalities. The amount of traffic that is on our highways, what he did is he went out and he took pictures of Manitoba's garbage cans and he went and took pictures of Saskatchewan's and Alberta's. I have told him that, well, if he would take the time to snap the pictures and bring them back to me, I would take the time to deliver them to the minister and just get some thoughts from the minister in regard to what he thinks about the garbage cans. Is this, in fact, something that maybe he would give some consideration to?

You know, on the surface, one might think it is somewhat of a trivial matter, but, given the number of people that are on our highways, people around the committee understood the moment I said orbits. People can relate to that sort of stuff. I would just ask for the minister if we could get his comment on it.

Hon. Ron Lemieux (Minister of Transportation and Government Services): Mr. Chairperson, I am just going through the pictures right now, looking at the different types of garbage containers that there are. Here it also shows a number of rest spots.

I do not feel that this is a trivial question at all, because I had the pleasure of being the Minister of Culture, Heritage and Tourism for a couple of years or approximately two years. Throughout that time, Tourism used to get a number of phone calls asking about garbage containers, because you have tourists coming into the province.

There are two parts to this. One, the garbage cans that were there were full and overflowing. It was not very sightly, I mean, for tourists. So the idea was, well, let us find a better container, some kind of a container that can hold more garbage, is easy to add on to and is made in such a way where, when a truck comes along, you know, you do not need two or three workers to empty it. It is very similar to the ones they have in the city now that just hook under the garbage cans and they dump them and lift them.

* (15:50)

Now, that is not to say that the Orbit containers that were there before—some were colourful in nature and they were far more interesting than just a plastic blue box or a plastic green box or grey. As far as what kinds are used throughout Manitoba, I do not know. I cannot say.

I know what kinds are used between where I live and Falcon Lake, for example, on the eastern side in my own constituency. I am not sure what is used in other parts of Manitoba by the department, whether it varies, but it does raise a question with regard to rest stops.

We have, I believe, around 12. I stand to be corrected, but I believe it is around 12 provincial kinds of rest stops that the Department of Transportation is responsible for. A lot of them need work. They really are areas where families end up going and stopping for lunch or stopping for a barbecue or a picnic on the way travelling to some community.

There is one that I am familiar with in my own constituency near Hadashville on the way to Falcon Lake, halfway between, let us say, Ste. Anne, Manitoba, and No. 1 highway and Falcon Lake. It is about halfway. It is in ill repair. It needs some work. It needs money, of course, to fix it up, but these are things that, I think, this is where Transportation can work hand-in-glove with Tourism, because it means a lot.

I did not mean to go on at length and I am not sure how many questions the member has, but this is an important question. It really is because it has a lot to do with our tourism, our highways. We keep saying they are economic enablers. They are great not only for our trucking industry and trade, but also great for tourism.

I think this is all part and parcel of it. The rest stops are part and parcel of it. I also noticed that some of the garbage containers that are in the photographs are also located in rest stops. The one near the Saskatchewan border, if I can find it, it is like a rest stop there. There are picnic tables there and kind of a climbing structure. The pictures that I have in my hand show a variety of different types of garbage containers there, certainly not the old orbits that used to be there.

They do vary throughout the United States and other provinces as well. I do not know if there is, No.

1, a particular good one compared to others, but I think it is important, because you do not want just a shoddy garbage can sitting there. But a complaint I have to tell you about the orbits is that they could not hold a lot of garbage, and there was a lot of overflow and spillage.

It still continues to be a problem today, even if the orbits are not being used. So it is a matter of maintenance and making sure that they are picked up on a regular basis and trying to make sure that the timing is correct, but it is an important area. I appreciate the member raising this with me, because I have had discussions already with my department about rest stops, garbage containers and things like that, so I appreciate the photographs.

Mr. Lamoureux: Mr. Chairperson, I thank the minister for his comments. I think that there is, as you point out, rest stops versus just the side of the highway, and where you have rest stops, you know, we have other programs within government. The minister is familiar with, for example, the Green Team.

Looking at using as a form of summer employment in some areas, this might be an appropriate thing. It does not have to be huge amounts of dollars we are really talking about, a little bit of landscaping rock, something that looks a little bit more decorative. I see the minister is, in fact, very sympathetic to looking at this issue, so maybe what I will do is I will leave it at that and go on to the other issue, which is Inkster Boulevard.

Mr. Lemieux: Yes, I just want to make a commitment to the member from Inkster that I will get back to him on this. I will certainly consult with you as we go along on where we are going with regard to not only the rest stops, but what possibly can be done as far as containers, garbage containers and those kinds of sites.

Mr. Lamoureux: Yes, Mr. Chairperson, it is very good of the minister. I do appreciate it.

The Inkster Boulevard has been a bit of an issue for a number of years. The portion where there is a great deal of concern is from Keewatin Street to virtually, let us say, the Perimeter. It is a good stretch of road. Once Inkster hits Keewatin going westbound, it turns into a single highway, if you like.

There has been a great deal of growth, both residential and commercial over the last number of years. Residentially, I would suggest probably the residential growth has really been a little bit more stagnant in the last eight years, let us say, but the commercial component has not been stagnant. In fact, it has grown hugely, Fort Garry trucks now.

Manitoba does well in terms of the trucking industry locating in the city. Well, the trucking industry seems to be locating in and around that area. So it is close to the airport. It is becoming a very busy strip of street. I can speak firsthand, even though I do not necessarily use it on a daily basis, I can see it from my place. In the mornings, it is an awfully long line and it is a boulevard that I have received calls on. My understanding is that Inkster Boulevard is a highway, and, therefore, it is not only the City of Winnipeg's responsibility, it is the Province's responsibility.

I guess the first question I would have for the minister is who would ultimately be responsible for Inkster Boulevard between Keewatin Street and the Perimeter. Now, keeping in mind, I think it cuts into the Municipality of Rosser. So, if the minister could first just clarify the issue of responsibility of that stretch.

Mr. Lemieux: I thank the member for the question. This stretch of highway, I am trying to think of the number of the highway; I keep thinking of 217. But this stretch of highway—let us start at the Perimeter and work our way east. I am not sure where the stretch of highway ends, but I know it is a provincial highway, and even though it goes through the municipality, it still is a provincial highway. I am not sure if it goes all the way to Keewatin or not.

The Minister of Justice (Mr. Mackintosh) brought this particular stretch of road to my attention about seven months ago when I first became the minister. There was a fatality there on that stretch of road not long before that. There was a terrible accident and there are other accidents that have taken place there as well, I mean, not fatalities. You are mixing truck traffic with regular vehicles, and it has been a real concern.

There are two highways that are provincial highways within the Perimeter. There is one called McGillivray Boulevard, which is essentially Highway 3 which heads west, and there is also

Inkster, and I cannot recall the number of the highway right now. I am sorry about that. But the member knows which road I am talking about; he is familiar with it.

There are two roads that are somewhat of a priority for the department. That is not to say that they will be done tomorrow or anything like that. But I know that the department has gone to take a look at both roads to try to determine not only traffic counts. But the traffic counts are astronomical on that stretch of road, and certainly well above what one would say needs to be twinned. There is no question about it. It comes down to dollars, regrettably.

We made a big commitment to the northeast Perimeter. I can tell you that that road needs to be addressed as well as that No. 3, the McGillivray Boulevard road. I do not know when they will be done, and what kind of priority the department and the engineers in the department are going to put on it, but, I know that, for example, that stretch of McGillivray highway, there is going to be an open house there to invite the residents to take a look at, maybe, different options. It is a little bit further ahead on the planning than the Inkster, let us just call it Inkster, but Inkster is also a priority highway within the Perimeter. There is no question about it.

I do not know what the timing is. I thank—actually, I am not sure who I should thank, the staff or the chair for having a map, but this one does not have a highway number on it, but it is definitely Inkster. It has No. 25, but that is not it. I think this just refers to the map itself. Having said that, we know the stretch of road we are talking about. It is essentially Inkster Boulevard.

I thank the Member for Inkster (Mr. Lamoureux) for the question. It is a real concern. The department has looked at this particular stretch on numerous occasions, continues to monitor the traffic flow and the amount of vehicles on it. Every year it increases. The department is going to have to address this particular highway sooner or later as well as No. 3 highway on McGillivray.

Again, it comes down to dollars. I do not know if it is a fair question or not. I know it is the members in opposition who ask questions of the minister, but there has been a lot of discussion about dollars, and I asked my critic from the Conservative Party. They have been very vocal about, Do this, do that. Make

sure you do it tomorrow. It should have been done yesterday." I said, "We only have so much money in our budget. Where would you want us to find the other money then?"

* (16:00)

I know where the current Prime Minister is with regard to sharing with municipalities, and all the parties are coming out with different platforms. I am wondering if the member from Inkster has any suggestions as to possible finances with regard to financing the transportation infrastructure system as we know it.

We brought a gas tax bill in to try to ensure motive fuel tax goes into the transportation system. We know that is not enough. I do not know if it is a fair question, but I have posed this to my opposition. I know you have not personally been asking questions like that, saying, "Do this, do this. Do this tomorrow. Do this particular highway. It should have been done yesterday," but the opposition has and so I wanted to pose that question to them because there is only so much money. I do not know if you wish to comment on that, but I just want to finish by saying—

Mr. Chairperson: Third person, please.

Mr. Lamoureux: Thank you. Actually, I would not mind. I would recognize up front there is only so much development on our roads that can be done in any given year. The question then becomes that the government says we are going to put X million dollars towards roads, and then it is just a question of which roads are going to have what sort of priority in terms of accessing that money. In certain parts of Atlantic Canada years back, and this would be a number of years back, I am told you could tell the political party that was in power by the construction of roads and highways. It is an area, as the minister has stated, we do not want to go there.

What we really need to do is to look at how, we have a Plan Winnipeg. All municipalities have a sense of the direction they want to go. Given that, if you, as minister, say, "We are going to twin here." or, "We are going to put pavement over here over gravel." a decision of that nature commits millions upon millions of dollars and could ultimately deny other areas the opportunity to be able to have, unless more money is found.

The northeast Perimeter is an excellent example. Because of that decision, there is going to be a lot of money going into there, so that means other projects are going to be delayed. From my perspective, the way I would look at it and ultimately want to defend it to my constituents, is here is how much money the government is putting towards highway construction, and these are the roads they have placed ahead of Inkster Boulevard. For example, if we say there is the No. 3 or McGillivray and you compare that to Inkster Boulevard, it should not be which politician happens to be in that area or anything of this nature. It should be based on how we see the city developing over the next 10, 15 years, and where the traffic counts are today, and what the likelihood is going to be 10 years from now, because, if you make the commitment today, you have to make some sort of a forecast.

Now, Inkster Boulevard, and every MLA, one would think, is going to advocate the importance of the streets and highways and so forth in their own constituency. I would not advocate something and blame government if the government said, well, like if it was a question of finishing the twinning of the Perimeter versus Inkster Boulevard or the No. 3, and I had to pick one of those three, it would be to finish the Perimeter.

Now, if you were to say, the No. 3, McGillivray, versus this portion of Inkster Boulevard, I would like to hear the arguments. Why should the McGillivray Boulevard area be done, let us say, over the Inkster? If you commit to McGillivray, then Inkster is going to be put off indefinitely because of the cost of McGillivray.

Now, if you said to me, "Well, you tell me." I do not know all the arguments for Inkster. What I do know is the traffic has picked up tremendously and the trucking industry has moved into that area as a whole, and there is just a phenomenal amount of truck traffic. It is close to the Inkster Boulevard. Relatively speaking, you are talking from Keewatin to the Perimeter, so it is a significant stretch, but not as significant, let us say, as the No. 3 would be.

So I would think that what the government needs to do is first and foremost establish how much money they are going to commit to road construction and then establish its priorities in terms of how it sees and then, ultimately, through infrastructure dollars, there might be either federal dollars or

municipal dollars. If the City agrees with your priority plan, or if they disagree with the priority plan, they say, well look, we will go ahead with Inkster Boulevard only if you do this and you do that and all this kind of stuff.

So there is that sort of negotiations, but what I need as a local representative is to be able to say, "You know, yes, the government is interested. They recognize that there is a need to twinning; it is just a question of finances and priorities." I then need to get an assessment of just how much of a priority Inkster Boulevard is.

I do think it is Highway 25. The Deputy Speaker has provided a map and it really clearly shows where it is divided and where it is not divided. So, anyway, I just wanted to raise the issue of Inkster Boulevard and I can go onto that third point after.

Mr. Lemieux: What I am going to do is try to answer it this way. Everything that the member from Inkster put forward is already something the department does. They certainly prioritize it on a need basis. There are only limited funds. The stretch of highway he is talking about, Inkster Boulevard, the provincial portion of it, that is, a provincial highway, is very similar to the No. 3 stretch I am talking about at McGillivray in length.

The department really is the one that estimates or determines what highway needs to be looked at. They have a computerized program now that looks at the quality of the asphalt, determines the longevity of it, how many years it has left and so on, and takes a look at the traffic.

In that Inkster Boulevard area, it is not that far off of King Edward and Oak Point. There is a lot of truck traffic out there, but so is the McGillivray Boulevard. It is very similar in nature. We have Kleysen's and larger truck companies out at that end, same thing. So they are very similar, actually, in nature, but the department is looking at both of them.

When I said before that No. 3 looked like it was further ahead in the actual planning towards doing something with it, it is further ahead in the sense that, what the criteria is that the department uses, they have looked at having a public meeting there and trying to get some more answers out of the residents and people along there as well as the R.M.

of Macdonald and the other rural municipalities that they have to deal with in that area.

I should let the member get to his next question, but it is very important, I think, to mention that you have those two stretches of roads that the department highlighted to me as a new minister when they gave me my first briefing. Those are the two highways that they said are really quite critical. Just to take the politics out of it, I think, is really important because right now we have a 2020 RoadWorks program. The RoadWorks program is supposed to be a five-year program, \$600-million program that ends only in year three of a five-year program. But I think what we have to look at as a government is a five-year plan.

* (16:10)

I am not sure what you would want to call it, but there was this 2020 Vision committee prior to the last election that a number of MLAs went out and visited about 21 or 22 communities, consulting them on what kinds of plans they want to see for transportation and the transportation infrastructure system. The recommendation that they had made was looking at a five-year plan that kind of lays out the projects over five years. Someone may not have their project on the list this year, but, they know three or four or year five, it is there based on criteria that is transparent, and everyone knows it.

It is not like the anecdotal stories you used to hear about the Maritime provinces, where the pavement used to end, and then it was rough gravel after that because that one stretch of nice pavement used to belong to the current government. We never want to go there in Manitoba, and our system is being run down. It has been run down for quite a while and needs a lot of work and a lot of money into it. I thank the member from Inkster for that question, and will certainly keep him in touch as to what is going on with that particular highway, because I know a lot of his constituents use it often. Their traffic mixes with a lot of trucks that are on that road too.

Mr. Lamoureux: Mr. Chairperson, on that note, last night we had a chance just to talk about the Pool of the Black Star and this whole pictorial history of our province. Maybe next year sometime we will get a chance just to continue the dialogue on it in some way. Thank you.

Mr. Lemieux: I thank the Member for Inkster for that because we did discuss this off the record, but I would just put on the record that he made some suggestions as to how to beautify the building. Anytime anyone has any suggestions like that, we are certainly open to it. But there is a committee that deals with it because this building is a heritage building, and any changes to it have to go through a committee, vetted through a committee, any kind of proposals. I plan on raising the one that the Member for Inkster raised about the Pool of the Black Star to them. Thank you.

Mrs. Leanne Rowat (Minnedosa): This is a Government Services question, Mr. Chair, and it is regarding the building in Souris that houses the Agriculture Department. It is on the main drag, I guess; it is the crescent. I know it is a building that is in need of repair. It also is not wheelchair accessible, and, actually, I think the Agriculture employees there have been trying for some time to work at finding an alternative location. I know that the Textbook Bureau in the community has space available within that building. I just wanted to know if the minister is aware of these talks and if this is something that is a potential move toward housing Manitoba Agriculture.

Mr. Lemieux: I thank the member from Minnedosa for the question. I would have to take that as notice. My staff is not with me and that is the way concurrence works, but I am not sure how long the lease is on the building or the particulars about wheelchair access or not, but I thank you for raising it, and I will look into it. I will get back to you on it, and I do not mean I will get back to you in five months. I mean I will get back to you shortly. I am not aware of the particulars of that building, so I will ask Government Services people to make sure that they bring me up to date and brief me on it and then I will pass that information on to the member.

Mrs. Rowat: Mr. Chair, I do appreciate that information. Also, on the weekend, I had a chance to speak to the reeve for the R.M. of Saskatchewan, up near Rapid City. There is a road; it is 270. I do not think I brought it up during the Estimates process, but I had the opportunity or misfortune, I guess, of travelling up to Rapid City to the rodeo a couple of weekends ago with my family. The road is absolutely horrible. Actually, I had to take the wrath of my husband taking my car along that road.

I just wanted to ask the minister if he would be so kind as to check into the status of possibly paving or upgrading road 270. It is actually a road that comes straight off of No. 1 and is paved up to 24 that goes into Rivers. So people that are coming off No. 1 would take that road to go to Rapid City going north. That is the road that I use to get to Rapid City when I am going that way.

When I had a conversation with the reeve, I said to him that I had recently experienced the road and totally agreed with him. It was treacherous, and there was opportunity, probably if I was driving I would have been in the ditch. So I think that it is something that should be looked at. I would appreciate him to do that as well.

Mr. Lemieux: Well, again, I thank the member for the question. I know that is probably no reflection on your driving if you end up in the ditch, but I have to tell you that this year, the roads have really been smashed up. It is one of the worse years that the engineers and people from the different regions and the different districts are talking about this all the time and have sent notes in.

It looked relatively dry before the snowstorm, then the snow came, the snow sat there for a number of days, melted and actually kind of melted into the road, and then, not long after that, we end up with quite a bit of rain. So we have had a double whammo on those roads.

We are taking a look at all of our options right now, because it is really going to—well, how can I use a term that is somewhat diplomatic? It is going to literally kick the tar out of the road and our budget, more particularly our budget, because the money that needs to go into these projects, it is something that you do not expect.

I mean, sometimes you try to make provisions for snowstorms in the end of the year, in March prior to year-end. You try to kind of make sure you have enough cash there to be able to make sure the roads are ploughed and you have enough money to survive a huge snowstorm in March. You never know, but you do not make the provisions often, no matter if it is at the beginning of your year for a huge snowstorm in the middle of May or the beginning of May, and then a lot of rain, and then your roads gets really beaten up and you have to do something about it, the provincial roads.

Anyway, the long and the short of this answer is that we have had a tremendous amount of—if you saw me raise my eyes; I think I just saw Duff Roblin fly off the wall, his picture. I was afraid that his—no, it is not Duff Roblin; it is his portrait. We have the windows open here, just for the record. I am not conducting a seance, but when I saw the pictures almost blow off the wall—these are beautiful pieces.

Anyway, just getting back to the question, there have been so many requests this spring and early summer, way more than what the department ever gets.

I am not exactly sure how we are going to tackle this yet. I know the deputy minister is in discussion with the ADMs in the department and talking to the regional people and trying to get some kind of a priority list going, because we are going to have to tackle it that way, because there is only so much to go around. They are going to have to start addressing that. I know that that plan is in the works and they are going to have to start prioritizing. I am afraid that that is the answer I have to give to the member. That is as much as I can give to this point.

Mrs. Rowat: Mr. Chair, I just also wanted to add that when the reeve did call me, he also had indicated that he had received a number of calls because the ratepayers within the municipality thought the road was owned by or managed by the municipality. I have asked him to send me a record of the calls and also some of the issues and to bring forward a resolution and to start forming a committee. Maybe we could meet with some of your staff at some point just to talk about the issues. I think if there is an opportunity to look at 270 and maybe another road within the region or whatever, but I will definitely share whatever information I have with you on that issue so the reeve can be assured that at least they are moving forward and making you aware of the problem.

Mr. Chairperson: I will ignore the "you," but let us go back to the practice, yes?

An Honourable Member: To the Chair.

Mr. Chairperson: Third person.

* (16:20)

Mr. Lemieux: I guess the point I want to make is that throughout the province of Manitoba, there is

often a lot of confusion. In fact, we get a lot of phone calls, and I get phone calls at home, people thinking that a particular road is a provincial road and yet it is a municipal road. So I can see where there is confusion over that. I understand, and what I have been told is, that the department has always been willing to meet with people, or meet with residents, or elected officials and try to discuss. It is not that they always have the answers. They do not, but at least they are very, very willing to meet and talk about the issues within a particular region.

I know I have talked to the critic for Her Majesty's official opposition yesterday, I believe, on this particular issue, where the southwest region, not too far from where the member from Minnedosa's constituency is, is a really different kind of, not only is it a different geographical area, but the weather conditions and the soil moisture in that area seem to be far different from other provinces. Maybe it is time to look at a different type of a zone for the southwest, whether it takes in Rivers or Rapid City, I do not know whether or not it would go north of No. 1 highway, or whether or not it would just be more south of No. 1 in the Virden-Delorraine kind of corner of the province, but, Mr. Chair, I know the staff from the departments, not only the Transportation Department, but, all departments, are often consulting with local officials and local elected people to determine where the problems are and challenges in their area.

Mrs. Rowat: One further question regarding a road in my constituency is Highway 10, which I know that my former MLA, Harold Gilleshammer, had brought up on a number of occasions and meeting the municipality out there. That is another road that is very treacherous. An individual from the R.M. of Saskatchewan, a councillor there, had indicated that there is a business, I think it is a seed business, that had just opened up off No. 10 and the main artery onto No. 10. They were really working at trying to get a sort of an access road or some type of a road that would be of a safe nature to move onto No. 10 highway. I wanted to know if the minister was aware of this project or if that is something that I could provide further information on and work with his department on. But, again, it was a safety issue for No. 10 highway with a new business starting up along the highway.

Mr. Lemieux: This is something that I have discussed with the member from Emerson and the

member from Arthur-Virden over the last day or so, where you have a lot of businesses which did not exist. What they are doing is looking for safe access off our provincial trunk highways or provincial highways. A policy that we have had is that when businesses do that they, certainly, in part with the municipalities or municipalities in particular, would be responsible for that kind of work.

The example I have used is that I have been advised, for example, there is a brand new co-op store going into the town of Lorette, or just on the outskirts, on Highway 207. They are responsible for providing the funding, the store is, for that safe turn-off to ensure that trucks and traffic that turn into that store. The policy has been, at least that I have been advised by my deputy minister for a number of years now, that those businesses have to provide, in their budget, turning lanes off our provincial roads. The personal example I have is a store right in my own community, a huge, big grocery store that is going up, brand new, that will open up this summer, but they had to foot the bill, and they had to pay for their own access turnoff into that store.

It is just something that we have informed companies and businesses. I know there are a couple of new businesses going up in Winkler. They have heard the same message from us, and we have been consistent all over the province. Just to make the point, I have a business right in my own home community where that has happened. This situation has arisen and they dealt with it in their own budget. They may not be happy with it, but we have told them about the lack of money that is available, that we are trying to spread that money out to different communities and to different priorities, and that they would be responsible for it.

These are not necessarily easy situations, but that is the policy that we are currently conducting and using. Highway 10 is a stretch of road between Brandon, the No. 1 highway and going north to Minnedosa. That stretch of road actually is a road that the department has been monitoring because of the amount of traffic on it. But not only the amount of traffic, a lot of the people using that road are going to Brandon to work or going to Maple Leaf. So you have Rivers, you have a lot of other communities. I think it is Forrest, just north of Brandon. So there are a lot of communities that use that road going into Brandon, and back and forth and

also going to the Riding Mountain National Park to make use of Clear Lake, Manitoba.

I do not want to be too long-winded on this issue. I know the member knows that highway well. Being a former Dauphinite, I am very familiar with that road and have travelled it many times. I know that there is an increasing amount of traffic on it. I know the department is monitoring it very closely as to what to do there, whether or not to just fix up that stretch of road, widen the shoulders, repave it. I do not believe there is any intention to twin it. *[interjection]*

But passing lanes and things like that are really important, and I know they are really looking at that, especially when you are entering smaller communities or by communities. Thank you.

Mr. Larry Maguire (Arthur-Virden): I was just going to ask the member is he knew anything about cottage lots, but I guess we are in Transportation and Government Services. *[interjection]*

Obviously, I asked him a question today about the \$28 million shortfall that he has had in his department, and he has got lots of money. He has \$60 million more than he put in, 10 a year, that sort of thing. I know that he may be able to reconcile that within certain sectors of his budget, but the overall budget shows that there is not even that kind of an increase there. In fact, it is a reduction.

So I wonder if the minister could explain to me again just how he feels that they have—I know he tried to talk about a new accounting process the other day. Maybe I am the one who is out, maybe he could enlighten me as to just where, you know, clarify that for me again.

Mr. Lemieux: Just to touch on the first part of what the member from Arthur-Virden, my critic, touched on and that was lapsing dollars, and so on. I happened to look through a document yesterday to discover, lo and behold, to my great surprise, that out of the last 10 or 11 years that the previous government was in power, 8 out of 10 years they lapsed dollars in their budgets. Funny enough, the 2 years they did not was just before an election, both years. So this is not to necessarily point the finger at

whether or not it was good planning, or whether or not it was just political decision-making, but I just want to say that departments are trying to be prudent in their spending.

We talked about this earlier with the member from Minnedosa, about how they have dollars. They do not know whether or not to anticipate a huge snowstorm in March, or the beginning of March or the latter part of March. That is right at the end of their fiscal year. It is a huge juggling act for the Department of Transportation with regard to the finances.

You have projects that are going to begin in the spring. You hope that you do not get a huge snow storm, an unbelievably, unprecedented snowstorm, like we did this year at the beginning of May, that just messes up your whole construction season so projects are late in going. You do not know whether or not it is going to be a wet summer where certain projects do not get off the ground, literally, or in the fall where you end up with an early winter and snowfall and cold weather where you cannot pave. All of these factors come into play where the government, I know, in the 1990s had to lapse money eight out of ten years, or nine out of eleven years, depending on what you are looking at.

We certainly looked through a different accounting system because the Auditor General asked the government to take a look at how it was accounting capital and capital assets and looking at how we approach the department. So we looked at Part A, Part B capital and splitting up maintenance and preservation compared to capital projects. I had the pleasure of going through that yesterday with the member and going through some of the examples of what would be, for example, Part B capital. Part B capital would be reconstruction of existing roads, would be new construction such as the twinning of the northeast Perimeter, the building of new bridges, building new interchanges, the twinning of Highway 59 south, the twinning of No. 1 highway west. All of those are Part B capital which we have to account for.

* (16:30)

The capital investment budget has grown by \$10 million this year and it will grow by \$10 million next

year. The growth in both the preservation and the maintenance budget itself and the capital investment budget for enhancements will ensure that the road works commitment will be met and exceeded over that five-year commitment. So, even though we have changed the accounting system and we take a look at the preservation and enhancement budgets, they were formerly shown together, is the best way I can put it, into that \$120-million construction program in Part A, operating expenses. I thank the member for the question.

Mr. Maguire: My colleague from Emerson would just like to have a moment.

Mr. Jack Penner (Emerson): I was very interested in the minister's response to the lapsing of funds in the previous government's tallying, apparently, of the year over year that he did. I would suspect that if he would be very honest with this committee, he would have to admit that there was not as much money lapsed in the 12 years of them being government than he lapsed in one year.

Look at the numbers, Ron. I do not believe that there was ever one year that there was \$3 million lapsed, and if there was, it would have been one isolated time. I know the year that we came close to lapsing \$3 million, I know why that happened too, and it was simply because we did exactly what your department and you, as minister, were directed to do, lapse a ton of money, because we were short in some of the other areas, but we have never, ever, in a two year, one following the other, lapsed \$28 million in the capital budget in highways. That is unforgivable and that is very deliberate. That is not by accident. That is by design.

Mr. Lemieux: I thank Mr. Chair for the opportunity to reply to that. I will not let that go, of course, because what was astounding to me was that eight out of ten years or nine out of eleven years that monies were lapsed, but I think, really, what stuck out to me was that, for example, when you take a look at 1988-1989, \$95 million were budgeted for and \$92 million were spent, but the point I am trying to make is that it is \$95 million was budgeted, not \$120 million was budgeted. So the point I am trying to make here is that our government has budgeted far more for capital projects and other projects. That is not to argue. I know the financial challenges the previous government had in the nineties. I do not

begrudge that. They had a lot of tough times in the nineties and the economy was not that great for certain years. They had some tough decisions to make.

But health care and education is a priority, and Child and Family Services is a priority. As governments, we all make decisions. But the fact of the matter is we are trying to increase the budget by \$10 million this year and \$10 million next year. By the new accounting system that we have used, taking a look, as I began to say yesterday, the department will meet and exceed this commitment of that \$600-million budget commitment. The RoadWorks commitment was to provide a \$120-million budget for preservation and enhancement for five years for a total of \$600 million. We are going to do it.

There are a lot of challenges in transportation. Members opposite know it. I asked the Member for Arthur-Virden, if there is a new Conservative government in Ottawa, what kind of money are they going to be giving to the provinces, not just the municipalities, but to the provinces?

Mr. Maguire: I hate to interrupt the minister, but I have heard this answer before, through Estimates and through now. I do not mean to be rude with him, but when we are talking budgets, I just have to put on the record, because I do not want to keep the minister here much longer. We will give him a little break, and I will let him go. I know when we let him go I will not get another crack at concurrence with him until this time next year, so we will. Of course, that is if he does not become Intergovernmental Affairs and Trade Minister or something in the meantime.

When you talk about difficulties, I know the minister just alluded to new accounting systems and new financing. Manitobans remember well the Schreyer financing of the former Finance Minister, whose budget was the only one that never got passed in regard to this area. It was defeated. I just want to go back. I mean, the minister has gone back to '88 here and started to talk about the financing and transportation.

Well, let me just back up a few more years before that. When I go back to 1981, the debt of this province was \$1.4 billion. Four short years under the Pawley government, it went to \$5.2 billion, and they said at that time they never had a deficit. Well, that is

creative financing. That is sort of the new accounting system that Manitobans were supposed to have gotten used to in those days, and, yet, all they did was refinance the farm every year, only it was the Province of Manitoba with taxpayers' money. It was not their own private business. They brought the debt up to \$5.2 billion by refinancing that deficit every year.

So in 11 years of Tory government, the debt in this province went from \$5.2 billion to \$6.1 billion under what the minister today and his Premier (Mr. Doer) even acknowledge were really hard times. Where has it gone now in four more short years? It has gone up again from \$6.1 billion to \$7.5 billion. Looks like a staircase on the way to—well, I am not going to say it. It is starting at the top of the staircase and going down. "Hell" was what was coming to my mind there. It is not very good for the citizens of Manitoba, regardless.

We are in a situation now where the government kind of proudly tries to stand up and say that they have no deficits. "We have balanced books." Yet the Auditor General says, "Well, it is going to be a \$58-million deficit this year." It was \$581 million last year. Two years before that it was a deficit. Four years in a row, this government, out of five, it has been a deficit.

Albeit, good for the minister if he has \$60 million more that he wants to put into the highway system, but I have to say that we are only into year two and a half of a five-year plan. That money has not been spent, sort of like the Agriculture Minister saying, "We made \$180 million available," but when it comes down to the hard facts, they spent \$31 million and made farmers borrow another \$59 million. They are no further ahead today. I am starting to hear more and more and more from every one of them in this crisis situation that they are faced with out there.

I just had a group of school kids in here from Oak Lake, and I can tell you that community depends totally on livestock, totally on cattle, hardly any hogs in that area at all, and they are in desperate shape. There were a number of PMU operations in that area that were shut down. They are really going through a hard time, and I urge the government and this minister to do everything he can to look at where they can provide some assistance in that area.

But I just did not want to let it go, Mr. Chairman, that we have got a situation here that, I do not know, you know, sometimes, it maybe just helps the minister to put everything into perspective if we go back to looking at, you know, 20 years ago, the debt of this province was 20 percent of what it is today.

The Conservatives, even if they were responsible for the whole first 1.4 billion of it, which they were not, because there were only a few years in there that there was Conservative government, from the time I got out of college until 1986, then, you know, even if they sawed that off, the Conservatives might be responsible for \$1.6 billion of that whole debt, and it is now at \$7.5.

* (16:40)

Mr. Chairperson, I just think that that is wonky financing. Of course, it is the type that we might see from the federal Leader of the New Democratic Party at the present time in his campaign as he is running federally, but I just want to remind the minister that this government has got \$1.4 billion more to deal with, and they have put 1 billion of it into health care.

We would hope that the money that the minister has in highways is being better spent than what is being spent in health care right now, because they are not. You know, I hope he is not putting as much into administration in highways as his counterpart is in Health in administration. I would hope that he would take a good look at his department.

When he talks about where we can find some of these funds, I am sure we can find some of them in that area. I just want to leave it at that, Mr. Chairman. I want to thank the minister for his time for being here today and, as well, through the other parts of concurrence that we have had.

I just wanted to, and hope that he will still be able to provide me with the, as he was speaking yesterday on the tendering processes and all the tenders from across Manitoba for the past year, and look forward to making those available again this fall, in August and September, so that construction can begin in early April if we have, you know, a spring out there that will allow us to do that in different parts of Manitoba.

Mr. Lemieux: I appreciate the comments of the member, but this also avails me of the opportunity to make a couple of points as well. The average Manitoban's buying power is increasing. Between 1999 and 2000, Manitoba's personal disposable income, per capita, increased by 14.5 percent, while prices only went up about 8.8 percent. By contrast, from 1990 to 1999, Manitoba's disposable income per capita increased only by 17 percent; prices rose by 22 percent. The average Manitoban's buying power fell by about 5 percent.

Home values have increased dramatically since 1999, up by about 24.5 percent in Winnipeg. Over the same period, net education taxes only were virtually flat. By contrast, average home values in Winnipeg only went up by about 8 percent from 1990 to 1999. The reason I am going through this is because I believe a strong case can be made that Manitobans are better off now in 2003-2004 than they were in 1999.

While disposable income has increased by 14 percent since 1999, the cost of public services and utilities have either increased by less or come down. Manitobans working at a minimum wage saw a 12% increase, significantly more than inflation saw prices rise by 8.7 percent in the same period.

But, you know, Mr. Chairperson, the reason why I am putting numbers like this and stats on the record is because we could have a debate for a long period of time about where people think the economy is or what is going on with the economy. My question, originally to the member from Arthur-Virden, was that the Conservative Party—we hear the Liberals, federally, where they want to put dollars into municipalities, what they want to do is share their gas taxes. As a provincial government, we are the first provincial government in the country to say we are dedicating our motive fuel tax to transportation infrastructure. We are going to do it. Those dollars you collect from the pump and from motive fuels are going to go into transportation. I think it is the right foot forward. It is a good move.

Just to conclude, I know they may have other questions and I know that there are other MLAs at the table here and members of the opposition that want to ask questions, possibly of the Minister of Child and Family Services or other areas, so I will not be too long-winded. I can tell you that we have put approximately \$60 million more in the last four

years into the Transportation budget than was from 1995 to 1999. The previous government lapsed money eight out of ten years that they were in government in the 1990s. So I guess what I am trying to do and what I am trying to raise here to my critic is that we are trying to move ahead and go ahead and take a look at where transportation is going and what is happening to our system. It is being held together with duct tape and crazy glue.

I think Manitobans want to ensure that our system improves; the agri-business wants it; tourism wants it. We are trying to move the agenda ahead. So I ask the member from Arthur-Virden, where does the Conservative Party stand on gas tax sharing with the Province or with the cities or municipalities. We have not heard anything. I know we made a commitment of putting all of our motive fuel tax into transportation infrastructure. In fact, we put more money into transportation than we get through gas tax. So I just want to ensure that that is on the record because the member from Arthur-Virden was starting to deal with a lot of economic issues with regard to the state of the province and what state we are in. I could see his frustration and I realize that. I am not going to put a lot of other numbers and stats on the record.

There are other critics here from other departments, but I would certainly be pleased to answer more questions. We could have a long debate on whether or not Manitobans are better off now than they were in '99. I believe they are, and I think Manitobans have voted that way over the last two elections.

Mr. Maguire: I am just going to end my questions with a statement for the minister. I am pleased that he actually put those comments that he made on the record, Mr. Chairman, because anybody that thinks that Manitoba is better off now than it was in 1999, we have double the health care spending. We were spending \$2,100 per man, woman and child in Manitoba. At that time, it was the highest in Canada. It is \$4,200 now and nothing has improved. So it is a matter of priorities.

Some of the administration that we are looking at, there are a number of other areas around highways as well. I am not going to get into them right now, but it just behooves me to leave the numbers that I put on the table. The minister can go and check them for himself if he wants, but they are

on the public record around the debt of this province and who did that creative financing at the time.

I just want to leave it that way. When he makes the remark that we are dedicating funds in areas like Health and Family Services, our government had to make some very tough decisions. I was out there farming, watching the government make those tough decisions. They had to make tough decisions and, as you have pointed out, in some tough budgeting times. I see the government afraid to touch some of those areas of health even though they are increasing the administration costs tremendously, but I do see them touching Family Services in the same way. If they are looking at cutting back in Family Services in this province because of a perceived shortfall of funds—because there is no shortfall of funds in this government; they have a budget that has gone up to \$7.5 billion in revenue.

My only comment is that it has to be managed well. I look forward to the Minister of Transportation managing his portfolio better than some of his colleagues do so that Manitobans can have the infrastructure we need to carry on business and tourism and other areas in the province of Manitoba. Thank you.

Mr. Lemieux: Mr. Chair, I know that I certainly cannot speak for the Minister of Child and Family Services and Housing (Ms. Melnick). She does a tremendous job of that herself. I know the member from Arthur-Virden made a few comments about Family Services, and the minister can certainly speak well for herself.

I want to thank the member from Arthur-Virden, my critic, for the questions. I always appreciate his forthrightness and his sincere ability and suggestions to try to make the system better. We cannot always deliver on them because there are a lot of priorities in the province. Over a billion dollars of requests every year, and the budget does not come close. It takes about \$300 million a year just to keep the system where it is, and we are not close to that. So I just want to thank my critic for Arthur-Virden and, also, members of the opposition for the questions they posed to me on transportation.

Mr. Chairperson: That completes the—

Mr. Maguire: Thank you, Mr. Chairman, I just wanted to put on the record that I thank the minister

for being here and, as far as I know, that will be the end of the discussions on concurrence that we will have with him at this time.

* (16:50)

Mr. Chairperson: Is there an understanding in the Committee of Supply that the Minister of Transportation and Government Services has completed his tasks and he will not be recalled again? *[Agreed]*

Mr. Chairperson: The next minister will be the Minister of Family Services and Housing. The Chair will recognize the minister for information she promised.

Hon. Christine Melnick (Minister of Family Services and Housing): Mr. Chairman, we were first asked for monthly hotel costs. Hotel expenditure costs charged for a particular month are not necessarily reflective of hotel use of that month. Bills may not be received in the month to which they apply. Therefore, an expenditure for a specific month may have costs pertaining to previous months included in it. As a result, I am able to provide today the information that the member had requested.

I would like to table the following items: Winnipeg Child and Family Services Average Number of Children in Hotel Placements 1996 to 2004. I think I have the right number of copies.

Members earlier were asking about the employment history and the educational history of Mr. Peter Dubiński. I have his resumé to table.

Also requested this morning were the hotel numbers from January to the end of April '04.

Mrs. Rowat: Just a question for clarification. This is the average number of children in hotels. The costs associated, was there something that you were going to be providing on that at all?

Ms. Melnick: I thought we were being asked about hotel costs, and I had just read a message there.

Mrs. Rowat: If the minister would be able to provide through the Chair the monthly costs for hotel usage last year, a breakdown.

Ms. Melnick: As I read in my note, it is hard to actually get monthly costs because sometimes

billings do not come in until later. I understand I am being asked for the total from last year. I will get that to you as soon as I can.

I was also asked about general parameters of the standard review process for the investigation in Winnipeg Child and Family Services, and so I would like to table that as well.

Mr. Chairperson: Has the minister completed all the information yet undertaken to supply the committee?

Ms. Melnick: Yes, I have, but I have received one more request just now.

Mrs. Rowat: I have one further question regarding the Office of the Children's Advocate report regarding Winnipeg Child and Family Services. Now that they will be under the jurisdiction of Child and Family Services, the resources available will then be moved into the devolution process, and I just want the minister's comment on a statement made by the Office of the Children's Advocate on the budgetary process. In the recommendation, she had indicated that Child and Family Services request an internal audit to develop a realistic budget process, taking into consideration the actual costs, current and expected needs, of the agency services system. I just wanted to know if the minister would be able to comment on that as it was a recommendation that was point No. 1 under the section of the current emergency assistance system taking place.

Ms. Melnick: Could you please refer me to the page?

Mrs. Rowat: Sure, it is 165.

Mr. Chairperson: Wait, wait.

An Honourable Member: Oh, sorry.

Mr. Chairperson: It has to be recognized.

Ms. Melnick: We are undergoing a budgetary process at this time.

Mrs. Rowat: And would it be an internal audit process?

* (17:00)

Ms. Melnick: Yes. As the devolution continues, there is determination as to which of the four authorities each individual child would be best placed with. That is the determining factor around the placement of children, its best care for the child is the guiding factor, and that is how the determination of which child is placed under which authority.

Mrs. Rowat: Would the minister be able to share with the committee, is this an outside agency that is doing the, I guess, internal audit? Never mind, it is internally. That is fine.

I would like to thank the minister for the information that she shared and was able to get back to us in agreement with the honourable Member for Fort Whyte (Mr. Loewen). I would look forward to just the additional information on the yearly hotel costs for the previous year, and I guess I would just like to thank the minister for taking the time to share the information and being co-operative through the process. Thank you.

Mr. Chairperson: That completes the questioning of the honourable minister.

Ms. Melnick: I just wanted to thank the members opposite, as well, for their co-operation.

Mrs. Rowat: Mr. Chair, I just would like our committee to be aware that this would be the end of our questioning or concurrence for Family Services and we can move to the next.

Mr. Chairperson: The Chair thanks the honourable Member for Minnedosa.

That completes the task of the honourable Minister of Family Services and Housing. She will not be recalled, will she?

An Honourable Member: We are not quite as lengthy in our questions and answers as some others.

Mr. Chairperson: Agreed.

The Minister of Conservation (Mr. Struthers) is now in his chair.

Mrs. Rowat: Mr. Chair, my question is regarding Chimo Beach in the Rivers area. There is a marina that is in very poor shape within the community, just

off their beach. There are dead fish; it smells; it is dilapidated. I had a chance to visit it, I think, last summer, and it was I thought a project that really needed attention either to be filled in or fixed up.

I know that the community is very concerned. I recently got a phone call from an individual who indicated that he is very concerned that the small children that live in and around the Chimo beach area could fall in. Actually, the boards that are sort of holding the soil back or to maintain the area, have fallen in. I was wanting to know if the minister would be able to instruct his staff to be able to work with the municipality or with the community owners, like the landowners in that area, to get it addressed. I am very concerned with this summer that there may be an accident. I have been warned by a constituent that this is a very serious threat, so I was hoping that the minister would provide some guidance and speak to the staff out there to get this resolved.

Hon. Stan Struthers (Minister of Conservation): So the MLA has been warned and now the minister has been warned. There are certainly safety concerns that we all have to be absolutely aware of and we have to make sure we take steps to minimize those. These sorts of facilities all over rural Manitoba, outside of the safety concerns, are great for families. If it is not being used, it is an opportunity that we are missing in one part of our province.

Mr. Chair, they are great economic development generators for little communities. I am sure Rivers would benefit from any work that we were able to do at this marina that the Member for Minnedosa speaks of. This is something I will follow up on. I will talk to people in my department, try to get my head around where exactly this is at and what needs to be done.

Mrs. Rowat: The staff people, I think, within his department have had discussions with DFO. But I think that based on dead fish, the smell, young children playing in and around there, and it is really just right off the boat dock area, that I, definitely, as a mom of two small kids am really concerned about that area because children are curious and it is definitely a treacherous area. It is just off the beach, so I would ask the minister to assist in looking at this issue. I appreciate his comments.

Mr. Glen Cummings (Ste. Rose): I have been wanting to press the minister on this secret, leaked

document. Actually, I am one of a myriad of people who were copied, including Steve Ashton, Stan Struthers.

* (17:10)

An Honourable Member: It is still a secret.

Mr. Cummings: If it is confidential, it will be sure and be published. What can the minister tell me about Beaver Lake Road? I am sure he is well apprised of the issue up at Swan River.

Mr. Struthers: If I understand right, Beaver Lake Road, some of the people I know up around the Swan Valley call it Bush Road, from Highway 10 into—it is the back way into Wellman Lake, if I have the right road in mind. There are some safety concerns on that road. I do not want to have people travelling up and down a road that has got the kind of soft shoulders and, in some places, shoulders that have been washed away. I do not want to be putting people in harm's way on that road.

At the same time, I want to be able to talk with some folks up in that area to get a good idea of the usage on that road. I know that it is not being used today. I know that it is causing some grief for people who use the road to get in and out of Wellman Lake, but as it stands right now, it is a safety concern for me and I do not want to be putting people in the position where they could hurt themselves on that road.

Mr. Cummings: Is the department of natural resources responsible for the maintenance of the road?

Mr. Struthers: I believe it has been our road for some time. I think it was one of these roads that, I would say, decades ago was used simply to get up into the parts of the country that could be forested. As I said, friends of mine in the area call it an old bush road. At the time, the old Department of Natural Resources was responsible for it, and I believe we have kept up that responsibility.

Mr. Cummings: As the minister knows, these are people that he and I know quite well. He, in some cases, probably knows many of them better than I do because of where he has lived in part of his youth, misspent or otherwise, let us not go there. The fact is that the letter references this as west of Pine River to

Beaver Lake back in the Duck Mountains. I have been to Wellman Lake but I do not know whether I was on this road or not. I think this is a different road.

There has been \$40,000 spent developing a riffle structure up in there to improve the fish habitat. Natural resources has been stocking in the area, it has advertised, and you know, everybody is all fired up and ready to go and the road is closed. It has been closed long enough now that I am thinking it has probably had some impact on those who would travel in the area and normally get out there.

I would just like to know if the minister is prepared to put some priority on this to get it into a usable state. I am not sure how much local rainfall has occurred in that area in the last little while, but I would hate to think, I know that natural resources over the years has had its capital budget reduced and I was responsible for reducing it, but I really do become concerned if I see it getting reduced even further.

What I have always admired about the people that are involved in the fish enhancement in that part of the world is their enthusiasm, their ability to raise funds and their willingness to put volunteer work into the resource just because they love doing it. This probably is a case of where natural resources, and I do not mean the local staff, I mean, natural resources collectively, has let down the volunteers who have done time, money and effort every year trying to enhance the fishing.

The minister has this letter and I did not expect him to send me a copy of his answer. But has he sent an answer to the Swan Valley Sport Fishing Enhancement people or to FLIPPR, the fly fish association or Intermountain Sport Fishing?

As the minister and I were saying before we came in here, the reorganization of these two departments is, to me, having the responsibility for the actual fish themselves being lodged with the Minister of Water Stewardship (Mr. Ashton). I guess that means that resources gets to do the grunt work. You know, fix the roads and make sure that the riffle structures are in place, that sort of thing. I can tie this to the press releases coming out from government talking about world-class fisheries. And we do have world-class fisheries here.

Is this a local budget issue, or is this a department-wide issue and budget may be the reason why this road is not being fixed?

Mr. Struthers: The first thing I want to do is join with the Member for Ste. Rose in paying a great deal of tribute to the groups that he has mentioned. The very first sport fishing enhancement group that I was a member of was the Swan Valley Sport Fishing Enhancement group. My dad and I actually attended their very first, their founding shore lunch fundraising supper that took place at the Legion hall in Swan River back in the mid-1980s.

They have done a lot of good work through that Wellman Lake area. They took on the huge task of trying to fish out every jackfish from Wellman Lake so that they could stock Wellman Lake with pickerel. It turned out to be a gargantuan task. They had several years' worth of jackfish derbies. I think they had a lot of fun in doing the project, and they actually accomplished their goal. It was not just at Wellman Lake. Beaver Lake, Two Mile Lake, Glad Lake, they were very successful in stocking arctic char in the deeper south end of Glad Lake.

The one thing I want to point out is the road south of Minitonas, 366. I can see now I am really going to be put to the test as the member brings out his provincial highways map. I guess that is what happens when you follow the Minister of Transportation and Government Services (Mr. Lemieux), there is a provincial highways map to go by. If the member would like to find Duck Mountain and locate Wellman Lake, kind of in the north-central part of the mountain, he will see that 366 comes south of Minitonas, 366 comes up south of Grand View. Three sixty-seven comes in from No. 10 highway, just a little bit south of the Beaver Creek road from Garland, west into the mountain. Then from San Clara, from the west, 367 comes in. They all kind of meet at the middle, around the Blue Lakes area, and then it is a short drive north to Wellman Lake, a short but very scenic drive to Wellman Lake, north of there.

* (17:20)

So there is access to the Wellman Lake area and, until we can make the improvements necessary to the road to Beaver Creek, I do not want to have a whole lot of people travelling that road in the condition that it is in. I think it would be a much graver situation if

we did not have the access to Wellman Lake, the cottages, the campsites and all the amenities at Wellman Lake if there were not these other roads that were leading into that part of the park. But, until we can move forward with Beaver Creek road, I want to say that the road will remain as it is until we can get it to a safe condition.

Mr. Cummings: Well, I can only press the minister to think seriously about the consequences of what he is doing and tie that to what was asked earlier today and should have been answered by the minister who is actually responsible for fish hatcheries. I do not always expect I am going to get an answer anyway in Question Period, but I expect to get an answer in concurrence. I really do believe that the department is approaching this ministry, and between the two departments with the reorganization approaching, first of all, maybe getting into a reorganizational gridlock and that at the very time when you are trying to save money, you may not be getting the efficiencies that you need in order to make that still a good way of practically delivering what is needed out there.

These people, rightly so, have raised concerns about the fish hatcheries. I know that there are critics out there, but I have become increasingly convinced that the hatcheries do a lot of good to create sport fishing in small lakes. There might be some legitimate debate about restocking Lake Manitoba, I suppose, but on some of these sport fishing lakes I think it is very important. Regardless of whether this minister is responsible or not, I think he also shares responsibility with the Minister of Conservation for tourism. Ultimately, tourism is what is going to hurt if you lose the enthusiasm of the volunteers who are doing so much currently and have done so much to restore a high level of success in sport fishing, particularly in this area.

There are other areas of the province, and other areas should receive some additional attention, but this is pretty important. I would like the minister to put on the record some assurances about this side of the responsibility for stocking lakes. He can say it is not his turf, but government collectively, if they let this ball drop, is going to pay the price. I will be asking his partner in crime regarding this area of responsibility whether or not they are going to continue to put enough money into this side of their responsibility to maintain the high quality of sport

fishing that we have, and I do not need another invitation to go fishing. I am fishing already.

Mr. Struthers: Are there any bites? My partner in crime, as the Member for Ste. Rose refers to him, is the Minister for Water Stewardship (Mr. Ashton). The Minister of Water Stewardship and I go way back to our university days. We have known each other for a long time. We have worked well together on a lot of different projects together. We are approaching this in the same co-operative spirit as we always have. I agree with one of the things that the Member for Ste. Rose said and that is that the ball on this cannot be dropped. I understand that. I understand that my department will be working with a lot of different departments in order to make sure that we do not drop the ball on this.

Hatcheries, certainly, are part of the broader solution. I agree with the Member for Ste. Rose on that, but hatcheries is only one part of the solution. There has been a debate out there as to how effective hatcheries are, and I believe that they do play a role in this. There is a line of thinking out there that says that you cannot be putting all your fish eggs in one basket, so to speak, that you have to be working in terms of enhancing the lakes and the rivers and the streams.

The member mentioned riffle projects up in the Duck Mountains. We have to be able to not just provide fingerlings from hatcheries, we have to be able to provide the conditions upon which fish can thrive out there in the lakes and rivers and streams and creeks. We have to have a comprehensive approach to dealing with local groups, sport fishing groups who we have been working co-operatively with. We have been providing some funding to help local groups such as the Intermountain Sport Fishing Enhancement Group, Swan Valley Sport Fishing Enhancement Group, FLIPPR, not just in our area, but groups from around the province. Through the Fish Enhancement Initiative, we have been able to direct money for fish enhancement. We have to be able to improve that to help fish; we have to be committed not to do harm in the first place. We have to be able to study the impact of decisions we make so that we do not harm the environment that the fish need to prosper in.

We have to be able to work with chiefs and councils on our First Nations. We have experienced, I think, over the last number of years, some very

positive steps forward not only in regulating the fish stocks that are out there now, but in including First Nations in making decisions to enhance fishing and fishing opportunities.

Those are the assurances that I can give the Member for Ste. Rose. Where we can do that from within the budgets of Conservation, we are going to be committed to do that. Where we can partner with other departments or groups outside of the provincial government, we will be looking for those opportunities as well.

Mr. Chairperson: If I may be allowed, as Chair, when phrases like "partners in crime" are used in public records, readers do not understand the setting or the atmosphere, and I would like to clarify whether the minister and the Member for Ste. Rose are saying this in jest only, as a joke, and it will be all clear on the record. I just want to ask.

Mr. Struthers: Yes, the Minister of Water Stewardship and I go back a long way, but the Member for Ste. Rose (Mr. Cummings) and I go back not quite that far, a little ways back. The "partners in crime" comment that he made, I took totally in jest and I can tell by the grin on his face that he was not being serious and he was not accusing us of doing anything criminal. I accepted that in the fun that it was meant.

Mr. Chairperson: Is that the same point of view from the Member for Ste. Rose?

Mr. Cummings: It was a colloquialism, Mr. Chairman, that I was using to indicate that I thought these two ministers were perhaps not living up to the standard that was expected of them and that, to use the term loosely, it was very unfortunate or criminal that they were not getting the fish supplies and the support to the sport fishing community that I thought they deserved.

Mr. Chairperson: Say no more about it; it is clarified.

Order, please. As it was agreed in the House to break from 5:30 until 6:30 for dinner, we will resume at 6:30 p.m. with questions for the Minister of Conservation. Committee is now recessed.

The committee recessed at 5:31 p.m.

The committee resumed at 6:35 p.m.

Mr. Chairperson: The Committee of Supply has before it for our consideration the motion concerning all supply resolutions relating to the Estimates of Expenditures for the fiscal year ending March 31, 2005.

On June 10, 2004, the Official Opposition House Leader tabled the list of ministers of the Crown who may be called for questioning in debate in the concurrence motion. The ministers listed remaining are as follows: Minister of Conservation, Minister of Labour, Minister of Health, Minister of Education, Citizenship and Youth.

We are now on the Minister of Conservation. The floor is now open for questions.

Mr. Cummings: How many NROs are we short?

Mr. Struthers: We have I think a very full and very active core of NROs who are working very hard in every corner of this province to make sure resources are protected and Manitobans are served.

Mr. Cummings: Will the minister table his answer or mail it to me within the next 10 days?

Mr. Struthers: I just gave a very good answer to that question, and I do not accept the premise of the question. I think we could have a thousand NROs, and the member still might make the case that we are short. We could have 500, and he may still think we are short of NROs. I do not accept the premise that we are short. I do want to make sure everybody understands the natural resource officers are out there doing their jobs, and they are protecting resources on behalf of Manitobans.

Mr. Cummings: Mr. Chairperson, I gave the minister an out. I do not necessarily expect him to know precisely what percentage of his staff positions are filled, but if he is not going to answer the question, I would suggest he should take it as notice and he could answer a two-part question. That is, what is a full complement considered for today's department, and how many vacancies are there?

Mr. Struthers: I would love to take that as notice for the Member for Ste. Rose and return, in the not-too-distant future, with a full answer.

Mr. Cummings: Thank you. I just looked behind me and there was no crowd.

Mr. Chairman, the second part of that is, and I am appreciative that the Minister of Water Stewardship (Mr. Ashton), I am assuming, has agreed to be involved in concurrence in a few minutes. That is appreciated as it is here in the list, but the list has been changing.

I would be interested to know, in the restructuring of the department, how much saving has been generated in the administrative reorganization of his department?

* (18:40)

Mr. Struthers: Well, the reorganization of the department is ongoing as I explained before we broke just before 5:30 p.m. The Minister of Water Stewardship and I have known each other for a long time and we are committed to making sure that the functions that have been provided under the old regime are not only seamless and carried-through, but we are looking for ways to enhance the work that we do.

I think that the Premier made a very good decision in identifying water as a huge issue with Manitobans. I think setting up a department, unique amongst departments in this country, with a minister with the capability to investigate all kinds of water issues was a very progressive step forward on the part of our government and our Premier

Both the Minister for Water Stewardship and myself are committed to making sure that that transition takes place in a co-operative fashion and that the decisions that we make along the way are made in terms of what is best for protecting resources, including water and all of the other issues involved from trees, to wildlife, to our parks, and all of those sorts of resource questions are handled in a very full and thorough way. We believe that we can do this and that we can do it with the best interests of our resources in mind.

Mr. Cummings: Will the minister undertake to provide that information in writing?

Mr. Struthers: I do not see a problem in advising as we go through the complete reorganization of departments. I want the member, as a former minister in the area, to know that the integrated approach that was there already within the old Department of Conservation before the Water Stewardship was put together, the integrated approach that has worked so well in our department is continued and the fact that, even with other departments in mind, there is a lot of overlap between Conservation and Agriculture, or Water and Agriculture, or my department and many other departments in the Province. So this is not something that is totally new in terms of reorganizing the work of government, but I can assure the Member for Ste. Rose (Mr. Cummings), at the very least, we can be transparent in the way that we approach this reorganization.

Mr. Cummings: What I asked was what the net savings would be in the reorganization to administrative costs, and that integrated approach will be needed between both ministers in order to give us some appreciation of whether or not that is occurring. I think I would not have been surprised that the minister would have said that he thought the Premier (Mr. Doer) made a wise choice in putting him and the Member for Thompson (Mr. Ashton) in Cabinet, but I was looking for something that would give me and the public some satisfaction knowing that the reorganization is in fact taking root.

As I said earlier to the Minister of Conservation (Mr. Struthers) and now the Minister of Water (Mr. Ashton) here, there is a great potential for an organizational gridlock, and I think public health inspectors are probably a good example. I assume that all PHIs have been transferred over to Water?

Mr. Struthers: That is not an assumption that the Member for Ste. Rose should make. We are working to make sure that the public health inspectors are used in such a way that the very real public health issues are dealt with. We have been working hard to make sure that we hire back some of the inspectors that were lost in the 1990s. We have been over that in the House a couple of times, and I actually, at one point, read into the record the losses that were incurred in the 1990s. We have rolled up our sleeves to make sure that we get the work done to make sure that there are people there to do the jobs that need to be done.

We do not believe that it is the best use of public health inspectors to simply enforce by-laws that other levels of government come up with. We want to make sure that our public health inspectors are there to do the jobs and, you know, things like inspecting restaurants. There is a smoking by-law in the city that we have some responsibilities to be inspecting and enforcing. What we need to do and what has been done is a prioritization of the health-related issues that absolutely must get done. We have prioritized them as our top priorities when it comes to the jobs that these PHIs are doing. So our commitment is to make sure that we have the ability to do our part of the bargain.

Mr. Cummings: Because the minister acknowledges that he still has some responsibility for the PHIs, there has been a process that has been ongoing for about a decade to deal with the amalgamation of city and suburban enforcement responsibilities related to work that public health inspectors would do.

The City is on record and my colleague the critic for urban affairs made it very clear that there seems to be not just a shortfall, but a lack of ability to enforce. This, in my mind, is not a shot at the PHIs. It indicates to me that there probably is a shortage of them available to do the work. Are there any discussions at all occurring between this government and the City of Winnipeg dealing with that potential amalgamation of those services?

Mr. Struthers: As I have indicated in the House, we are open to discussions with the City. We want to make sure we take a co-operative approach to this issue. Predecessors of mine, people who have sat in this chair, have had discussions with officials from the City of Winnipeg and have indicated that we are willing to get the ball rolling. First steps in this have been completed, so my commitment has been that we would make sure that we have people in place to do the public health inspections that need to take place, and that we would co-operate with the City of Winnipeg to make sure that this job is being done.

Mr. Cummings: Will the minister undertake to respond to my question about negotiations between the City and the Province surrounding this issue in writing? I understand how concurrence goes. There are a lot of issues going on in the department. I am not entirely surprised or disappointed that the minister might not have the answer at his fingertips. In order to make best use of our time, I am asking

that the minister would respond at his leisure in writing so that I have something that I can get my teeth into and that we can then determine whether or not there is really anything happening. To close the question, what is the current complement of public health inspectors with the department?

* (18:50)

Mr. Struthers: To begin with, as was brought up in the House, the letter that Councillor Jae Eadie has written to me and carbon copied to the city members of the Legislature, I will be responding to that letter, which poses many of the same questions that the Member for Ste. Rose is asking here this evening. I will indicate that we are working to make sure that the numbers that I read into the record in the House the other day of 12 back in 1990, a reduction to 11, and then a further reduction to 10 in 1997, which is about where we are at now, still exists and that our goal is to make sure that we have the people in place to do the job that we know we have to do.

Mr. Cummings: Have any of his public health inspectors gone over to assist the Department of Water?

Mr. Struthers: The two departments have been working in a co-operative fashion now. If there is a job to do, we have been in close communication between the two departments to make sure that people are available from whichever department to handle the issues that come forward.

Mr. Cummings: So, if the Department of Water needs a public health inspector to deal with a water issue, does Minister Ashton phone up and say, "I need two—

Mr. Chairperson: Order, please. Just for the record, this is the Minister of Water Stewardship.

Mr. Cummings: Pardon me, Mr. Chairman. Does the Minister of Water Stewardship phone up the Minister of Conservation and say, "Oh, send me over three PHIs for the week."

Mr. Chairperson: To whom is the question directed?

Mr. Struthers: Mr. Chairperson, as I have said, if there is an issue, if there is a job to be done, the Minister of Water Stewardship and myself and our

departments work together and assign the people that are necessary to complete the work.

Mr. Cummings: Well, I would be interested to get the answers on these numbers that I was asking the minister for. My colleagues have a couple of questions that they wanted to ask of Conservation, and now is the time.

Mr. Maguire: Mr. Chairman, I would just like to ask the minister about the cottage owners' association of Manitoba, the number of concerns that the cottage owners have raised. Even in their own paper, they have thanked the minister for bringing forward the idea of having a thousand lots. It is my understanding that not a lot of them are new lots, but a number of them were former existing lots.

I have a certain situation by an applicant who actually just got off the phone with me. Again, in the Boissevain area, George Lake is the small lake that is down in that area. I think the minister is aware of this particular circumstance, but I just wanted to ask him one question. There is a family there that was born in Manitoba, are living in Mexico now, want to come back to Manitoba and be Manitoba citizens, pay tax here next year. I understand, and I just got off the phone from this gentleman, so I just have to ask, and I know that the minister has indicated to me earlier that lots will be made available to Manitobans on a priority basis. I understand that but I am just checking. This is a circumstance where the government I know has spent, and it is not his department, but there have been other departments that have spent money trying to bring former Manitobans back to Manitoba. This person wants to come and because they are not a Manitoba resident right now would not be eligible for that lot process, for that draw.

I do not want to put the minister on the spot on that. I just want to make him aware of it. I would like to know if there was anything he could do for those particular people because they do want to come back. I just got off the phone from him, he seems very legitimate. His grandfather was a member of the Legislature of Manitoba, and I am of the understanding that he knows Manitoba politics very well. He would really like to come back to Manitoba and live here. In fact, he was raised on the Assiniboine River not far from here, so I just wanted to provide some background to help the minister in making a further decision on the Lindholm [*phonetic*] family.

If he could look at that again I would certainly appreciate it.

Mr. Struthers: The member brings forward an example that we have been looking for, and I appreciate him not only bringing it forward this evening but in the days leading up to this evening as well. He is doing a good job of representing his constituents.

I want to say though when we undertook the cottage lot initiative, we wanted to make sure that we were as fair and transparent as we could be in serving Manitobans who are interested in obtaining cottage lots. There had been a certain amount of controversy and nervousness surrounding Crown land over a period of years. Our approach to the whole concept of reorganizing the way we deal with Crown lands, which eventually became, or is in the process of becoming, a special operating agency was to make sure things were transparent and all Manitobans were treated in a fair and open way. That meant we had to be setting some rules, and when we launched our cottage lot initiative on the Web site, I would refer the member to an excellent Web site put together by folks in my department. Part of that Web site indicates the rules of participation in the cottage lot opportunity.

Our commitment, by the Premier (Mr. Doer) and our government, was to make 1000 cottages available to Manitobans. We wanted them to be affordable. We wanted to afford every Manitoban a shot at receiving a cottage so one of the rules was you needed to be a Manitoba resident. In the case of the Lindholms [*phonetic*], they did not meet that criteria.

I am open to these kinds of suggestions and information the member is bringing forward, but I also have to be, as the minister, governed by the rules that make it fair for all Manitobans. I do not want some families being treated in a different way than others, so, with those principles in mind, I am certainly interested in the case brought forward by the MLA for Arthur-Virden (Mr. Maguire). I appreciate his interest in this and his representation of his constituents, but we do have to make sure there are rules there to ensure fairness for all Manitobans in this.

* (19:00)

I do not mind saying my priority in this initiative is those hard-working Manitobans who would like

nothing more than to be able to afford to go up to the lake, whether it be George Lake or Liz Lake or Gausdin Point or Lake of the Prairies with all those big pickerel we were talking about earlier in this concurrence. My goal is to make sure things are done fairly and openly and in a transparent way. I thank the member for bringing this forward.

Mr. Gerald Hawranik (Lac du Bonnet): I just have a couple of questions of the minister. It is with respect to the cottage lots as well, the cottage lots announcement. I recall in 1999 when, and I was not involved in politics at that point, when the Premier stood up and he promised 1000 new cottage lots for the province. He stood up again in 2003 promising another, not another, but the same 1000 new cottage lots. Would that be a fair statement, Mr. Minister?

Mr. Struthers: Our commitment to the people of Manitoba was to make available 1000 cottage lots, make them affordable, as affordable as cottage lots can be in Manitoba where we have so much demand, and to make it so Manitobans could access these cottage lots.

The other thing we wanted to make clear was we were not going to load up a whole lot of cottage lots in one part of the province. There are two reasons we took that approach. We wanted to make it accessible to all Manitobans so we would look to spread around the province the cottage lots that are available, and we always have to remember decisions we make have an impact on the environment. We have brought forward different rules to help in terms of protecting water in the area, but at the same time, we cannot overload a lake with a whole number of cottages and expect not to have an impact on the environment. We have tried to make our decisions based on those principles.

We also have divided up this 1000-cottage-lot promise into three draws because it takes a good amount of time for people to do the survey work and all the rest of it that needs to be done to get these cottage lots available for the draws.

This spring there will be a draw, June 30; deadline is June 15. Any of your constituents that are interested, get them to grab an application form and get in for next Tuesday. Then, this coming fall, there will be another set of cottage lots made available in a draw. Then, next spring, a third tranche of cottage lots that will be available.

Mr. Hawranik: I guess what I was getting at with respect to the minister is the fact that 1000 new cottage lots were proposed and were promised. When I got the news release, I got the inventory of what is available and they are all existing cottage lots that were there before the announcement.

Where are the 1000 new cottage lots? I would like to challenge him to tell me that out of all of these lots, how many of them are new? I would suggest to him that I cannot see any. There might be one subdivision in here where there are about seven or eight of them, but all the rest have previously been available for sale. Now you are entering a public bid process for lots that are already existing that nobody had to enter before, they could have just gone to the department and bought them.

So what is the announcement all about? They have already applied for them. They are existing lots. They are old plans. There is no survey work that has been done here. These are almost 400 lots and you made an announcement. You stood on a pedestal, Mr. Minister, in front of the media and said, "We are pleased to announce this is the first instalment of 1000 cottage lots." Well, they are already existing. They have been existing for years. I can show you plan numbers that are 30 years old. I do not know what it is, but it is not 1000 lots.

Can the minister tell us whether or not the other lots, whether the other 600 that he is going to announce, are they going to be new lots or are they going to be another 600 existing lots that were previously available in the first place? I can tell you, when I look at what is in Grausdin Point in Lac du Bonnet, those lots are now offered for \$11,000. Last year, they were offered for \$8,000. Today, it is \$11,000 in a draw. Last year, it was \$8,000 and they just simply had to apply for them and they could buy one.

Where are the 1000 new cottage lots?

Mr. Struthers: Well, let us start with Grausdin Point. The member uses that as an example. When we made the announcement of the cottage lot program, of which I have described already, we set up a Web site, a Web site that talked about all the different aspects of this program. One of the things that I was very interested in was to see how many hits we got on our Web site, how many downloads we got on our Web site.

An Honourable Member: One hundred?

Mr. Struthers: A hundred? If I was an auctioneer, I would get you bidding up from there. I would get you bidding up a lot higher than 200.

Let us try, Mr. Chairperson; 62 409 visits to our Web site in a short period of time. Within two days of the announcement, we had 2500 hits. The member is very interested in Grausdin Point which has got 11 711 downloads looking for information on Grausdin Point. That looks like a little bit of interest, to me, in the area. The member might not be all that interested in it. The Member for Lac du Bonnet may think that owning a cottage is an exclusive right for the rich, for those who can afford it, or for all their Tory corporate bosses, but in my humble opinion, in my humble approach, these are 11 711 downloads looking for information on one single cottage lot subdivision that the member is interested in. I want to put forward for the member—

Some Honourable Members: Oh, oh.

Mr. Chairperson: The minister has the floor.

Mr. Struthers: There is another very interesting statistic that I want the Member for Lac du Bonnet (Mr. Hawranik) to think about for just a minute. He can chew this over. On the Web site you can download an application form that you can then turn and submit to my department to qualify for the draw that will happen on June 30. You know what the number of downloads on that application form line alone is? 15 425. So members opposite can try to poke a hole in a very good announcement and try to poke holes in a very good program.

The fact of the matter is this government came along with some vision, with some determination, took all those lots that existed, according to the Member for Lac du Bonnet, back in those dark Tory days of the nineties when these cottage lots or these back-tier lots that they talk about were sitting there not being shopped around by anybody, not being put on an inventory to be taken advantage of by Manitobans, but now they are. Now they are there. Now we are shopping them around to Manitobans. Manitobans are looking at them. They are deciding themselves where they are going to put their application forms forward. The number that we have seen so far have really shown that Manitobans are interested in this program and that they are going to

take part in the draws that will take place on June 30. Will we sell all these lots? We do not know. Will we sell half? Will we sell three quarters? I am willing to see on June 30 what those numbers are.

If we sell every one of these lots, that is fine. We will have a whole number of lots available again in the fall. Contrary to what the Member for Lac du Bonnet has put on the record, the surveying work has been done and is continuing to be done on a whole number of new cottage lots that will be available for a draw come this fall.

* (19:10)

At the end of this fall, we will have drawn for about 700 lots altogether. That is going to depend on how quickly we can get a lot of the survey work done between now and this fall, but that work will continue. By the end of this year, the end of 2004, we will have drawn for approximately 700 lots, the remainder of which will be drawn in the spring of '05. Manitobans have said that it looks like a good program to them. I would invite members opposite to get on board with a good program too.

Mr. Hawranik: A very simple question which the minister did not answer: How many new lots are in this first announcement? Are there any new lots at all?

Mr. Struthers: The lots that are made available for June 30 are a combination of a number of new lots that we have been able to survey and get onto the inventory in combination with a number of lots that were out there and not being advertised, and, quite frankly, not a whole lot of Manitobans knew about. What we are finding happening is that Manitobans, as they become more well acquainted with the cottage lots that are available out there, are stepping forward and they are looking for information on how they can participate in this good program. So there is a mixture of lots that are lakefront; there is a mixture of lots that are not lakefront, and there is a mixture of lots that we have carried forward from those dark days of Tory government in this province to brand-new ones that we have brought on-stream.

Mr. Chairperson: Portage la Prairie, then Emerson.

Mr. David Faurshou (Portage la Prairie): I just want to ask of the ministers present, Water Stewardship (Mr. Ashton), and Conservation (Mt.

Struthers), two particular scenarios concerning constituents in Portage la Prairie.

The Delta cottage owners on the southern shores of Lake Manitoba are presented with the situation once again this year. After the use of the Assiniboine River floodway, debris has washed up on shore and there is concern by the cottage owners about clean-up. The understanding that they have had, because of being approached by officials from the Department of Fisheries and Oceans, is that the debris is considered fish habitat and there naturally, and disturbance of said debris is contravening the Fisheries and Oceans regulations, and they are wanting for answers.

I know that they have called the Fisheries and Oceans personnel to attend the annual general meeting of the Delta Cottage Owners Association, but that will be July 4. What do I tell the cottage owners of Delta and Lynchs Point and St. Ambrose about the debris on the lakeshore that can find its origin or source back to the Assiniboine River via the Assiniboine floodway? That was question one.

The second question is most certainly to the Minister of Water Stewardship. That is that the Assiniboine River and upstream from the control structures of the Assiniboine Diversion is hampered by the debris, as I use the term stumps and deadwood, and this is declared navigable waterway, which in fact is used extensively by boaters. They have been told only to mark these stumps so that they do not encumber a boat and cause damage, but they cannot remove the stumps and trees that are stuck in the silt and bottom of the river, again by a directive from Fisheries and Oceans stating that this is once again considered fish habitat.

This is declared navigable waterway which, in my common layperson's assessment, is contradictory. A navigable waterway should be one that is unencumbered and available to persons that want to navigate that water course.

Mr. Struthers: I think that in both those incidences what we are dealing with is a federal department, the Department of Fisheries and Oceans. As an individual member of the Legislature representing a rural area that has a lot of drainage issues and lake issues and river and creek issues, I want to join with the Member for Portage la Prairie in expressing a great deal of frustration in dealing with some of the

federal rules that I think have produced as much frustration at the municipal level and with farmers as the Member for Portage and I experience as well.

Our commitment has been, when dealing with the Department of Fisheries and Oceans, that our provincial officials absolutely go to bat for the local level for the projects that are being proposed, that are being worked on. We have the ability to look at projects and decide if there is going to be environmental damage. We have processes that are longstanding in this province and our provincial government has followed those.

From time to time, we end up with joint processes with the federal government, and DFO plays a role in that, but our goal has been to try to educate the federal level, DFO in particular, as to the fabric of rural Manitoba. We try to help them understand that their rules, absolutely rigidly and strictly applied, sometimes do not make sense and, in my experience, quite often do not make sense. Our role has tried to be one of bringing two sides together, trying to work out something that is beneficial to folks at the local level.

You know, everybody around this table, both sides of the House, want to make sure that we protect fish habitat. That is important. We went through this earlier in these Conservation concurrence discussions. We know, we have been taking steps. Not just our government, I even give some credit to the government before us for making some steps in terms of fish habitat. We do not want to make decisions that mess up fish habitat. The problem comes in applying rules written in Ottawa, and then absolutely, rigidly applying them in places like Delta Marsh, in places like Lake Dauphin, and little streams and tributaries and drainage projects that have occurred in rural Manitoba.

Our approach has been one of trying to educate people on what is actually doable and what will work. I want to put a plug in here right now for the work that is being done in conservation districts in this province, because those are groups who, I think, understand this big picture of watersheds perfectly. They bring local people to the table to make decisions. That is the basis upon which we would like to see the federal government and all levels of government work when it comes to these kinds of issues.

Mr. Chairperson: We need leave if you want to direct a question to a different minister other than the Minister of Conservation, because we cannot—

Mr. Faurschou: I ask committee's leave for the Minister of Water Stewardship to answer a second question that I posed earlier.

Mr. Chairperson: Is there leave? *[Agreed]* The Minister of Water Stewardship, by leave, can answer.

Hon. Steve Ashton (Minister of Water Stewardship): I was so busy actually working on the answer to what I thought was the question that I was getting, I did not catch the member's question toward me. I heard DFO and my antenna went up. If I could, as the Fisheries Minister, just on the first part of the question, even though it was not necessarily asked to me, I do not know if I need leave for this, but we have had ongoing problems with DFO. I have undertaken in the specific case the member has raised to—*[interjection]* Catch and release, that is right.

* (19:20)

Anyway, what is interesting with DFO's approach is we have run into this as a province, we have seen municipalities run into this difficulty, we now have cottage-owners and others. There has to be some sense in what is considered natural fish habitat. Our department has raised ongoing concerns. We have had difficulties with drainage because of this issue.

I recently met with DFO officials in Ottawa, actually about a month ago. We have signed an agreement on habitat which is starting to bring together some of the approaches in terms of habitat issues. Now the last two times I met with the former Fisheries Minister, he kept indicating there was significant progress. That was the report he was getting on Manitoba. He has certainly met with the AMM, and was aware of some of the concerns. I am not so sure there has been quite as much progress as the minister at the time felt.

I just want to say on the DFO issues, we continue to raise them. I just, by coincidence this afternoon, had another situation raised involving DFO, and involving some very critical work that is being done on provincial infrastructure and concerns

about fish habitat. Believe you me, I have checked it out and nobody has any sense of the area that has been talked about as the spawning ground that it is supposed to be. So we have to, I think, keep hammering away of the fact what is reasonable. Just on a specific case the member raised, I have not quite figured out what driftwood on a beach, what kind of fish habitat that forms. Last I heard, fish, and I am the Fisheries Minister here, so I am not saying this as a biological expert here, but last I heard, fish do not survive outside of our lakes and rivers. So driftwood is not on my list of fish habitat.

Mr. Penner: Mr. Chairperson, maybe I should ask leave because I am not sure which minister is going to answer this question. So, if there is leave from the committee, I will just pose a general question and let either one of them answer that chooses to, if that is all right with the committee.

Mr. Chairperson: To clarify the matter, the committee can give leave, generally, to alternate asking questions. Is there agreement? *[Agreed]*

Mr. Penner: The first question is I wonder why the minister would not have risen in the House first thing today to announce that he was closing the floodway gates to serve proper notice to the residents upstream of the floodway gates, to give them proper notification.

Mr. Ashton: Actually, we began giving notice last night to the affected landowners. We contacted all of them, reached most of them. We put out a public notice last night and further, today, made an announcement at noon. In the interests of time, this being the final sitting of this part of the Legislature, that was the only reason that we did not consider doing a ministerial statement. But, in terms of public notice, we did.

We started, by the way, as we did in 2002, with the affected landowners. There are upwards of 52 landowners, most of whom are in market gardening activities. We just felt it was important to contact them outside of the broad contact that takes place when that takes place. We certainly have given significant public notification.

Mr. Penner: Thank you for that answer. I want to make the case today that the effect of closing the gates will be much, much broader than what the minister is suggesting. When I was the minister, I

was shown a model of how water pushed upwards in a river system, such as a flat river system, such as the Red River, when you block it off at one end. I would venture to guess that the river water levels will rise very quickly at points such as Morris, St. Jean and Letellier, right up to Emerson. I would suggest to the minister that he should put the challenge to his people that they keep very close tabs on how quickly the river rises after the floodway gates are closed upstream.

We were to the point where the river water was starting to level off. The water at our farm was just starting to creep up onto the land. We will keep a very close eye on what it does over the next three or four days, but I would suspect that we are going to have some major flooding on our farm, as other farms. I would suspect that you will see at St. Jean, between Dominion City and St. Jean on the east side of the river, some major flooding go on. The only reason I raise this I want the minister to be noted that there will be flood claims this time around. There were last time, but they were denied. The crop damages that will take place—I think those costs will have to be borne by the Province outside of what crop insurance covers. Crop insurance last time when it flooded like this during—I believe it was 2002 when the gates were raised, and the flooding that occurred there was not covered by crop insurance.

The reason I say that is many of those farmers that operate within that area have land outside that and the crops, as you know how crop insurance works, it averaged out and there was no compensation at the end of it. It was the most unfair thing I have ever seen. I would suspect the minister, and that is why I asked the minister to put a challenge out to his staff to do the proper gauging of this, I think there will be significant claims along the river this time around.

Mr. Ashton: I can indicate we have had some very thorough technical analysis. The member should know we are currently above 15 feet, James Avenue level in the city of Winnipeg, 15.2. There was some indication of levels coming down generally across the Red River, but the difficulty we are faced with, as the member could probably tell with the incoming weather system, by tomorrow we are going to get rain. The question is how much.

To give the member some idea of the kind of risks that are involved if you end up with between

one and two inches in an hour, which is a severe thunderstorm, but not an unusual thunderstorm, some of the exposure when you are 15 feet at James Avenue or higher runs into the kind of level we faced in 1993; \$130 million, \$140 million, was the damage back then, and that could be the case here.

What we have done is the level of the reservoir, if you like, which is where the 52 landowners are, that will be maintained. We are not going to go to a higher level. That would provide greater ability to lower the level from James Avenue, currently going from 15.2 down to 11 feet as of noon tomorrow, but it would significantly flood more Manitobans. The member is right. There will be more claims than last time, largely because the level is being raised 11 feet. That is 5 feet more than was the case last time.

The reality is last time the compensation was \$310,000. It will be higher this time, but when you are looking at the potential risks due to the kind of basement flooding we saw in 1993, it really was a decision we felt we had no alternative to make. I am not being critical of what happened in 1993. I have talked to the staff and, at that time, there was essentially no protocol for the operation of the floodway outside of spring flooding conditions.

I think we have made some progress since 2002. KGS did a very significant study. It has actually documented some of the risks of not operating in the kind of situation we are in and has also identified the various impacts. I just want to stress, by the way, there was some speculation the last couple of days in various media outlets about the possibility of using the floodway to lower the river levels for the use of the walkway and at The Forks.

Just to give you some idea of how that is absolutely not a factor whatsoever, for The Forks walkway to operate, you would have to be 8.5 feet or lower. If you consider the normal summer river levels are 5 feet—and these are all James Avenue which is the benchmark—we have indicated that clearly. The Forks walkway, I appreciate the frustration of people with the river levels that are there, but the operation of the floodway is there for emergency purposes, period. That is why we opened the gates as of 11:30 this morning.

* (19:30)

Mr. Penner: When the committee is going on, I do not think the Chairperson and somebody else should be chatting while we are having our debate.

An Honourable Member: Committee business.

Mr. Penner: Mr. Chairperson, I would ask the minister, then, whether he recognizes and realizes the mess that is created by flood waters entering private properties when you have elm trees that can be up to four or five feet around and larger debris than that maybe even, stumps, flowed out to the middle of your property, and you do not have the heavy enough equipment to move those kinds of trees off your property. There can be significant costs incurred, as we do almost periodically, when high water levels come along that Red River.

One of the major reasons why that has happened is because in 1988, when I became the minister, there was a thing called Dutch elm disease. These started entering the Red River system. As a young minister, a novice, I suggested what we should do immediately along the Red River is harvest every elm tree and sell them off to the industry because there was a tremendous market for elm wood for furniture at that time.

Of course, every environmentalist in this province crawled down my back. As well, the opposition members of the NDP party at that time were ruthless in the House about wanting to devastate the elm forest in this province. Yet the bugs did a real good job. There is not a live elm along that river now, but all that dead wood. I have pictures that I should have brought along today. Had I known you would be here, sir, I would have brought you the pictures of a quarter mile of dead elm trees jamming up against the river bridge at St. Jean. You cannot imagine the mess, all that dead wood floating into our lake, a Winnipeg lake, and jamming up that lake. The rotting wood, we all know, is where mercury comes from.

If you want to talk about pollution of a lake, that is the utmost in pollution of the lake. This happened year after year after year. This will continue for at least another decade until all that dead wood fall-over that is occurring now, those large trees that are rotting at the base and then falling over and drifting downstream, are gone.

I say to you, sir, that you were the opposition member at that time. You were significantly effective in making the case before committee, and your party certainly was, that we were talking about causing chaos along the Red River. Well, I say to

you the chaos we see now is what the devastation that you have been talking about is happening in the Lake Winnipeg. This is one of the major contributors to the devastation of that lake, if you want to talk about devastation.

So I say to you, Mr. Minister, you and your party are probably the cause of some of the major pollution that is currently happening in Lake Winnipeg. You want to clean it up? I would say put some nets out in the river and then on a daily basis snag the trees out of the river as they want to go walk into the lake. Somebody said here, fish habitat. That is no fish habitat. The fish will not even come close to those dead trees at the bottom of the lake rotting over there. So I just wanted to bring that to your attention.

The second point I want to ask, though, is of the Minister of Conservation. White Mouth Lake in southeast Manitoba, and if you would want to ask your Uncle Doug about this, he would tell you about the good fishing on White Mouth Lake periodically. It is not always the case, not every year, because we have significant fish die-outs from time to time because it is a very shallow lake, but it is a nice lake.

There are two landowners there that are talking about development. They have applied for development, I think have been granted or at least been given some indication that there is not a great deal of opposition to them doing the developments there. The one person had his land surveyed and found out that the property actually entailed 35 feet of natural resource property, and therefore natural resources now has to agree to selling off about 35 feet or thereabouts of that property.

I wonder if you would, Mr. Minister, inquire with your department, Lands branch, to see whether that is moving along. I should ask whether this has hit your desk yet. I understand from answers I get from the department that it might be sitting on your desk or thereabouts. Maybe you want to inquire as to where this is at, like I say, to landowners at Whitemouth Lake. Your staff will know which properties they are. You do not have to answer this today, but if you could give me an answer in the future, I would appreciate that.

Mr. Chairperson: Before we proceed any further, I counted the number of "you" and "yours" and "you, you, you" and I counted 13 times. I was patient, because I know that this is a matter that has to be

pointed out. I plead, the honourable members, to please use the third person so that we will have the necessary balm to cool the passions that we, as human beings, are prone to. Can we do that?

Mr. Penner: I will give you the honour and recognize you as I can. I guess I am just too much of a Mennonite, too much of a German, because when I speak to somebody or address somebody, and ask somebody just to recognize a problem, I seldom ever talk through the third person. So, Mr. Chairman, if you feel offended, I apologize to you for the offence, because I had no intent of offending you and your vanity that is, obviously, being hurt here and I am sorry about that, deeply sorry. I will try not to do that again, but I would ask you to recognize that a tradition in our ethnic group would seldom ever require us to speak through the third person and therefore, you know, I have reached an age where we have done this for many, many years, and so I ask you to kindly recognize that as well.

I think the minister understands that because the minister and I converse very often and we have a great conversation. I have a great deal of admiration, by the way, for the minister. So I hope you accept my apology.

Mr. Chairperson: There is no apology needed, because the Chair is not offended.

Mr. Struthers: I will gladly follow up on the request that the Member for Emerson has made. I also appreciate him giving a little bit of ink in the Hansard to my Uncle Doug who is a very great guy, great uncle. The part of the province that the Member for Emerson references is the home town of my dad, that whole southeast corner of Sprague. I know that the Member for Emerson is not trying to pull my leg when he talks about the good fishing in Whitemouth Lake. I have tried it out myself, Moose Lake, Lake of the Woods, even the odd jackfish we have pulled out of the mighty Sprague River.

* (19:40)

So it is good to talk about those places. I was actually reminded when the Member for Emerson was questioning the Minister of Water Stewardship (Mr. Ashton) about some flooding, and I know that the Member for Emerson and I have talked about my grandparents' house being on the national news a couple years ago, on Main Street in Sprague, as I

watched and saw my grandparents' house filling up with water. It was not my grandparents' house at that time; they had sold it, but still it will always be my grandparents' house, with all her flowers and the big lawn and the Sprague River running behind.

I will certainly follow up with the question that the Member for Emerson has posed, and appreciate him bringing that forward.

Mr. Faurshou: I would like to ask leave of the committee to ask the Minister of Education one question before we revert back to Conservation. It is only one question.

Mr. Chairperson: Is it agreed that the honourable Member for Portage la Prairie can ask a question to the honourable Minister of Education, Citizenship and Youth (Mr. Bjornson), that the honourable minister may then go and be excused and not be recalled by this committee? Is that agreed?

An Honourable Member: I might not be recalled then?

Mr. Chairperson: That is the request.

An Honourable Member: Okay.

Mr. Chairperson: Is that agreed? *[Agreed]*

Mr. Faurshou: Thank you very much, Mr. Chairperson. To the Minister of Education, this is in regard to a request by the Portage la Prairie School Division that recognizes the need for vocational training in the Portage la Prairie area. I know this has been raised on numerous occasions regarding rural economy of which I know the Minister of Agriculture and rural development is knowledgeable as well, is to train the young people in the rurals of Manitoba. It is incumbent upon us as legislators in the Manitoba government to support school divisions in their efforts to link the school division with the needs of the community as providing for education in career pursuits and vocational lines of training within the K to 12 school system.

It had been put forward by the Portage la Prairie School Division. I must say responses for this type of training are significant. By the correspondence, it indicates 67 applications for training in vocational areas throughout the province of Manitoba were received by the Department of Education, but only

17 were acknowledged and supported. I see by this type of need that I must ask the minister for his reconsideration of some of these applications of which one would be Portage la Prairie and their electronics program.

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): Thank you very much for the question. Certainly, we are very pleased with our announcement this year to proceed with a \$4.5-million commitment over the next three years through my department and the Department of Advanced Education and Training to address a need in technical-vocational education.

This particular initiative was very well received by the industry, as the industry officials have been talking to the department and have been in dialogue with the department for a couple of years over a recognized deficit and anticipated deficit in skilled labour. As such, it was undertaken to launch this initiative to commit \$4.5 million, as I said, over three years between the two departments of education.

Having said that, we had offered a number of dollars, and I am sorry but I do not recall the exact figure, I think it might be included in the correspondence you have in front of you, four programs and special projects to be developed and upgraded. As you said in your preamble to the question, there were 67 applications of which we were only able to fund 17 at this time. In the context of the importance to rural Manitoba—

Oh, I thank you for that. Yes, I could not recall the exact figure.

With regard to the importance to rural Manitoba, I know I have had the privilege of visiting a number of schools in rural Manitoba. I was in Minnedosa where I was very impressed with the program they offer there where they actually can provide safeties for vehicles. I visited, actually my colleague from Thompson, a school there and saw this wonderful aviation program they have in Thompson. In both cases, the instructors informed me many of the students who go through their programs find employment within the communities. Certainly, the program that is being offered in Portage la Prairie has merit, given the growth that we have seen in Portage la Prairie and the industries that are found in the area.

Now, with the volume, the sheer volume of applications that we received, unfortunately, we can only address 17 of the 67 this year, but we are committed to continue to assist school divisions as they come forward with their priorities.

Of course, the other avenue that I have encouraged the board to pursue, because the board had approached me on this issue, and they have identified it as part of their five-year capital plan as a major priority for their five-year capital plan, which is consistent with the application process and the five-year capital-plan process that is followed to identify priorities within the division for upgrades in equipment and major capital purchases and renovations.

So that process is separate from this particular process, of course. But, with the volume and the need as identified by the department, we were only able to fund 17 projects this year. We are committed to continue to look at applications next year and look at the priorities that are brought forward by divisions next year.

Mr. Faurshou: I know that the minister is hesitant to say yes or no. I recognize that, but the situation, and he appreciates, is that there is now a study going on to merge the two high schools in Portage la Prairie. This particular project will be part of that merger.

This proposed housing would be in Prince Charles School which is across from Portage Collegiate Institute, which would be used for the Arthur Meighen student body that would be moved over to a Senior 1 through Senior 4 campus, involving Prince Charles and Portage Collegiate Institute.

So it would not be throwing money away, as was the concern by his department. It would be merged within a long-term program to offer more vocational type of training within the Senior 1 through Senior 4. So I want to leave the minister with the assurance that this would be a very, very wise investment in the overall scope of senior schooling of Portage la Prairie students.

Mr. Bjornson: I thank you for that and I would like to offer the member from Portage the assurance that we are committed to investing in technical vocational

education and upgrades in our facilities to provide appropriate learning environments for our children.

Indeed, with this review going on of a possible campus that would merge two schools, evidently, if that was the case and it was recommended that the division pursue that, there would likely have to be some capital expenditures in bringing the school in question up to speed to be able to accommodate the needs of a high school program that would be offered in what is currently, I understand, an earlier school, or correct me if I am wrong, is it an earlier school? *[interjection]* K to 9, so, evidently, there would be need for some capital investment in that.

Mr. Faurshou: I just want to thank the Minister of Education and I am pleased that the committee allowed me the question.

The Minister of Water Stewardship (Mr. Ashton), I just want to clarify the question that I know that he started to answer, but I want to be able to respond to the persons that take up boating on a navigable waterway, being the Assiniboine River, upstream from the control structures of the Assiniboine River Floodway that are now encumbered by numerous deadwood stumps in the navigable waterway.

* (19:50)

They have been told by DFO solely to mark the stumps so that they do not run into them with the boats and incur damage, but I am wondering why, if this is designated a navigable waterway, we are letting all of these stumps and logs get stuck in the silt and the river bottom to remain in a navigatable waterway. It seems a contradiction to me.

Mr. Ashton: Well, there is a whole other issue. On the one hand, we have got DFO all over doing this that and the other, and when it comes to dredging, for example, which is an ongoing issue, the Lake Winnipeg basin, and we contend it is a navigatable waterway and that is under federal jurisdiction and they should be involved.

We have difficulty getting them doing even what they did before, so I appreciate the point. One of the problems in dealing with the federal government, quite frankly is, unlike the Province of Manitoba, where we now have one department, Water Stewardship, they have a minimum of 12.

I used to quote 12, but then somebody pointed out there could arguably be as many as 20 departments. That is one of the problems. There is no clear mandate, and with a lot of the federal departments they are either tripping over each other or they are nowhere to be found.

I get the feeling, once again, we are finding common cause on this. We may not agree on everything politically, but when it comes to frustration over DFO and various federal agencies, I think that we have a—now I cannot speak for two members of the Legislature, but I would say 55 out of 57 would definitely be onside.

Mr. Maguire: I just have a couple of comments and a question for the minister, that would be the Minister of Conservation (Mr. Struthers) who was expounding about the number of hits that had been on some of the Web sites. I have had the pleasure of working with Mr. Ted Ferens, former president of the Whiteshell cottage owners association, in the past and found him to be very accurate in his statements, particularly when we were dealing with the tent caterpillar issue a few years ago, you know the spraying and that sort of thing, that was done there. It was a big help.

Mr. Ferens has written an article in the *Whiteshell Echo*, the cottage owners' paper in that area. He has indicated that he is very pleased to see that the Minister of Conservation, and I will quote this, Mr. Chairman, if I could, "that the Minister of Conservation, the Honourable Stan Struthers, has made good on his government's promise, and finally announced the creation of 700 of 1000 new cottage lots for development in Manitoba."

He goes on to say, though, that "the excitement of these lots is certainly to subside once people realize that the cottage lots created in three of the provincial parks, Paint Lake, Duck Mountain and Clearwater Lake, would require approximately two days' travel from Winnipeg and return. They certainly are not desirable for weekend cottagers because of the commuting distance as well as the increasing price of gas."

Well, maybe the minister could not predict the price of gas. I will give him that much credit, for sure. You know the other one that he goes on to say, Mr. Chairman, is "with the exception of seven cottage lots created at Grosdin Point, Lac du

Bonnet"—which are the new lots we refer to if they are there—"the remainder of the lots are at locations that would require three or more hours' travel to reach."

So I just wanted to point out as well that he indicated and I could ask him if he would just expound on what happened to the public consultation process and why they changed their minds on that.

It appears as if, according to Mr. Ferens' article, that the Parks and Natural Areas branch of Manitoba Conservation informed interested cottage owners associations and others that they would have a public review process. There has not been one, so I just wondered if the minister could tell me about that.

Mr. Struthers: Well, I share the good words that the Member for Arthur-Virden (Mr. Maguire) has put on the record about Mr. Ted Ferens. I have met with him on this issue. I have met with his cottage association group, the provincial group. I had the opportunity to go to the annual general meeting of the Whiteshell Cottagers Association. That was a very good meeting. They were very appreciative of the presentation that people in my department made, in terms of the on-site water treatment regulations that we have been moving forward on. They are very supportive of steps we have taken to protect the water that they love to have the cottages next to.

At that meeting, Mr. Ferens' one concern he had was that he had been hearing from his people that we were going to load up one area, i.e., the Whiteshell, with the bulk of these thousand cottage lots. There was concern that we would move and do that, concern from an environmentally sustainable argument and also just a concern in the number of cottagers that you would have in one particular area.

So, based on the advice that we got from Mr. Ferens and from others, we decided not to have the vast majority of our cottage lots in that part of the province, but, as the member has pointed out, some of the cottage lots are in that area. There are proposals coming forward from groups in that area and municipalities in that area to consider the development of cottage lots on other lakes in the beautiful Whiteshell area of our province.

I want to also say that I read in some of the media that there were some people that were disappointed that these places were not closer to

Winnipeg. Well, I do not think that I need to point out to the Member for Arthur-Virden that there are people who live outside of the city of Winnipeg. I love the city of Winnipeg. It is an integral part of our province. I do not know where we rural folks would be without the city of Winnipeg. I do not know where the city of Winnipeg would be without us rural folks, but people in Thompson, people in Cranberry Portage, people in The Pas and Swan River and my constituency, people in the southwest corner who think George Lake is a good place to have cottages want to have the opportunity just as much as people living in the city of Winnipeg.

With the nearly 400 cottages that we have made available, we have spread them around the province. The member can look forward to that again in the next round and in the round next spring. So we want to make sure that everybody has a chance and that these are accessible to all Manitobans.

Mr. Maguire: Mr. Chairman, I think Mr. Ferens' biggest concern was and goes on to say the majority of these lots identified are not lakefront, they are referred to as back-tier cottage lots in, quote, existing cottage subdivisions.

I am sure that he has spoken to the minister about that, but my question to the minister, I believe it is to the minister of water strategy. That is in relation to some of the water projects that are ongoing in conjunction with municipalities. I believe we had a bit of a discussion in Estimates about this.

He was pretty sure that things were proceeding with the Wallace project on water development out there, bringing water down from Miniota—the well that they have drilled there is a good well, excellent soft water—to bring it down through that area. I am just wanting to know if the minister can give me an update at all on when that water would be there.

The idea was to bring a 10- or a 12-inch tube, and I would refer a 12-inch to the minister if he has any say in that, because of course the 10-inch was for the existing amount that might be needed in that area. I am not sure of the dollar number. In speaking with Reeve Heaman some time ago, it would appear for a project of that size to go ahead with the size that would look to the future of that area for development. It would make sense to do it for I think it was a minimal cost at this point. So I just wanted

to see if the minister could give me any indication where that project is at.

Mr. Ashton: Following Estimates I indicated that I would get back with some detailed answers to a number of areas. But in addition what I was thinking is if the member is interested I would be more than glad to arrange a meeting with the Water Services Board and with the department. It would be fairly easy for him to access our staff out in Westman and Brandon. So that might be a way of getting more of the details—*[interjection]*

* (20:00)

Absolutely. We have many long-serving, very capable people. I might add one of the things that is actually quite, I think, different with the new arrangement is that we actually now have the Water Services Board responsible for Conservation under this department.

So I know there was some confusion early on, particularly when, as Conservation Minister, I was not responsible for conservation districts, so I would suggest, if the member wants, we will set up a full briefing on it, but I will get him written information as well.

Mr. Maguire: Mr. Chairman, I thank the minister. I will take him up on that offer to have a meeting with some of those Water Services people because it would be great to have that project go ahead. There is still a boil-water order, as the minister knows, in Kola and one in Medora, which is, of course, a different project on that southern area. We need to get to work on both of those areas and try to see if we cannot satisfy the needs of those communities at least. They are smaller communities, but there is some growth in those areas, and we wanted to do that.

With that, Mr. Chairman, I would turn it over to the member from—*[interjection]*

Mr. Cummings: To the Minister responsible for Water, how many PHIs does he have on staff and how many environment officers? If he does not have the number, would he be prepared to provide that answer in writing?

Mr. Ashton: The member is really asking about positions that are within Conservation in terms of

public health. That continues to be the function of Conservation, and environment officers, I mean, there is the Environment section of Conservation which remains with Conservation.

Mr. Cummings: So, when the minister is enforcing his Drinking Water Safety Act, it does not yet have any regulations. What qualification of enforcement officer will it be using?

Mr. Ashton: The enforcement and implementation that is in place in terms of drinking water safety regulations, public health regulations related to drinking water is through a section that includes 12 inspectors who are all qualified professionals, actually, over the last couple of years, probably one of the most significant new investments in government and the current budget for that section, if I recall, is a bit over \$1.6 million, including both staff and other resources. So, in terms of drinking water safety-related issues and we are dealing now with certification, guideline standards, training, that is dealt with through that section of the Department of Water Stewardship.

Mr. Cummings: Will those not be public health inspection officers?

Mr. Ashton: They are dedicated professionals in terms of the drinking water safety side. I consider ourselves very fortunate as a province that we were able to recruit as many capable individuals as we have because, as the Minister of Conservation, I think I can point out generally, in terms of inspectors, health inspectors, drinking water inspectors, there is a national shortage, but we have been able to fully staff those 12 positions, 12 actually last year, and just recently we were able to add the additional 2, so we have 12 drinking water safety officers.

Mr. Chairperson: The honourable Member for Arthur-Virden.

Mr. Maguire: You called me, Mr. Chairman, and I would just say that I know that the member from Inkster might have a question here, and then I think that we are going to move on with the end of concurrence.

Mr. Lamoureux: I just had a couple of brief questions for the Minister of Conservation. You could probably speculate that it is on our bears, and I just wanted to ask the minister if he can indicate to

us what is the procedure for someone that shoots a bear in self defence in terms of reporting.

Mr. Struthers: Every Manitoban has the right to defend themselves, their families. If you are in a position where you have got yourself between a mother bear and a cub and the mother bear decides that you are the enemy, then you do have the right—and it is found in regulation in Manitoba—to defend yourself. There are certain animals that are designated that you cannot use the term self-defence. You cannot claim that you have been attacked by a rabbit or a squirrel and you shot it in self-defence. Bears fall in that category, though. You do, as a Manitoban, have the right to defend against a bear who is attacking.

Mr. Lamoureux: What obligation would it be, then, if a person finds himself in a situation where they have shot a bear in self-defence to report the incident to a conservation officer?

Mr. Struthers: There is a requirement that that be reported to a conservation official.

Mr. Lamoureux: I have talked to conservation officers and they have indicated that it is exceptionally rare, reports where bears have been shot in self-defence. I did not call all the conservation officers to get a number, but does the Minister of Conservation have any idea of how many bears would be shot in self-defence in any given year, or could he hazard to give us a guesstimate?

Mr. Struthers: Well, I do not want to give a guesstimate, but I can endeavour to find out a more specific, a more real number for the Member for Inkster.

Mr. Maguire: Yes, I think the member is finished and I think we would move that concurrence be ended, Mr. Chairman.

Mr. Chairperson: Are there any other questions?

An Honourable Member: No.

Mr. Chairperson: It has been moved by the honourable Minister of Justice (Mr. Mackintosh) that the Committee of Supply concur in all supply resolutions relating to the Estimates of Expenditure for the fiscal year ending March 31, 2005, which

have been adopted at the session by a section of the Committee of Supply or by the full committee.

Is it the pleasure of the committee to adopt this motion? [*Agreed*].

This concludes the business of the Committee of Supply.

IN SESSION

Hon. Gord Mackintosh (Government House Leader): I move, seconded by the honourable First Minister (Mr. Doer), that the House do now adjourn.

Motion agreed to.

Mr. Speaker: The House will now adjourn and stand adjourned at the call of the Speaker.

An Honourable Member: November 22.

Mr. Speaker: November 22? Okay. I have just been corrected.

The House is adjourned, and stands adjourned until November 22.

Some Honourable Members: No.

Mr. Speaker: Let us take a second here.

The House is now adjourned, and stands adjourned until November 22, or in an emergency at the call of the Chair.

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