

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

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

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
AGLUGUB, Cris	The Maples	N.D.P.
ALLAN, Nancy, Hon.	St. Vital	N.D.P.
ALTEMEYER, Rob	Wolseley	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
BJORNSON, Peter, Hon.	Gimli	N.D.P.
BRICK, Marilyn	St. Norbert	N.D.P.
CALDWELL, Drew	Brandon East	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CULLEN, Cliff	Turtle Mountain	P.C.
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.
MITCHELSON, Bonnie	River East	P.C.
MURRAY, Stuart	Kirkfield Park	P.C.
NEVAKSHONOFF, Tom	Interlake	N.D.P.
OSWALD, Theresa, Hon.	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.
SWAN, Andrew	Minto	N.D.P.
TAILLIEU, Mavis	Morris	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

**LEGISLATIVE ASSEMBLY OF MANITOBA**

**Tuesday, May 10, 2005**

**The House met at 1:30 p.m.**

*PRAYERS*

**ROUTINE PROCEEDINGS**

**PETITIONS**

**Riverdale Health Centre**

**Mrs. Leanne Rowat (Minnedosa):** Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for the petition:

The Riverdale Health Centre services a population of approximately 2000, including the Town of Rivers and the R.M. of Daly, as well as the Sioux Valley First Nation and local Hutterite colonies.

The need for renovation or repair of the Riverdale Health Centre was identified in 1999 by the Marquette Regional Health Authority (RHA) and was the No. 1 priority listed in the RHA's 2002-2003 Operational Plan.

To date, the community has raised over \$460,000 towards the renovation or repair of the health centre.

On June 1, 2003, the Premier (Mr. Doer) made a commitment to the community of Rivers that he would not close or downgrade the services available at Riverdale Health Centre.

Due to physician shortages, the Riverdale Health Centre has been closed to acute care and emergency services for long periods since December 2003, forcing community members to travel to Brandon or elsewhere for health care services.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Premier to consider ensuring that acute care and emergency services are available to the residents of Rivers and surrounding areas in their

local hospital and to live up to his promise to not close the Rivers Hospital.

To request that the Minister of Health (Mr. Sale) consider developing a long-term solution to the chronic shortages of front line health care professionals in rural Manitoba.

This petition has been signed by Brian R. English, Derwyn Hammond, Mona Hammond and many, many others.

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

\* (13:35)

**Pembina Trails School Division—New High School**

**Mr. John Loewen (Fort Whyte):** I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

Overcrowded schools throughout Whyte Ridge, Lindenwoods, Linden Ridge and Richmond West subdivisions are forcing Pembina Trails School Division to bus students outside of these areas to attend classes in the public school system.

Elementary schools in Pembina Trails School Division have run out of space to accommodate the growing population of students in the aforementioned areas.

Five-year projections for enrolment in the elementary schools in these areas indicate significant continued growth.

Existing high schools that receive students from Whyte Ridge, Lindenwoods and Linden Ridge are at capacity and cannot accommodate the growing number of students that will continue to branch out of these subdivisions.

Bussing to outlying areas is not a viable long-term solution to meeting the student population growth in the southwest portion of Winnipeg.

The development of Waverley West will increase the need for a high school in the southwest sector of Winnipeg.

The government is demonstrating a lack of respect for the students and families of Whyte Ridge, Lindenwoods, Linden Ridge and Richmond West by refusing to provide adequate access to education within the community.

The Fort Whyte constituency is the only constituency in the province that does not have a public high school.

NDP constituencies in Winnipeg continue to receive capital funding for various school projects while critical overcrowding exists in schools in Lindenwoods, Whyte Ridge and Richmond West.

We petition the Legislative Assembly of Manitoba as follows:

To request the provincial government to recognize the need for a public high school in the southwest region of Winnipeg.

To request the provincial government, in conjunction with the Public Schools Finance Board, to consider adequate funding to establish a high school in the southwest sector of Winnipeg.

Signed by Paul Lougheed, Bonnie Rosenfeld, Greg Braun and many others.

#### **Ambulance Service**

**Mr. Ron Schuler (Springfield):** I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

In May 2004, 46-year-old Peter Krahn suffered a heart attack while exercising in East St. Paul and was pronounced dead just under an hour later after being transported to the Concordia Hospital in Winnipeg. Reports show that it took nearly 18 minutes for an ambulance to arrive for Mr. Krahn.

The Interlake Regional Health Authority claims that 21 minutes is an acceptable emergency response time, whereas the City of Winnipeg uses a benchmark of 4 minutes.

Ambulance coverage for East St. Paul is provided from Selkirk, which is almost 25 kilometres away.

The municipalities of East St. Paul and West St. Paul combined have over 12 000 residents.

We petition the Legislative Assembly of Manitoba as follows:

To request the provincial government to consider providing East St. Paul with local ambulance service which would service both East and West St. Paul.

To request the provincial government to consider improving the way that ambulance service is supplied to all Manitobans by utilizing technologies such as GPS in conjunction with a Medical Transportation Co-ordination Centre (MTCC) which will ensure that patients receive the nearest ambulance in the least amount of time.

To request the provincial government to consider ensuring that appropriate funding is provided to maintain superior response times and sustainable services.

Signed by Ray Glowacki, Nathan Gerbrandt, J. Rempel, S. Washnuk and many, many others.

#### **Minimum Sitting Days for Manitoba Legislature**

**Mr. Kevin Lamoureux (Inkster):** 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 35 days in 2003.

In 2004, there were 55 sitting days.

The number of sitting days has a direct impact on the issue of public accountability.

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.

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 Gwen Menta, N. Badiani and S. Shah.

### Coverage of Insulin Pumps

**Mr. Kelvin Goertzen (Steinbach):** I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

Insulin pumps cost over \$6,500.

The cost of diabetes to the Manitoba government in 2005 will be approximately \$214.4 million. Every day 16 Manitobans are diagnosed with the disease compared to the national average of 11 new cases daily.

Good blood sugar control reduces or eliminates kidney failure by 50 percent, blindness by 76 percent, nerve damage by 60 percent, cardiac disease by 35 percent and even amputations.

Diabetes is an epidemic in our province and will become an unprecedented drain on our struggling health care system if we do not take action now.

The benefit of having an insulin pump is it allows the person living with this life-altering disease to obtain good sugar control and become a much healthier, complication-free individual.

We petition the Legislative Assembly of Manitoba as follows:

To request the Premier (Mr. Doer) of Manitoba to consider covering the cost of insulin pumps that are prescribed by an endocrinologist or medical doctor under the Manitoba Health Insurance Plan.

Signed by Bertha Penner, Berry Bigg, Lorie Plett and many, many others.

\* (13:40)

## ORAL QUESTIONS

### Red River Floodway Expansion Labour Agreement

**Mr. Stuart Murray (Leader of the Official Opposition):** According to the Premier's floodway expansion agreement, shop stewards and representatives from the Manitoba building trades union are required to be on non-unionized work sites, and grants them the right to conduct union business. This Premier's union boss friend, Mr. Eugene Kostyra, who was secretly appointed the chair of the Floodway Authority by this Premier and his Cabinet, Mr. Speaker, Mr. Kostyra has stated very publicly that the role of shop stewards is to organize unions.

It is not acceptable for this government to force non-unionized workers to pay union dues, to force employers of non-unionized companies to hand over their names and addresses of their employees to this Premier's hand-picked union boss organizer, Mr. Speaker. It is not, should not be for the shop stewards to give them the ability to be on non-unionized work forces, unionized work sites to drive their union-organizing agenda.

Mr. Speaker, will the Premier ensure that these very anti-democratic mechanisms are taken out of the floodway agreement?

**Hon. Gary Doer (Premier):** I believe the Rand Formula was implemented in the Government of Manitoba in 1968 or '67 by former Premier Roblin in the Legislature.

Mr. Speaker, I was at a breakfast meeting this morning. A lot of people from the construction industry, owners of companies, were there. They are quite excited about the floodway expansion business. They are quite enthusiastic about the new downtown Hydro building. They are quite optimistic that a government has replaced a mothball government of the past with a government of the future in terms of hydro-electric development. The skies are sunny in terms of the construction industry in Manitoba, maybe not outside of this building right now, and it is very, very positive for the people of Manitoba.

**Mr. Murray:** Mr. Speaker, this Premier's floodway expansion agreement requires non-unionized employers to contribute to pension and health benefit funds, and this is on top of the contributions that the

employers already make. In other words, this Premier is going to force them to pay twice. The construction industry estimates that this forced requirement, combined with the forced union dues, will total between \$30 million and \$60 million. Concerns have been expressed that the only way non-unionized workers will benefit from this fund that their employers are forced to pay into is if, in fact, they join a union.

Mr. Speaker, will this Premier guarantee today that any contribution that an employer makes, is forced to pay into the floodway's pension and health funds, that that will go to the employee whether he is a member of a union or not. Will he guarantee that today?

**Mr. Doer:** I think it was 1968 or '67 when all civil servants were required to pay into a pension fund and a benefit fund. Oh, what a horrible idea, Mr. Speaker, pensions and benefits, sick leave and pensions. That is why the members opposite are part of the Flat Earth Society.

\* (13:45)

**Mr. Murray:** Mr. Speaker, forcing non-unionized workers to pay union dues will result in untold millions of dollars flowing into union coffers that will have no benefit to taxpayers of Manitoba. In addition, this NDP Premier is going to force non-unionized employers to contribute to pension and health benefit funds on top of the pension and health benefit funds that they already pay. So this Premier is forcing the employers to pay twice. He should give his guarantee today that tens of millions of dollars from his forced requirement scheme will go to the employees, whether they are members of a union or not. Will he guarantee that today?

**Mr. Doer:** Mr. Speaker, let me just explain the advantages to the people of Manitoba, the public of Manitoba. Part of what was agreed to, not a novel idea by the way, the Simplot plant, the Tolko plant in the private sector, Hydro dams in Manitoba, the Confederation Bridge under former Prime Minister Mulroney when the member opposite was working for him. The agreement deals with no strike or lockout. That is the advantage in the public interest. That is why we support it.

#### **Red River Floodway Expansion Labour Agreement**

**Mr. Jack Penner (Emerson):** Mr. Speaker, under the terms of the floodway expansion labour

management agreement, non-unionized workers will be forced to contribute to three mandated trust funds. Could the Minister of Water Stewardship tell us today who will manage these funds?

**Hon. Steve Ashton (Minister of Water Stewardship):** I find it interesting that members opposite who, right from day one with the project management agreement, were opposed to any kind of agreement, any kind of agreement that would ensure no lockout, no strike provision, when the Wally Fox-Decent report came in, I think in the Manitoba spirit, provided a framework that was a compromise. Again, they opposed that. When the agreement came out, Mr. Speaker, they got up, they opposed everything in it. They opposed pensions, they opposed benefits, they opposed the employment equity provisions. I would suggest that the members opposite get with it. This is the year 2005. It is not 1895.

**Mr. Penner:** Mr. Speaker, the vast majority of workers in the Manitoba heavy construction industry have chosen to work in non-union shops. So it is very likely that the majority of floodway expansion workers will be non-unionized workers. Contractors will be required to pay \$2.91 per hour into these trust funds. Many of these workers currently have employee benefits arrangements through their various employers. Can the minister explain how these non-unionized workers can access those trust funds to which the workers will be forced to pay contributions?

**Mr. Ashton:** Let us be very clear. The members opposite disagree with the project management agreement, Mr. Speaker, and they are on record as disagreeing with pensions and benefits for floodway workers. I have got news for members opposite. We are going to have to have decent wages and decent benefits in order to build the floodway expansion. That will happen. We will have opportunities for all workers in this province, unionized and non-unionized, a heck of a lot more opportunities than we would probably see if they were in government.

We never hear them talk about the expansion itself. Mr. Speaker, it is going to protect Manitobans. There are 450 000 Manitobans protected through a 700-year flood. That is what the floodway expansion is all about.

**Mr. Penner:** Mr. Speaker, we do not know how or who these funds will be managed by. We do not

know how workers will receive any benefits from these funds unless they join a union. This means there could be tens of millions of dollars left in these funds once the project is complete. Will the minister admit that this labour agreement is simply about directing funds from Manitoba taxpayers to Manitoba union bosses?

**Mr. Ashton:** This agreement is about building the floodway expansion that is going to benefit 450 000 Manitobans, Mr. Speaker. This agreement ensures that, subject to the environmental licensing, we will be under construction as of this year and we will have it completed in 2009.

Maybe the members opposite should see what has been happening the last period of time because while they have been throwing out that outdated rhetoric we are moving ahead with the environmental licensing. We are moving ahead in terms of contract opportunities—

\* (13:50)

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

**Mr. Speaker:** Order.

#### Point of Order

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

**Mr. Leonard Derkach (Official Opposition House Leader):** On a point of order, I know we are off to a bumpy start here. Mr. Speaker, perhaps the minister could at least reference the pension fund that is going to be established and who it is going to be managed by that the member has asked for on three separate occasions.

**Mr. Speaker:** The honourable Government House Leader, on the same point of order.

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, I think the points that are being addressed by the minister are actually the main points that have to be recognized. The members opposite do not support this project, and they are going after one issue and another that misses the point.

Mr. Speaker, it was a mere interruption. There was no point of order in our view.

**Mr. Speaker:** Order. On the point of order raised by the honourable Official Opposition House Leader, when questions are raised ministers are to address the question. If the question is on the topic, the minister can address that topic. A member may ask a question, but a member cannot insist upon an answer to that question.

\* \* \*

**Mr. Ashton:** Mr. Speaker, we are moving ahead. In fact, we announced only last week \$27 million in engineering contracts, world-class engineering going to world-class engineers in Manitoba. Soon we are going to be seeing contract opportunities on the construction side.

Let me put on the record again that members opposite may be opposed to the pensions and benefits and employment equity provisions in the agreement, but this is the year 2005, and we will have opportunities for Manitoba workers and Manitoba companies.

#### Seven Oaks School Division Land Acquisition and Development Review

**Mr. Stuart Murray (Leader of the Official Opposition):** Mr. Speaker, yesterday the Premier's Education Minister released the terms of reference for the departmental review of the illegal land development scheme in the Seven Oaks School Division. Noticeably absent from the terms of reference was any mention of the Education Minister or his department.

I would like to ask the Premier if he finds it acceptable that the review into the Seven Oaks land deal is not going to be looking into the role of the minister and the Department of Education. Does the Premier find that acceptable?

**Hon. Gary Doer (Premier):** Well, Mr. Speaker, yesterday I was a bit shocked to hear the comments by members opposite. Doctor Farthing is an individual with a lot of integrity. He has worked for both administrations. He will be conducting the factual checks that are very important. We think that those are very important for the public, and we will await his report which should be ready shortly.

**Mr. Murray:** Mr. Speaker, the Premier's Education Minister was made aware of the allegations of this

illegal land development scheme in the Seven Oaks School Division a year ago. The minister and his department played a role in this scandal and allowed it to go along for as long as they have. It is unbelievable that the Premier of Manitoba, who has described himself as the NDP government's and his NDP party's ethics commissioner, is not concerned that his Education Minister is exonerating himself from any investigation.

The terms of reference issued by this government are weak and inadequate. Will the Premier ensure that a complete, objective review is done by asking the Auditor General to conduct it?

**Mr. Doer:** First of all, Mr. Speaker, the Auditor General has the authority to investigate any matter he or she chooses to examine under the law. Secondly, I would point out, I have just received a letter from the Seven Oaks School Division that says, "The concerns raised by the Conservative Party about the surplus are not supported by fact." Let us get the facts from Doctor Farthing. I think it is very, very important. There is no question that the letter raises concerns, I think, for all of us. Let us start from the facts.

\* (13:55)

**Mr. Murray:** Mr. Speaker, we understand that the Auditor General is quite busy investigating this government. He probably deserves a bit more staff in this situation. The Premier's Education was made aware of these allegations over a year ago. Parents and children of the Seven Oaks School Division and all Manitoba taxpayers deserve the truth about what happened and why that it was allowed to go on for as long as it did.

If this Premier is not going to order an independent thorough review, Mr. Speaker, will this self-described ethics commissioner then explain why he is allowing his Minister of Education to cover up this scandal?

**Mr. Doer:** First of all, Mr. Speaker, there is an Ethics Commissioner in the Legislature. It was a law that was passed by this side of the House. I think the Ethics Commissioner is Mr. Bill Norrie. I think the member opposite should straighten out his facts. He just rambles on and on.

Secondly, there are concerns raised by the Seven Oaks School Division in terms of this process. It

does raise issues of facts with members opposite. I know it is not important to them, but facts are important to us.

Thirdly, Mr. Speaker, independent investigations by the Auditor General can be initiated at any time. Yesterday, the minister said that the letter had gone out to the elected school division. I think that is appropriate. He also said he would deal with this in a manner that is consistent with being sensitive to the ratepayers of the Seven Oaks School Division. I think that is also sensible.

Mr. Speaker, in this letter that they allege that the surplus will be some \$700,000, I said last week I dealt with the legality issue last Wednesday, so let us deal with the facts.

#### **Seven Oaks School Division Land Acquisition and Development Review**

**Mrs. Myrna Driedger (Charleswood):** Mr. Speaker, the terms of reference that were presented by the Minister of Education yesterday were crafted to protect the Minister of Education, and they are not designed to get to the bottom of this illegal land development scheme in the Seven Oaks School Division.

I would like to ask the Minister of Education why he is aiding and abetting in this cover-up in terms of the illegal land development scheme in the Seven Oaks School Division and why he is not prepared to get to the bottom of this whole issue.

**Hon. Peter Bjornson (Minister of Education, Citizenship and Youth):** Mr. Speaker, we are indeed prepared to get to the bottom of this issue, and it is important that we have all the information before we make any decisions on this issue.

It is also very important that the school division complies with the law in a way that will not adversely affect the ratepayers, Mr. Speaker, and that is why we committed to this 30-day review. The First Minister (Mr. Doer) has also referenced the credentials of the deputy minister who has been asked to initiate this process. I have absolute confidence in the deputy minister and his staff and the team that has been assembled to address this issue.

**Mrs. Driedger:** Mr. Speaker, I would remind the minister that \$2 million of taxpayers' money has

already been spent in the land development scheme in the Seven Oaks School Division. In reviewing the minister's terms of reference, he has basically exonerated himself of any involvement in this illegal land development scheme by the Seven Oaks School Division. Yet a letter was sent of allegations to this minister a year ago, and he said nothing at the time. He did nothing at the time. He sent it on to the Public Schools Finance Board and basically washed his hands of the issue.

How can he exclude himself from the investigation when he has been the weakest link in this whole issue right from the beginning? Why is he not agreeing to have himself and his department investigated?

\* (14:00)

**Mr. Bjornson:** Mr. Speaker, if the process failed, we will find out how it failed. We will have all the information in front of us before we make any decisions. It is a 30-day review. I have said it time and again. Perhaps members have not heard but we will have that information on or before June 2, and I have faith in the process that has been established to explore this. The independent organization that is the Public Schools Finance Board, the duly elected trustees that are the Seven Oaks School Division, are going to be providing us with all the information and co-operation we need to get to the bottom of this issue.

**Mrs. Driedger:** Well, Mr. Speaker, unless we do have the Auditor come in we are not going to get to the bottom of this. The minister is not willing to investigate his role or his department's role and, yet, even the letter sent today by the Seven Oaks School Division said, "We sought and received permission from the Province every step of the way." As this is illegal, it begs an awful lot of questions, and I would ask the minister today if he will commit to bringing in the Auditor General to review this.

**Mr. Bjornson:** Once again, Mr. Speaker, the independent board that is the Public Schools Finance Board, the duly elected officials of the Seven Oaks School Division, these are the two organizations that we are dealing with, with regard to the disposition of the property. As the Auditor is free to do what he wishes in this case, that is the fact, and I have absolute confidence in the process that has been engaged in. I have confidence in the terms of

reference that we have established to address this issue. We will make the appropriate decisions at the time that the report is brought forward, on or before June 2.

### **Crocus Fund Board Resignations**

**Mr. John Loewen (Fort Whyte):** Mr. Speaker, five months almost to the day after the Crocus Fund publicly announced the valuation crisis, the controlling board members from the Manitoba Federation of Labour have announced that they will be resigning from the board, far too late for the investors and the taxpayers who have been fleeced of over \$60 million in this debacle.

The question is why now. Why, three days after the government got the report from the Auditor General, did they choose to resign? The directors from the Manitoba Federation of Labour have resigned.

I would like to ask the Minister of Industry (Mr. Rondeau) if he will now give assurance to taxpayers and unit holders that the director he appoints, Mr. Ron Waugh, who has the cloud of the investigation and serious allegations from the Securities Commission hanging over his head, if the minister will replace Mr. Waugh with a knowledgeable, experienced and unconflicted board member. Will he do that now?

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, Mr. Waugh, who was appointed to the board of the Crocus Fund, was appointed to act in a fiduciary responsibility to the shareholders. The sponsor has been requested to replace the existing board members under their control. Mr. Waugh is serving at the pleasure of the government. The government will decide, in the future, what is the best way that the shareholders can be protected through the appointment they make. That will be considered as they go forward. As the MFL replaces the existing board members, we will contribute a member who can make a positive contribution.

I should add Mr. Waugh has many years of experience in the banking sector. He has many years of experience in the banking sector, if the members are listening to me, and he brings a good deal of expertise to the board. I have every confidence he has acted professionally.

**Mr. Loewen:** Mr. Speaker, Mr. Waugh has this cloud over his head, and the minister should understand he spent most of his career in the human resources department of the bank, not in venture capital.

Charlie Curtis, who is another board member standing for the unit holders, still today on the Web site of Crocus, he is listed as a financial adviser to the Province of Manitoba's Minister of Finance. If Mr. Curtis was to resign, it would automatically trigger the right for the unit holders to elect two directors to stand for them on the board. If Mr. Curtis resigns, the unit holders automatically get the right to elect directors.

I would ask the Minister of Finance, as he refuses to do anything about the government-appointed board member, will he do something about his individual putting himself out as a financial adviser. Will he convince him to resign so that unit holders can go forward and elect two directors to stand up for their interests, and will he do it today?

**Mr. Selinger:** Mr. Speaker, I clarified in Estimates that Mr. Curtis, who is a retired deputy minister in the Department of Finance, is no longer an adviser to the Minister of Finance since March 31, 2004. I put that on the public record. The member opposite knows that. He is very aware of that because I made that clear to him in the question he asked me.

Mr. Curtis is not an appointee of the government. Mr. Curtis cannot be removed by the government. For me to interfere on whether he continues to serve on the board would be gross interference in the operation of the fund. When the members opposite set up the fund they did not want government interference in it. They are now asking me to interfere in something that they wanted to operate at arm's length from government.

### Public Inquiry

**Mr. John Loewen (Fort Whyte):** What we are asking this minister to do is stand up for taxpayers, stand up for unit holders, put some unconflicted board members there who can look out for taxpayers' and unit holders' interests. It is pure and simple, yet they refuse. We have seen \$60 million fleeced from Manitoba taxpayers' and unit holders' pockets. We finally see the board members from the Manitoba Federation of Labour do the right thing. The question

remains for this government. Is what is happening now being done to restore public confidence in the fund or is this simply a means of this government to remove everybody from the board who can stand up and honestly answer questions and just sweep this under the carpet and keep all the information quiet?

Will the minister do the right thing today and call for a public inquiry so unit holders can find out what happened to their money?

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, when we updated The Auditor General's Act for the first time in over 20 years, we gave exceptional powers to the Auditor to investigate tax dollars wherever they went in the province. We gave specific powers to the Auditor General to investigate labour-sponsored venture capital funds if they were the recipient of tax credits. These powers never existed in the province before.

In addition to those legislative powers that we provided under the new act, I provided a letter requesting the Auditor General to do whatever he felt was necessary to investigate the Crocus Fund. That was an additional measure I took at the request of the Auditor. There is no encumbrance. There is no fettering of the Auditor's work. He can go as far and as deep as he wants and investigate anything he wishes to investigate.

### Post-Secondary Education Ancillary Fees

**Mrs. Leanne Rowat (Minnedosa):** Mr. Speaker, the Minister of Education has ignored a \$412 ancillary fee increase facing full-time students at Brandon University, indicating she does not interfere with budgetary deliberation. Today the University of Manitoba is looking at a similar fee increase, and, again, this minister will not comment because she considers it a hypothetical action.

Mr. Speaker, my question is to the Minister of Advanced Education. If the NDP government cannot give the University of Manitoba the support it needs in a year of unprecedented revenues, what should they expect when revenues are lower?

**Hon. Diane McGifford (Minister of Advanced Education and Training):** I am very pleased to answer a question on post-secondary education. I appreciate the interest of the member opposite. I

think what I would like to make clear is this government's dedication to students has been unprecedented in the history of this province.

Our pledge, Mr. Speaker, has been to accessible, affordable, quality education. We have created an environment that encourages and respects students. Our practices are everywhere clear. We have had a 33% increase in students in universities. We have had a tuition freeze over six budgets. In the spring of 2000, we started the Manitoba government bursary. It is now about \$7 million. We have introduced a post-graduate scholarship. We have promoted access programs.

**Mrs. Rowat:** This morning at the Manitoba Chamber of Commerce breakfast, there was a question asked of the minister regarding the decline of quality of education and the concern that the business community has with that potential occurring. The minister could not respond in an adequate manner.

In a recent University of Manitoba's *Bulletin* article, President Szathmáry said, "When the quality of education provided and the associated academic, administrative and support services are inadequate, students do not obtain the education they deserve."

Mr. Speaker, the Minister of Advanced Education is not taking this issue seriously. This is not a hypothetical situation. It is reality in that our students in our institutions continue to face this. When will this minister address this issue?

\* (14:10)

**Ms. McGifford:** Well, Mr. Speaker, we address this issue every day, and we have addressed it in every budget. I had not even finished my list of our accomplishments with students. I was just talking about our access program.

I did not mention the fact that the Minister of Finance (Mr. Selinger) instituted a 12-month interest-free period for students once they graduate when it comes to their student loans. I did not mention the Manitoba Student Aid Act which will make it necessary for a future government to come to the Legislature if they want to cancel the Manitoba government bursary as this government did in 1992-93 in the middle of July when nobody would do it. Now they will have to come to the Legislature to do

any such thing. I have not mentioned \$100 million in capital.

Mr. Speaker, Manitoba is a great place to study, to learn and to stay.

**Mrs. Rowat:** Mr. Speaker, unfortunately the minister is forgetting to mention about the backdoor fees, and unfortunately the minister is forgetting to indicate that the 10% rebate that this government is throwing out to the students is actually being a clawback because 12.5 percent of the ancillary fees are going to be taken away from the students. So really what is this minister spewing? As she has seen in recent weeks and again today, university students are faced with an unexpected and a dramatic increase in fees, a clawback. By ignoring this issue, the NDP government has failed our students and our institutions.

Why is the Minister of Education short-changing our students by not providing the funding required to keep our universities and colleges competitive with others in the country?

**Ms. McGifford:** These are very interesting comments from a drive-by student activist under whose government fees doubled, programs were decimated at the university. There was no roof on the engineering building, Mr. Speaker. Half of the government bursary—

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

**Mr. Speaker:** Order. I just want to let everyone know that every member in this House is an honourable member, and they should be addressed by their constituencies or ministers by their portfolios.

I ask the honourable Minister of Advanced Education to withdraw that comment about "drive-by activist." I do not think it is warranted in this Chamber.

Before we move on, I want to advise all honourable members when the Speaker is standing all members should be seated and the Speaker should be heard in silence. If we are dealing with points of order or privileges those are very, very serious matters, and we need to be able to hear every word that is spoken.

**Ms. McGifford:** Yes, I withdraw the comment of referring to the member from Minnedosa as the "drive-by student activist."

May I continue with my remarks?

**Mr. Speaker:** In one minute. In one minute.

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

**Mr. Speaker:** Order. The honourable member did withdraw the statement, and I accept the withdrawal.

#### Point of Order

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

**Mr. Leonard Derkach (Official Opposition House Leader):** Yes, on a point of order.

Mr. Speaker, withdrawing a statement from the record is one thing, but the body language and the attitude of the minister—[*interjection*]

Mr. Speaker, I think my point is being made.

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

**Mr. Speaker:** Order. I just reminded all honourable members how serious a point of order and a matter of privilege are. I, at the end, have to make a ruling, and I need to hear every word that is spoken. I ask the co-operation of all honourable members, please.

The honourable Official Opposition House Leader, on a point of order.

**Mr. Derkach:** To continue the point of order, I think the minister has just made my point for me in her gestures.

Mr. Speaker, I am offended and I am sure that all members in this House are offended not only by the language but by the intuitions that she has put on the record by her voice and her gestures. I would ask, to try to maintain some decorum in this Assembly, that this minister not only withdraw her comments but apologize to the member from Souris for those derogatory comments which, I am sure if were made to any member on that side of the House, they would be over the benches on.

**Mr. Speaker:** Order. The honourable Government House Leader, on the same point of order.

**Hon. Gord Mackintosh (Government House Leader):** I am surprised at the outcome but, Mr. Speaker, we will respect your ruling in that regard. Having said that, I think the matter has been completely dealt with.

In fact, just last week or in the last number of days, we had that issue raised about withdrawing an apology and you ruled on that, that a withdrawal concludes a matter. I think the complaint about how the member on this side looks should not be the subject of a point of order. The matter has been fully dealt with. She withdrew, Mr. Speaker, out of respect for your office.

**Mr. Speaker:** On the point of order raised by the Official Opposition House Leader, the ruling of the Chair is to assess to the satisfaction of the Speaker. The Speaker asked for a withdrawal. I am satisfied that the honourable member made the withdrawal and that should end the matter.

\* \* \*

**Mr. Speaker:** The honourable Minister of Advanced Education—

**An Honourable Member:** Apologize.

**Mr. Speaker:** Order.

**Mr. Derkach:** Mr. Speaker, with the greatest of respect and with the kind of insult this is to members in this House, I have to challenge your ruling on this matter.

**Mr. Speaker:** The ruling of the Chair has been challenged.

#### Voice Vote

**Mr. Speaker:** All those in support of sustaining the ruling, say yea.

**Some Honourable Members:** Yea.

**Mr. Speaker:** All those opposed to sustaining the ruling of the Chair, say nay.

**An Honourable Member:** Nay.

**Mr. Speaker:** In my opinion, the Yeas have it.

\* \* \*

**Ms. McGifford:** Well, thank you, Mr. Speaker. I will just finish up.

In reference to the accusations that the member opposite was making, I do want to point out that, whilst we have been successful in increasing the population in our university and college programs, during the previous government, Mr. Speaker, what happened was declines in participation in post-secondary education, regretfully, and many students leaving the province. We are changing that. It is a good place to be educated, stay and live.

### Hydra House RCMP Investigation

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, the goings on at Hydra House never fails to surprise. I table today additional evidence of very serious financial irregularities from the early 1990s. The evidence shows that the owners of Hydra House were involved in a scam which funnelled public money to the owners. Two of the owners personally purchased at least two houses and then sold them at grossly inflated prices to the Hydra House corporation. Since the Hydra House corporation was operating exclusively on public monies, the net effect was to put more than \$140,000 of public money directly into the pockets of two of the owners of Hydra House.

I ask the Premier to commit today to ensure a thorough RCMP investigation of these matters.

\*(14:20)

**Hon. Gary Doer (Premier):** Mr. Speaker, if there are any issues of criminal wrongdoing, they will be immediately referred to the RCMP. If there are any other matters that have not been brought to the Auditor's attention, we will do so.

**Mr. Gerrard:** The evidence presented goes considerably beyond what was provided by the Auditor General. It provides significant evidence that money was used in a way that funnelled dollars from the public purse into the hands of two of the owners of Hydra House.

Mr. Premier, I am convinced that there were not adequate public checks on the operation of Hydra House as well. I would ask the Premier to consider a public inquiry so that we can finally get to the bottom of the Hydra House mess and ensure that individuals are not further fleecing Manitoba taxpayers at the expense of people with disabilities.

**Mr. Doer:** Mr. Speaker, the member opposite asked that this matter be referred to the RCMP. I have said that if this is information that was not available we will provide it to the RCMP. I guarantee that I will provide these allegations to the Minister of Justice (Mr. Mackintosh) who deals with these matters independent, obviously, of the politicians but with the Justice Department.

### Government Accountability Report Tabling

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, this session has clearly demonstrated just how incompetent this government really and truly is. Now what we see is the manipulation of time in order to avoid accountability. In the month of June we sit for six days, yet there are two outstanding reports. The provincial auditor's report, we are waiting for the government to give the okay to send it back to the provincial auditor. The provincial auditor then has to print the report. We will be lucky, unless this government acts today on submitting it to the provincial auditor, to see that report before the end of this session. Then we have the so-called review by the Department of Education which is going to be held off until June 2, which means less than six days of accountability once again.

This is a government that is scared of being held accountable. The question that I have for this government is will the Premier of this province assure this House today that both of those reports will, in fact, be tabled before the end of this month. If you have nothing to be fearful of, if you are not scared of public accountability, will you at least give us that guarantee?

**Hon. Gary Doer (Premier):** I can guarantee that the law will be followed and accountability will be maintained, Mr. Speaker. I still remember the member opposite signing a letter because they did not want to sit in the summer of 2003. Then it was in disappearing ink in terms of his own integrity because what he signed he did not live up to.

### Manitoba Schools UNESCO Designation

**Ms. Kerri Irvin-Ross (Fort Garry):** Mr. Speaker, with the importance of broadening our youth's perspective on world events and their role in citizenship, can the Minister of Education, Citizenship and Youth inform the House of the important steps taken today to recognize the efforts of schools with UNESCO?

**Hon. Peter Bjornson (Minister of Education, Citizenship and Youth):** Mr. Speaker, Manitoba, once again, has demonstrated its leadership since we became the first jurisdiction in Canada to have five schools recognized under the UNESCO school program, and that through the leadership of the member from Brandon East who initiated this process in 2002.

The program is the Associated Schools Project Network. We have the announcement today, which included the schools of Brock-Corydon, Collège Jeanne-Sauvé, John Pritchard and Vincent Massey Collegiate. River East Collegiate is also recognized as an ASPNet school, Mr. Speaker.

Many people's lives have been very positively impacted by this program, not only here in Manitoba, but throughout the world. This is a commitment to peace, education and a first in North America, a first here in Canada, as we join 7000 schools worldwide committed to this very worthwhile cause.

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

### MEMBERS' STATEMENTS

#### Prix Tourisme Manitoba 2004

**Mrs. Mavis Taillieu (Morris):** Monsieur le Président, il me fait plaisir de mettre quelques mots pour Hansard au sujet des Prix Tourisme Manitoba 2004. C'était mon plaisir d'assister au repas gala au Forum rural le 29 avril où ces prix ont été remis.

C'était une occasion merveilleuse pour célébrer les succès du secteur du tourisme avec des responsables de l'industrie et des affaires et d'autres collègues.

Félicitations à tous les candidats et à tous les récipiendaires des Prix Tourisme Manitoba 2004.

Tous les individus qui travaillent dans le secteur du tourisme méritent notre reconnaissance et nos remerciements pour leur service à la clientèle exceptionnel en vue d'attirer des touristes du monde entier au Manitoba.

Je suis particulièrement fière de féliciter Pat Pidalski et la Maison-Chapelle, Li Pchi Poste et le café Crow Wing d'avoir été proposés pour le Prix d'innovation. Ces prix sont décernés à une personne et à une entreprise ou un organisme qui ont conçu un nouveau produit touristique ou mis en oeuvre une idée innovatrice ayant contribué au succès économique et touristique d'une région du Manitoba.

Le 24 septembre 2004, les résidents de Saint-Malo ont célébré l'ouverture officielle de la Maison-Chapelle et deux de ses locataires. Ce projet de mobilisation communautaire et développement économique a été conçu pour promouvoir les cultures des Métis et des Autochtones au Manitoba. J'étais fière d'assister aux cérémonies officielles en septembre et d'être témoin à la fierté communautaire autour de l'ouverture de la Maison-Chapelle. Depuis longtemps, le parc Saint-Malo est une destination touristique populaire, et la Maison-Chapelle ajoute à ses attractions.

En conclusion, je voudrais féliciter encore les candidats et les récipiendaires des Prix Tourisme Manitoba 2004, particulièrement la Maison-Chapelle à Saint-Malo. J'encourage fortement tous mes collègues et les Manitobains d'aller visiter le café Crow Wing pour goûter son pain tout frais et Li Pchi Poste pour l'artisanat autochtone et métis, et pour prendre avantage de l'hospitalité de la destination touristique de Saint-Malo.

Merci.

#### *Translation*

*Mr. Speaker, I am pleased to put a few words on the record about the 2004 Manitoba Tourism Awards. It was my pleasure to attend the Rural Forum Gala Dinner on April 29 where these awards were presented.*

*It was a wonderful time to celebrate the successes of the tourism industry with industry and business leaders and other colleagues.*

*Congratulations to all nominees and to the winners of the 2004 Manitoba Tourism Awards. All people*

*working within the tourism industry deserve our recognition and thanks for the outstanding client service that helps promote Manitoba as a world-class destination.*

*I am particularly proud to congratulate Pat Pidlaski and la Maison-Chapelle, Li Pchi Poste and the Crow Wing Café for the nomination for the Tourism Innovation Award. This award is given to an individual and to a business or organization for a new tourism product and/or idea that increases economic impact and tourism activity to an area of Manitoba.*

*On September 24, 2004, the residents of St. Malo celebrated the official opening of la Maison-Chapelle and two of its tenants. This community mobilization and economic development project was undertaken for the purpose of promoting the province's Métis and Aboriginal cultures. I was proud to take part in the official ceremonies in September and to witness the pride of the community on the opening of la Maison-Chapelle. St. Malo Park has been a tourist destination for many years and la Maison-Chapelle adds to the attraction.*

*In closing, once again I would like to congratulate the nominees and recipients of this year's Tourism Awards, particularly la Maison-Chapelle in St. Malo. I strongly encourage all my colleagues and the people of Manitoba to visit the Crow Wing Café for its freshly baked bread and Li Pchi Poste for its Métis and Aboriginal arts and crafts and to take advantage of the tourist destination of St. Malo.*

*Thank you.*

#### **Saul Cherniack**

**Mr. Gerard Jennissen (Flin Flon):** Mr. Speaker, today I pay tribute to a great Manitoban, Canadian democratic socialist and human being, Mr. Saul Cherniack.

Born January 10, 1917, Saul had an activist upbringing. His parents, who emigrated from Russia, instilled in young Saul a powerful social conscience. After receiving his law degree from the University of Manitoba in 1939, Saul spent the early years of his adulthood practising law with his father. His beloved wife Sybil was the office manager.

In 1950 Saul shifted focus to public service. He became a school trustee and later a city alderman and

Metro councillor before moving into provincial politics for almost 20 years.

\* (14:30)

Saul was first elected to the Legislature in 1962 and was part of the Schreyer victory in 1969. Saul served two terms as Minister of Finance. As the first Minister of Urban Affairs, he was the architect most responsible for incorporating Greater Winnipeg into a single city. Saul is a brilliant man whose success in politics is a testament to his courage, vision and ability to communicate ideas to people. Saul has always put principle ahead of popularity and political expedience. Yet he has always been popular because people know he is a man of absolute integrity.

When Saul retired from politics in 1981 he became chairman of Manitoba Hydro. From 1984 until 1992 he served on the Security Intelligence Review Committee which oversees CSIS. Also, he served on the Manitoba Hydro Board with distinction. Saul speaks many languages, including Japanese and Yiddish. He has received the Order of the Buffalo and the Order of Canada, yet Saul remains a very modest man. He still volunteers three times a week to teach English as a second language to adults. He would blush at this public recognition; however, I feel compelled to honour this great man while he is still among us.

On behalf of all Manitobans, thank you, Saul.

#### **Manitoba Agriculture Hall of Fame**

**Mr. Ralph Eichler (Lakeside):** Manitoba was founded on hardworking farmers. To this day the constituency of Lakeside maintains strong ties with our heritage, and I am proud of the many producers in my community. Mr. Speaker, I am pleased to rise today to recognize the outstanding individuals that will soon be inducted into the Manitoba Agricultural Hall of Fame. I want to congratulate Gwen Parker, Ted Poyser and honour the memories of the late Eric Trotter and Heinrich Holtmann.

I would like to pay special tribute to Heinrich Holtmann of Rosser for a life well lived and considerable contributions to his community. He is deeply missed by his family, friends and all who knew him. Mr. Holtmann was also known for his business, Rosser Holsteins. His champion Holstein cattle took many ribbons at the numerous provincial

shows, and his dedication to the breed has ensured quality stock for future generations.

Mr. Holtmann contributed his time and knowledge to many groups that included his local school board, 4-H club, Rosser Community Club, Winnipeg District Milk Producers Co-op, Manitoba Farm Bureau and the Dairy Farmers of Canada. His legacy reaches beyond Rosser, when in 1969 he volunteered to serve with the Canadian Executive Service Overseas, spending time in Iran and India where he supervised and studied dairy operations.

Mr. Speaker, Heinrich Holtmann loved and was proud to be a dairy producer. It is fitting that we recognize many professional and personal achievements by inducting him to the Manitoba Agricultural Hall of Fame. Once again, I offer my sincere condolences to the Holtmann family for their loss. Thank you, Mr. Speaker.

#### ***Teenage Jekyll and Hyde* Theatrical Production**

**Ms. Kerri Irvin-Ross (Fort Garry):** I want to inform the House about an excellent school musical I will be attending this week at Arthur A. Leach school, a middle school in my constituency of Fort Garry.

Mr. Speaker, starting Wednesday evening, approximately 70 Arthur A. Leach students will be performing a play called *Teenage Jekyll and Hyde*. Students have been busy practising for the play, often dedicating their evenings and weekends to make the play a success. The play has been adapted from its original format by Janet Pelletier, making its public debut on Wednesday, May 11. The musical will run until Friday, May 13, with all shows happening at the school. *Teenage Jekyll and Hyde* promises to be a very interesting musical. It is a comedy that portrays a science teacher who has developed a special formula that makes people smarter and more attractive. Sylvester Jekyll, an unpopular student, accidentally drinks the potion which makes him into a popular student now called Damian Hyde. Caught between his new persona and his real identity, Sylvester must decide who he really wants to be.

The musical *Teenage Jekyll and Hyde* is only one example of the school's commitment to supporting music and arts education. The school boasts a concert band and choir for its students. The school

also offers a jazz band and jazz choir for interested students.

I want to thank Principal Lisa Boles, and the staff and students at Arthur A. Leach for putting together this musical. I especially want to thank directors Tracey Matthews, Kimberly Truscott and assistant Kristin Myers for their hard work. Lastly, I wish all students involved with Arthur A. Leach's production, *Teenage Jekyll and Hyde*, good luck. You will make us all very proud. Thank you.

#### **Government Accountability**

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, during Question Period I thought I was being rather kind in terms of what I was saying about the incompetence of this government. I only focussed my attention on two issues, two reports. I could very easily have expanded in terms of crime or justice or the lack thereof coming from this government. I could have talked about the incompetence of the Minister of Health (Mr. Sale) and used the example of Victoria Hospital and how they are taking obstetrics out of a community hospital.

There are many different ways in which one could point in terms of just how clearly incompetent this government is at managing public affairs, but what I chose to do is to emphasise two issues, those two issues being the Provincial Auditor's report on the Crocus Fund, which has an impact on 33 000 plus shareholders and every Manitoba taxpayer. Here is a very important report, and I believe the government is going to sit on it as long as possible in order to avoid any sort of accountability from this Chamber, and I say shame on the government for that. In addition, the Manitoba Liberal Party called for an independent review of what was happening in the Department of Education related to Seven Oaks and the land scam.

We stand by today in the sense that there is a need, a very high need to have a truly independent investigation done. If it is not going to be an independent investigation, I will suggest to you that the paper it is going to be written on, the one that is being currently done, the value of that investigation will be hardly worth the paper on which it has been written.

It needs to be independent and having said that, again, we have the government saying, well, we are

talking June 2 before they table that particular report. Mr. Speaker, we only sit six days in the month of June. Again, what we have is a government that manipulates the time, the agenda of this Chamber in terms of managing it so that we can minimize the amount of public accountability, and I say—

**Mr. Speaker:** Order.

### MATTER OF URGENT PUBLIC IMPORTANCE

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, I would move, seconded by the Member for River Heights (Mr. Gerrard), that the ordinary business of the House be set aside to discuss a matter of urgent public importance, namely, the need to debate the government's handling of the Crocus Fund and the impact it has had on the 33 000-plus shareholders and the Manitoba taxpayer.

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

**Mr. Speaker:** Order. Before recognizing the honourable Member for Inkster, I believe I should remind all members that under Rule 36(2) the mover of a motion on a matter of urgent public importance and one member from the other parties in the House are allowed not more than five minutes to explain their urgency of debating the matter immediately. As stated in *Beauchesne* 390, urgency in this context means the urgency of immediate debate, not the subject matter of the motion. In their remarks, members should focus exclusively on whether or not there is urgency of debate and whether or not the ordinary opportunities for debate will enable the House to consider the matter early enough to ensure that the public interest will not suffer.

**Mr. Lamoureux:** Mr. Speaker, I believe the urgency can be very easily conveyed in the sense that we have done the budget debate, we have done the Throne Speech debate. We have got an hour left in terms of Estimates. We are dealing with education and other issues in which you could not give any sort of justification in terms of legitimate debate inside this Chamber. I have used my grievance already, and I truly believe the 33 000-plus shareholders in the Crocus Fund need to hear what the government has to say in a very real and tangible way through a debate inside this Chamber.

What we have seen is the trading was suspended back on December 10, the red flag was going up, and

the government is trying to back away in terms of its responsibilities. We believe that the government is ultimately responsible and has really dropped the ball on this, and that we owe it to the taxpayers and the shareholders of this province to ensure the debate moves forward. The government used tax dollars, for example, to support companies that were also financed by the Crocus Fund. We have seen numerous resignations from the board. We have seen staff leave the Crocus office in the last couple of months, questions in terms of the Crocus Fund potentially shutting down to the costs of the administration to the types of severance pays that have been offered.

\* (14:40)

There is a great deal of uncertainty. I believe it is a very urgent matter. There are very few opportunities, if any at all, in which we can have the type of debate that we need in order to get on the record in a fair fashion for all sides to be able to convey their concerns unless we hear this debate today.

I would draw a comparison in terms of the BSE issue. No one would question the impact that had on the economy and hundreds if not thousands of Manitobans, Mr. Speaker. I would argue that the impact we are having on the Crocus Fund and the investments many seniors across our province have vested in the Crocus Fund, are seeing their funds virtually evaporate in midair. We owe it to them and others to ensure that this Legislature recognizes the importance of what is happening and allow this emergency debate to occur. With those few words, I would ask that we allow this debate to happen today. Thank you.

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, of course there are two issues that have to be considered as to whether there is a matter of urgent public importance for debate to be proceeded with.

The first is whether the subject matter is so pressing that the ordinary opportunities for debate will not allow it to be brought out early enough. Second, has it been shown that the public interest will suffer if this matter is not given immediate attention?

Mr. Speaker, the member is right that we have been going through the Estimates process, and I

know this was an issue that was raised during ministerial Estimates. As well, we are now proceeding into the time during the session when concurrence is called, and I know that concurrence will be something that will be called in the next few days.

In terms of opportunities, there appear to be ample opportunities. In terms of the public interest, it is my understanding that a report is forthcoming from the Auditor General, and I think, in the coming days, there will be perhaps more appropriate issues and questions that can be raised. I wonder about the member yesterday when he had an opportunity to raise that matter in Question Period. He did not even ask the question on the issue that he says is of such importance today. I would conclude by saying, Mr. Speaker, that this does not appear to be a matter that would qualify as a matter of urgent public importance and certainly not one that we would support at this time.

**Mr. Speaker:** I thank the honourable members for their advice to the Chair on whether the motion proposed by the honourable Member for Inkster should be debated today. The notice required by Rule 36(1) was provided. Under our rules and practices, the subject requiring urgent consideration must be so pressing that the public interest will suffer if the matter is not given immediate attention. There must also be no other reasonable opportunities to raise the matter.

I do not doubt that this matter is one that is of serious concern to a number of members in the House. I have listened very carefully to the arguments put forward. However, I was not persuaded that the ordinary business of the House should be set aside to deal with this issue today. Although members believe this issue to be a serious one, I do not believe the public interest will be harmed if the business of the House is not set aside to debate the motion today.

Additionally, I would like to note that there are other avenues for members to raise this issue including questions in Question Period and raising the item during either Estimates debate or consideration of the concurrence motion in Supply. Therefore, with the greatest of respect, I must rule that this matter does not meet the criteria set by our rules and precedents, and I rule the motion out of order as a matter of urgent public importance.

## ORDERS OF THE DAY

### GOVERNMENT BUSINESS

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, would you please canvass the House to see if there is leave to change the sequence of Estimates so that in Room 255 the following Estimates will be considered: Capital Investment, Civil Service Commission, Legislative Assembly, Employee Pensions and Other Costs, Enabling and Other Appropriations and Sport, while in Room 254, consideration of Education, Citizenship and Youth will be continued?

**Mr. Speaker:** Is there leave to change the Estimates sequence so that in Room 255 the following Estimates will be considered: Capital Investment, Civil Service Commission, Legislative Assembly, Employee Pensions and other costs, Enabling and other Appropriations, and Sport, while in Room 254, consideration of Education, Citizenship and Youth will be continued? Is there leave?

**Some Honourable Members:** Leave.

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

**An Honourable Member:** No. The first part?

**Mr. Speaker:** Okay, I will reread it again. Is there leave to change the Estimates sequence so that in Room 255, the following Estimates will be considered: Capital Investment, Civil Service Commission, Legislative Assembly, Employee Pensions and other costs, Enabling and other Appropriations, and Sport, while in Room 254, consideration of Education, Citizenship and Youth will be continued? Is there agreement?

**An Honourable Member:** Well, I guess.

**Mr. Speaker:** Okay, there is agreement.

**Mr. Mackintosh:** As agreed earlier, if you would call Supply, and then in the House would you please call second readings in the order they appear in the Order Paper, with the exception of the bill standing in the name of the honourable Finance Minister, which should go to the bottom of the list?

**Mr. Speaker:** Would the Chairs of Committees of Supply please go to the respective rooms for

continuation of the Estimates please? In the House, we will deal with second readings.

## SECOND READINGS

### **Bill 27—The Horse Racing Commission Amendment and Horse Racing Regulation Repeal Act**

**Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives):** Mr. Speaker, I move, seconded by the Minister of Aboriginal and Northern Affairs (Mr. Lathlin), that Bill 27, The Horse Racing Commission Amendment and Horse Racing Regulation Repeal Act, be now read a second time and be referred to a committee of this House.

#### *Motion presented.*

**Ms. Wowchuk:** The horse racing industry is an important industry in this province, and one that has been the subject of a lot of discussion. That industry is regulated under The Horse Racing Commission Act which originally was enacted in 1965. With the exception of just one amendment in 1975, this act has continued as originally enacted. In 1975, amendments provided that the Manitoba Horse Racing Commission would have the authority to make regulations representing the number of days of the year in which thoroughbred and standard horse racing could be held and a fixed number of meets that could be held in an area of the province.

A similar regulation making amendments is being brought forward at this time. Currently, the commission must supervise all types of horse racing throughout the province. We all know there are varying types of horse racing that take place at many of the summer events that happen in our rural communities. Historically, the commission has limited its supervision to only horse racing tracks offering pari-mutuel wagering.

\* (14:50)

However, as I have said, there are a great number of horse races that take place in the province being held at events sponsored by ag societies where pari-mutuel wagering does not take place. We have many examples of those. We could have the chuckwagon races, which are very popular in my part of the province, chariot racing, and non-betting flat races. They may vary, but they are very

important. They are not covered by pari-mutuel wagering. The amendment to this bill will require the commission to supervise only those types of horse racing specified in the regulations.

Mr. Speaker, the bill will also repeal the existing Horse Racing Regulation Act, which was first enacted in 1925. Its authority to regulate horse racing will be addressed under The Horse Racing Commission Act.

So, Mr. Speaker, it is a small change that we are making, but it is at the request of the commission that this change be made. We would like to see it move forward. I look forward to the comments from other members of the House on this particular bill. I look forward to having it moved to committee so that it can address the issues that have been raised by the Horse Racing Commission with regard to some of the races that are held in this province but are not covered by the commission.

With those two comments, thank you, Mr. Speaker.

**Mr. Speaker:** Okay, we will move on to Bill 32, the Rural Municipality—[*interjection*]

Okay, yes.

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, I want to put a few words on the record on this particular bill. I do not necessarily agree with the minister when she says that it is a relatively minor bill. It does have a fairly significant impact. It is just a question in terms of what is going to be happening with regulations.

I do not know off-hand in terms of what regulations the government is intending on bringing in that would qualify the comments that she has put on the record. But I do understand that it is the Horse Racing Commission that is wanting to see this happen. For that reason, Mr. Speaker, we do not have a problem in terms of it going to the committee stage. We just recognize the value of both for-profit and non-profit groups that conduct horse racing types of events throughout our province, which really adds to our communities in a very real and tangible way.

For the respect of those groups, the fact that this is something which the commission, from what we understand, is wanting to see happening, and

listening to the minister, we are prepared to see it go to the committee stage. But, as I say, we do have a cautionary note in terms of the regulation and an interest in terms of what it is the minister is going to be doing in regard to the regulations.

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

**Mr. Denis Rocan (Carman):** Mr. Speaker, I move, seconded by the honourable Member for Lakeside (Mr. Eichler), that debate be adjourned.

*Motion agreed to.*

**Bill 32—The Rural Municipality of Kelsey  
By-law No. 5/02 Validation Act**

**Hon. Oscar Lathlin (Minister of Aboriginal and Northern Affairs):** I move, seconded by the honourable Minister of Agriculture, Food and Rural Initiatives (Ms. Wowchuk), that Bill 32, The Rural Municipality of Kelsey By-law No. 5/02 Validation Act, be now read a second time and be referred to a committee of this House.

*Motion presented.*

**Mr. Lathlin:** I am pleased to rise on the second reading of Bill 32, an act to validate by-law No. 5/02 of the Rural Municipality of Kelsey. This act supports a July 30, 2002, settlement agreement with The Pas Farmers' Association, the R.M. of Kelsey and Manitoba Hydro. The settlement agreement finally resolves all outstanding issues and grievances that the R.M. of Kelsey and the Farmers' Association had in relation to the adverse impacts on a water regime in the rural municipality caused by Hydro's construction and operation of the Grand Rapids generating station.

The settlement agreement provides for the issuance and delivery of a Manitoba Hydro bond amounting to \$3.6 million to the R.M. of Kelsey. The bond will be held by Manitoba Hydro with annual interest payments being made to the rural municipality and deposited into a reserve fund established under The Municipal Act to be called the Mitigation Reserve Fund.

The R.M. has enacted by-law No. 502 as set out in a schedule to Bill 32 to establish the fund and set the terms of the use of the fund as the parties had

agreed. The agreement says that the Mitigation Reserve Fund is to be used only for purposes of ongoing operation, maintenance, enhancement and upgrading of the Pasquia Project or for other works for mitigation of adverse effects of the Grand Rapids project. This agreement also provides that a mitigation reserve committee will administer the fund.

When the settlement agreement was being negotiated, all parties wanted to ensure that the fund would be established as a fund of the municipality. They also wanted the fund used in a way described in the agreement. However, normally funds established by a municipal by-law can be changed by amendment of the by-law. In order to protect the funds from change, all three parties agreed in a settlement agreement to ask the Government of Manitoba to enact this bill, thus protecting these funds so that they can be used for the purposes the parties agreed to.

I am pleased to recommend that Bill 32 be approved by this Assembly to assist the R.M. of Kelsey, The Pas Farmers' Association and Manitoba Hydro to ensure that the mitigation reserve fund will continue to be used for mitigation of effects of the Grand Rapids project as those parties have all agreed to. Thank you, Mr. Speaker.

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, again we just want to add a few words on the record before this bill passes ultimately to committee. We recognize the value of the agreement in the sense that this is something that was done as third party being brought forward to the government between Manitoba Hydro, The Pas Farmers' Association and the Rural Municipality of Kelsey.

We are very sensitive to the settlement and acknowledge that in the best interests of all, this piece of legislation be brought forward in order to protect the long-term interest of the fund. Even though there are many concerns we have in regard to Hydro on other issues of compensation and so forth, we see this one, generally speaking, as a positive step forward. With that we would have no objection to its going to committee at this point. Thank you.

**Mr. Cliff Cullen (Turtle Mountain):** Mr. Speaker, I move, seconded by the Member for Carman (Mr. Rocan), that debate be adjourned.

*Motion agreed to.*

**Bill 33—The Planning Act**

**Mr. Speaker:** Now we will move on to Bill 33, The Planning Act.

**Hon. Scott Smith (Minister of Intergovernmental Affairs and Trade):** Mr. Speaker, I move, seconded by the Minister of Agriculture (Ms. Wowchuk), that Bill 33, The Planning Act, be now read a second time and referred to a committee of this House.

His Honour the Lieutenant-Governor has been advised of this bill and that I table the message.

***Motion presented.***

**Mr. Speaker:** His Honour the Lieutenant-Governor has been advised of this bill and this message has been tabled.

**Mr. Smith:** Mr. Speaker, I am pleased to introduce the second reading of Bill 33, the new Planning Act.

This new act will replace The Planning Act that was introduced in 1975, some 30 years ago. A lot of work has gone into rewriting this act to make it clearer and easier to read. We have undertaken extensive consultations with the public, local government, and stakeholder groups, and it is my view that this new piece of legislation will go a long way to improving the planning systems in Manitoba.

The new act incorporates numerous changes, many of which were requested by municipalities and the public. I would like to touch briefly on a few of the important changes in this planning act.

\* (15:00)

The act introduces new planning tools, including (a) enabling municipal councils to lessen their workload by appointing a planning commission to hear local planning matters; (b) enabling the development of strategies to address regional issues such as transportation, water protection or infrastructure within the provincial planning framework, and Winnipeg will be able to participate in regional strategies; enabling municipalities to adopt secondary plan by-laws to guide local development. A required public hearing will ensure residents are part of the process.

(2) We have maintained the right of municipalities to decide whether to approve livestock

operations with no appeal but clarify the provincial responsibility for protecting the environment. We have maintained the conditional use process for livestock operations but lowered the threshold for mandatory hearings and technical review from 400 to 300 animal units. By introducing mandatory planning and livestock operations policies, we have ensured that all citizens of the municipality have the opportunity to discuss how livestock operations will fit into their long-term plan development goals during the consultations and public hearings for development plans. Of course, the public will continue to also have the opportunity to be heard at public hearings on individual livestock operations and applications.

(3) This act sets out clear links to water protection. Municipal development plans will have to consider any regulation such as the water-quality-management zones or any watershed management plan approved under The Water Protection Act.

(4) The act allows for the streamlined approval processes. For example, municipalities will be able to combine public notice and hearings for a single development. Mandatory planning will result in better up-front planning and a more predictable land use planning framework right across Manitoba. Mr. Speaker, of the 198 municipalities in Manitoba outside of Winnipeg, 155 or 78 percent have development plans in place already, and 29 or 15 percent are in the process of adopting development plans. This means that 184 municipalities already have plans in place or are in the process of adopting them. Only 14 or 7 percent are not involved in planning at this time.

Just to conclude, I believe this bill represents a significant step forward in modernizing the planning system in Manitoba. It will streamline approval systems while enhancing public participation, provide better tools to municipalities in the province to assist in promoting sustainable development, enhancing and protecting the environment and protecting our water in the province. Thank you for those brief comments, Mr. Speaker.

**Mr. Peter Dyck (Pembina):** Mr. Speaker, I move, seconded by the honourable Member for Portage (Mr. Faurichou), that we adjourn debate.

***Motion agreed to.***

**Bill 34—The Highway Traffic Amendment Act**

**Mr. Speaker:** Now we will move on to Bill 34, The Highway Traffic Amendment Act.

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** Mr. Speaker, I move, seconded by the Minister of Transportation and Government Services (Mr. Lemieux), that Bill 34, The Highway Traffic Amendment Act; Loi modifiant le Code de la route, be now read a second time and be referred to a committee of this House.

**Mr. Speaker:** It has been moved by the honourable Attorney General, seconded by the honourable Minister of Transportation and Government Services, that Bill 34, The Highway Traffic Amendment Act, be now read a second time and be referred to committee of this House.

**Mr. Mackintosh:** Mr. Speaker, I am very pleased to have this opportunity. I know that we will have, of course, time to discuss the bill in detail in committee, but there are some important points I would like to put on the record and bring to the attention of the House.

First, Mr. Speaker, with regard to enhanced consequences for Highway Traffic Act offences resulting in death, I think it is important to note that in some cases where a person is struck and killed by a vehicle, the evidence may not be sufficient to support criminal charges against the driver but charges under The Highway Traffic Act may still be appropriate. However, the maximum sentence for most Highway Traffic Act offences is a \$2,000 fine and possibly a driver's licence suspension of up to one year.

Now, Mr. Speaker, concerns have been raised by the public and, indeed, by the police that the existing sanctions are often not an adequate consequence for a Highway Traffic Act offence that results in the tragedy of death. The amendments would allow a judge to impose a jail sentence of up to two years and would remove the limit on the amount of fine the court can impose on any person convicted of a Highway Traffic Act offence where death resulted from that offence. In those cases, the judge would also be able to suspend the driver's licence for up to five years.

Mr. Speaker, the bill also extends the limitation period for commencing a prosecution under The

Highway Traffic Act from six months to two years if the offence results in death or a life-threatening injury.

I now want to deal with the issue that is very important to us, Mr. Speaker, and that is the concern about impaired driving and child endangerment. Impaired driving is an inherently dangerous activity that too frequently results in the injury or death of drivers and passengers. Children are especially at risk from being exposed to that harm because they are not usually in a position to resist being required to ride with an impaired driver. However, persons who are convicted of driving impaired with a child passenger in their vehicle do not currently receive a higher level of suspension than impaired drivers who do not have child passengers.

The amendments would create a new category of driver's licence suspension for persons who are convicted of driving impaired with a child passenger under the age of 16. Those offenders would be subject to the highest range of suspensions available under The Highway Traffic Act. Mr. Speaker, that is five years for a first offence, ten years for a second conviction, or life for a third or more convictions within ten years.

Mr. Speaker, I know that those are serious consequences indeed, but, in our view, I think that, as MADD has said, every child deserves a designated driver.

Mr. Speaker, while this initiative which accompanies other changes in protocol and policies is unique in Canada, it is not unique in North America. It is our understanding that in approximately 35 U.S. jurisdictions there are different combinations of sanctions that are directed to the challenge, the safety concerns of child endangerment at the hands of impaired drivers.

Mr. Speaker, in our view, this is an important area of law reform when it comes to impaired driving. As you may be aware, Manitoba has been recognized by MADD Canada for its efforts to counter impaired driving, and those efforts cannot ever be taken for granted. We have to remain vigilant, and we have to continue to look for ways to enhance, not just the laws but I think the education that comes from enhancements to the law. We have to ensure that societal attitudes change, and the law has an important role to play in making that change.

Mr. Speaker, there also has to be greater accountability and clear messages from the justice system that, at least in the area of provincial jurisdiction, which is, of course, limited and cannot be with regard to the exercise of criminal law, but we are doing what we can and we are looking for ways to provide leadership and ensure that we have a legal system in place under The Highway Traffic Act and with regard to other protocol that send a strong message.

Mr. Speaker, the bill also includes provisions to create a driver's licence suspension for persons convicted of certain prostitution-related offences where a vehicle is used in the commission of the offence. Driver's licence suspension would be one year for a first conviction or two years for a subsequent conviction within ten years. This amendment will supplement existing provisions of The Highway Traffic Act that permit the seizure and forfeiture of vehicles that are used in the commission of a prostitution-related offence.

Amendments are also needed, in our view, to The Highway Traffic Act's vehicle forfeiture program for serious driving offences and serious repeat offenders in order to resolve procedural problems that can arise if an innocent vehicle owner mistakenly fails to apply to have the vehicle released from forfeiture before it is forfeited. The amendments permit forfeiture to be set aside if vehicle owners can prove that they were not the driver who committed the offence that led to forfeiture, had no way of knowing that the vehicle would be used to commit an offence and, Mr. Speaker, neglected to apply earlier to have the vehicle released from forfeiture due to an honest mistake or, because, through no fault of their own, they did not receive a notice of liability to forfeiture.

\* (15:10)

Owners who do not make an application to set aside forfeiture before the Government of Manitoba incurs expenses to seize the vehicle are also required to prove that, through no fault of their own, they did not receive notice to turn in the vehicle for forfeiture. They must also pay the cost of seizure before the vehicle will be released from forfeiture.

Mr. Speaker, as I have indicated, we will be able to discuss this in more detail in committee so I will

conclude my remarks at this time. I look forward to the support of members on this bill. Thank you.

**Mr. Kevin Lamoureux (Inkster):** I always find it of interest when the Minister of Justice brings forward legislation. It is almost like a challenge to the opposition, "You know, I am so tough on crime that let's see you not support this piece of this legislation." We hear time and time again just how tough this government is on crime. The reality is, Mr. Speaker, very, very far from what the Government House Leader or the Minister of Justice actually preaches from his seat. Evidence is in the pudding, and the pudding just sure does not taste very good in terms of crime and justice in our province.

Earlier, I made reference in terms of ways in which this government has really proven itself to be incompetent. In the whole realm of justice, this is one of those areas. I say that because I truly do believe there is a great deal of room for improvement, that it is time the Minister of Justice actually started taking action as opposed to talking.

There are a few things that really offend me in regard to this particular bill, Mr. Speaker. When I first heard this, I believe it was on RCR, CJOB, Richard Cloutier, where he is commenting about, well, there are children now that are going to be better protected because the government has now taken the position that the moment someone has been caught drinking and driving, comes forward and has been caught and there is a child, that drinking-and-driving driver is going to suffer the consequence of this minister, of this administration.

Well, Mr. Speaker, you know, I, for one, have always thought that drinking and driving in the province of Manitoba is wrong and that, as legislators, we need to do what we can to ensure that we have laws that are tough, that are significant, that are going to provide and discourage drinking and driving. What we have here is a Minister of Justice who is now going to be saying, "Look we have two types of drinking and driving drivers. We have those that drive with kids. We have those that do not drive with kids."

I have a difficult time with that in the sense that I always believed that if you were drinking and driving, that is what is wrong, whether you have kids in the vehicle or you have no kids in the vehicle. It is

sad that some individuals that would drink and drive would actually have kids in the car. I, for one, cannot understand how that can happen, but I do know that, unfortunately, it does happen. Having said that, I also know there are drunks behind the wheels that get into vehicle accidents, and the cars they just hit have kids in them. How does this legislation then apply for those individual drunk drivers, Mr. Speaker? You know something? What this minister wants is to try to get the Riva spin of, "Well, we are getting tough on drinking and driving and those that abuse our children in society by having them into it."

Mr. Speaker, who would oppose having a child or who would support, I should say, having a child in a vehicle while at the same time you have a drunk driver? No one is going to support that. One has got to give their head a shake. No one is going to support that, but if you do not want to support that, get tough on drinking and driving.

I could ultimately argue why does this legislation not cover those kids that are in vehicles that are hit by drunk drivers. Where is the Minister of Justice (Mr. Mackintosh) on that issue? Why is he not protecting those children? Why does he have the double standard? Should they not also be taken into consideration, those innocent children? I support those innocent children. Equally, I support the children that, unfortunately, are in the cars of someone that is stupid enough to think they can drive while they are drunk, Mr. Speaker.

I do not support that drunk driver, and I think that is the message we should be getting across in this Manitoba Legislature. Mr. Speaker, I truly believe that this Legislature should be lining up saying that we do not support drinking and driving, period. If you are driving and you are drunk behind the wheel, the heavy arm of the law is going to fall on you, not the propaganda we hear from this minister. I have seen too much of it.

In part of this legislation, he talks about, well, now we are going to also, in getting tough on this, we are going to also be tough on those johns that use prostitutes in the sense that we are going to look at toughening up licensing problems for them, that they are not going to be able to renew their licence. Well, again, proof is in the pudding. How many vehicles have been confiscated by this government or by the courts as a result of legislation we have already

passed? The answer is that you will not need more than two hands to give a count.

Why does the government not start acting and supporting our police officers in a way in which we are going to be able to utilize the laws that are currently there? Why are we not supporting our Crowns to ensure there is a stronger realization as to the consequence of the actions, of the violations that are there today?

You know, Mr. Speaker, I have been handed headlines in regard to fatal crash on vehicles that are being stolen, three die in head-on collision. I tell you there is no shortage of headlines, of issues in which this government has been clearly, clearly negligent in providing adequate resources that would have seen fewer sad stories in our province. When it talks about the issue of justice, the other day I had waved during Question Period a number of press releases that the government, the Minister of Justice has released. There are plenty of them. When I look at the amount of press releases and the types of press releases that the government is issuing, one would think the crime rate in the province of Manitoba would be going down significantly.

We have got press releases regarding auto thefts. What is happening with auto thefts, Mr. Speaker? *[interjection]* No, they have not gone down. You see, members of the caucus need to get out of talking to the ministers and start talking to their constituents, start reading some of the reports. Vehicle thefts have not gone. Last year, we had over 13 000 vehicles being stolen in our province, over 13 000.

What does the Minister of Justice say? The Minister of Justice says, "Blame Ottawa. It is the immobilizers. Tell Ottawa to put immobilizers in all the vehicles, and then the vehicles will not be stolen." That is what the Minister of Justice preaches. What about this Minister of Justice? What are other provinces doing throughout Canada? Our province does not even come close to the number of per capita vehicles being stolen in any other province. We are way out. We lead the pack by a country mile plus.

This government has absolutely, totally, failed, yet members of their own caucus do not even realize the numbers have actually gone up. What we suggest to this Minister of Justice is that he better have a reality check and start realizing that he has a responsibility to cut the number of vehicles being

stolen in the province of Manitoba. He sits back and does absolutely nothing, but pump out press releases.

\* (15:20)

There are things this Minister of Justice could be doing, Mr. Speaker. I am getting tired of the fluff legislation which the minister tries to challenge us to vote against. He makes it very difficult. You know, we are going to have to look at this legislation. You make it very difficult to say no because we know how this minister operates on propaganda.

**An Honourable Member:** The system works.

**Mr. Lamoureux:** But the reality is, no, the system does not work, as the vehicle thefts have shown. If the minister really wanted to deal with the issue, as opposed to sending out propaganda of being tough, why does it not provide more bait cars in Winnipeg? Why does it not ensure that curfews are being administered? Instead, he will say, "Well, you know what? We brought in 20 new police officers." We do not need the 20 new police officers in the city of Winnipeg, Mr. Speaker. What we need is more supports for our police officers. Get them out of the courtrooms. Get them on the street. Get them doing less paperwork. Get them out on the streets. What about supporting our probation services? What about providing support for our courts?

Mr. Speaker, time and time again, this government has failed, this Minister of Justice has failed Manitobans. I am amazed he is still the Minister of Justice, really and truly. Of all the Cabinet shuffles I have seen, if there is one in which I would have made a change years back, it would have been with the Minister of Justice. How much time do you provide a minister before you finally realize that things are not getting better?

You know, we just had another body, Mr. Speaker, found in a dumpster in the North End. I drive down Salter virtually every other day. Things are not improving. The grow ops, that is a question I asked the minister. We have an industry in Manitoba that is growing and it is our grow ops. What is the government doing to deal with that issue? I suggested to the Minister of Justice why not establish a fund to support individuals reporting in. The Minister of Justice, "Well, you know, there is Crime Stoppers." Maybe the Minister of Justice will tell me

how many individuals have received money through Crime Stoppers in regard to grow ops.

How quick he is to jump to his feet to dismiss ideas from opposition members, Mr. Speaker. I have heard the member from Steinbach talk about a number of issues. After hearing from the member from Steinbach, the minister will at times take some action.

We do differ, Mr. Speaker. The Conservatives and the NDP want more police. I will acknowledge that. To a certain degree, I must say, it is an admission of failure. If you are not able to adequately support our current police complements that are there and support our courts, and the crime continues to grow, one has to question in terms of, well, yes, saying you will hire more police officers will get you the headlines that you want. But, in reality, as has been clearly demonstrated by this government over the last five years, crime is not necessarily going to be going down. This government has clearly demonstrated that.

I digress to a certain degree because this particular bill deals with drinking and driving. The propaganda spin this government wants, this minister wants to get out is that he cares for the children in the back seat of a car where there is a drunk driver, Mr. Speaker. You know, I care for those children too, but I want to go further than that. I want to go further than that because, unlike the Minister of Justice (Mr. Mackintosh), I also care for those kids that are maimed and killed in vehicle accidents which a drunk driver has caused. I care for those children too. Why does this minister not care about those children?

Are we going to see an amendment to this legislation that is going to take that into consideration, Mr. Speaker? Does the minister have any intention of bringing in that sort of legislation, or does he believe that a judge will take that into consideration, in part, when they come up with their disposition? Is that what the minister believes? If he believes that, then I would ask would that same principle not apply for the children that are in the back seat of a car in which the drunk driver is driving?

Well, Mr. Speaker, I would suggest to you that this Minister of Justice (Mr. Mackintosh) really needs to evaluate what it is that he is bringing

forward. I would suggest that maybe what he has done is he has had an idea and, you know, you cannot blame the Minister of Justice for having ideas, but when he does not think them through and brings them into the Legislature, well then I would suggest to you that when we go into the committee stage the minister better be open to changing and making some changes.

You remember the notoriety act that the minister brought in with all the fanfare, and I do not know how many press releases the Minister of Justice had to have, but, you know what? He got his positive stories, Mr. Speaker. We do not like the Clifford Olsons. We do not like these criminal elements that are going to try to get money out of us. I remember asking the Minister of Justice in committee, "If this legislation could have been made retroactive to go back over the years since Manitoba has been a province, how many cases would you have been able to apply this legislation to?" The Minister of Justice, to his credit, came back and said, "Well, none that I can think of."

Well, Mr. Speaker, I applaud the minister in terms of being honest in committee, but you know what? Why would we not, as opposition members, support that sort of legislation? Again, it is a good idea, it is a tough one. So here the minister has an idea, brings it in, gets it through second reading, then it goes to committee, then from committee third reading and it passes and now it is the law of the land.

Well, you know what, Mr. Speaker? I had an interesting contact with an individual that was concerned because they were involved with the Louis Riel, and we all know Louis Riel. The question that he had posed to me was, because of the legislation that we passed, could they be held to account for any monies that are raised, either for profit or non-profit related to Louis Riel. I referred the individual to make contact with the Department of Justice to find out.

There was a question mark, and maybe the Minister of Justice will comment on that particular example, Mr. Speaker. As I say, there is that legislation. We had other legislation that the government has brought forward. Remember the criminal forfeiture act? Again, here is a minister, he got the headlines, he achieved what the real purpose was and that was the propaganda message of how this

government is tough on crime, but, again, I will tell you the proof is in the pudding and we will wait and we will see how much money is actually achieved and how often that particular tool does get used and if, in fact, it gets challenged in the courts.

The Minister of Justice, because of comments that I will say on the record today and in the past, and I know he has already done this in part, will take my comments and distort them to the degree in which he tries to give the impression that maybe I am not as tough as the New Democrats when it comes to dealing with crime, Mr. Speaker. I would suggest to you that if it becomes an issue of getting tough on crime, I would suggest to you that this minister is not tough on crime. I really and truly do not believe that the Minister of Justice has been effective in dealing with crime in our province.

Mr. Speaker, the bottom line, that is what the stats clearly demonstrate, is that his government has not been effective in dealing with crime.

\* (15:30)

**An Honourable Member:** Talk about the gangs.

**Mr. Lamoureux:** The Member for Steinbach (Mr. Goertzen) talks about gangs. What are we at? Somewhere around 3000-plus active/inactive gang members? I am still waiting. I would like to get a definition of the inactive. Is inactive, in part, because they are being incarcerated currently? I would like to get a better definition. What I do know is that is a record number of gang members.

I made reference to grow ops. We have crack houses. The government will say, "Well, you know what? We have closed down X number of these homes and these crack homes." How many have opened up? What is the bottom line? I will bet you we have more crack houses today than we have ever had, based on other patterns of this government. If it is any example in terms of the car thefts, it would even be scary because again in that car theft area we lead the pack across this nation. *[interjection]*

Well, make reference to the grow ops. As I indicated, I was somewhat taken off track in regard to the grow ops. We all have ideas. When the minister thinks from his seat, well, you know, it is easy to criticize, it is easy to be in opposition. You know, Mr. Speaker, when one comes up with ideas,

and the government kind of tosses them aside and gives them no merit, I would suggest to you that the government is doing a disservice to this Chamber. There are ideas that are out there, and they might not necessarily be government-sponsored ideas. They might not even be ideas from this particular Minister of Justice (Mr. Mackintosh). It does not necessarily mean they are not good ideas. In fact, at times I have even seen the government, more so because it had to, I would suggest to you, adopt a couple of those ideas. But you know something? When someone brings forward an idea, I would be more interested in hearing the Minister of Justice tell me why it is that some of these ideas are not worthy of proceeding with. There are a couple of them that come to mind for me personally that the Manitoba Liberal Party has talked about.

I have talked to this minister and questioned him about ankle bracelets in the past. I believe the government is wrong in not moving forward on ankle bracelets. I do not understand, for the life of me, why this Minister of Justice does not want to deal with the issue of ankle bracelets. I should not say does not want to deal with it. I guess he has dealt with it by saying he does not want to see them in the province. *[interjection]* Yes, there are two different types of ankle bracelets. There are the fashionable ones, and there are the ones that are not as fashionable, but they could play a valuable role here in the province. Could you imagine if you put an ankle bracelet, for example, on a car thief who is out on curfew, and you tied that ankle bracelet to a fixed location so that, in fact, that individual would have to be at home during that prime-time car theft times, or obligating that individual to be there, that you had a bracelet attached to the individual?

What about high-risk predators? I would like to suggest to you that I would be wrong to say it is actually my idea because, really and truly, it is not my idea. These are ideas that are being used in other jurisdictions. Other jurisdictions have seen the value of them in the States and Canada and have incorporated them into government policy to try to make a difference, a real tangible difference. That is where this government, I think, has a problem in terms of really understanding because what this minister sees is, well, we were not the first to talk about it; it was not my idea so I am going to shy away from it and I am going to talk about this.

I remember a couple of weeks ago the Conservatives had a five-point plan, and some of those points I was even talking about, Mr. Speaker. The only one that does not acknowledge talking about those plans—and the minister has incorporated some of those points, right? I do not want to say they were my ideas. I do not want to say that they are the member from Steinbach's ideas. Did I say that already? Let me say, let us share ideas. Let us share good ideas. No one owns a good idea. It is for the public good, right? All we ask is that the Minister of Justice—

**An Honourable Member:** Hug a Liberal.

**Mr. Lamoureux:** Actually, go further than wanting to hug a Liberal, actually provide—

**An Honourable Member:** Mug a Liberal.

**Mr. Lamoureux:** Well, stay out of our pockets, no. Mr. Speaker, I would suggest to you that the Minister of Justice should start looking at the ideas that are out there that are going to make the real difference, and start properly and adequately supporting and providing the resources necessary in the areas that are going to make the difference. That is really what we are asking the Minister of Justice to do.

If he recognizes the value of ankle bracelets, well, provide the funds necessary, Mr. Speaker, to incorporate ankle bracelets into the province. Ultimately, at the end of the day, I believe that it will make a positive difference.

The minister has now acknowledged the importance of probation officers, I believe. I think he is putting together, I think it is a 14-member special group of people to look at this high number of car thefts, Mr. Speaker, 14 members. Well, you know, I give him credit. He heard of the idea, now he has jumped all over it, and he is going to act on it, apparently.

**An Honourable Member:** May.

**Mr. Lamoureux:** May. We have seen the press release. Again, proof is in the pudding. But, if he does act on this one, Mr. Speaker, I will suggest to you that it will have an impact, that we will see fewer cars stolen in 2005 than we did in 2004 because we are starting to recognize that probation

and curfews have a significant impact on the number of vehicles that are being stolen.

You know, I have to relay a story. I had someone a few weeks ago that came to my office and had indicated to me that they have to be around town for the next little while. I asked why, and he indicated, well, a bit of a problem with the law. This individual or a relative of this individual now is under curfew. I said, "Oh, what is he under curfew for?" He said, "Well he got caught stealing his 28th vehicle." The individual, best I could tell, has not spent any time in jail. Now, I could be wrong on that quite possibly. But the point is that he is under curfew. There are many individuals that are out there that are, in fact, on curfew.

That is why, all kidding aside, and at times maybe I razz a little bit too much, but, you know what, having said that, I really do believe that if, in fact, we provide the resources where they are most needed, we can have an impact. If, in fact, we see the government providing these resources, and we see follow-through, what we will ultimately see is a drop in the number of vehicles being stolen. If that all does happen, I will give the government credit for that. I would say that is a positive thing.

I look at this particular legislation that we are debating, and I would indicate to the minister, because we are going to committee, you know, I am not going to say whether or not I support this bill or do not support this bill at this point in time. I will wait until we get to committee. I want to hear what the Minister of Justice has to say about, for example, the children in the vehicles, in other vehicles in which a drunk driver is involved, or is the cause of an accident. How are those being taken into consideration?

\* (15:40)

I would like to hear from the government, from the minister. First and foremost, does he believe that we are sending a mixed message about drinking and driving? I think that is a really important one. That is the biggest hurdle that I really have to get over first and foremost, Mr. Speaker, because I have always believed that drinking and driving is wrong. You talk about children. What about our parents? What about our war vets? There are all sorts of individuals that we care deeply and passionately about. We should care about all people. Maybe, if a driver is drunk,

and he has anyone in the vehicle, why just limit it to children? Establish why it is that you are doing what it is that you are proposing for us to pass—

**Mr. Speaker:** Order. The honourable member's time has expired.

**Mr. David Faurichou (Portage la Prairie):** I move, seconded by the honourable Member for Pembina (Mr. Dyck), that debate now be adjourned.

*Motion agreed to.*

\* \* \*

**Mr. Harry Schellenberg (Rossmere):** Mr. Chairperson, in the section of Committee of Supply meeting in Room 254 considering the Estimates of the Department of Education, Citizenship and Youth, the honourable Member for Charleswood (Mrs. Driedger) moved the following motion:

I move to condemn the Minister of Education, Citizenship and Youth (Mr. Bjornson) for his refusal to get to the bottom of the legal—

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

**Mr. Speaker:** Order. As the Speaker, I cannot deal with that. We would have to resolve into Committee of Supply for the committee to deal with the matter. Is it the will of the House to set aside House business and resolve into Committee of Supply to deal with the issue? *[Agreed]*

We will now resolve into Committee of Supply.

## COMMITTEE OF SUPPLY

**Mr. Chairperson (Conrad Santos):** Committee of Supply, please come to order.

### Report

**Mr. Harry Schellenberg (Chairperson of the section of the Committee of Supply meeting in Room 254):** Mr. Chairperson, in the section of the Committee of Supply meeting in Room 254 considering the Estimates of the Department of Education, Citizenship and Youth, the honourable Member for Charleswood (Mrs. Driedger) moved the following motion:

I move to condemn the Minister of Education, Citizenship and Youth (Mr. Bjornson) for his refusal to get to the bottom of the illegal land development scheme in the Seven Oaks School Division.

Mr. Chairperson, this motion was defeated on a voice vote. Subsequently, two members requested that a formal vote on this matter be taken.

#### Formal Vote

**Mr. Chairperson:** A recorded vote has been requested. Call in the members.

*All sections in Chamber for formal vote.*

In the section of the Committee of Supply meeting in Room 254, considering the Estimates of the Department of Education, Citizenship and Youth, the honourable Member for Charleswood (Mrs. Driedger) moved the following motion:

I move to condemn the Minister of Education, Citizenship and Youth (Mr. Bjornson) for his refusal to get to the bottom of the illegal land development scheme in the Seven Oaks School Division.

This motion was defeated on a voice vote. Subsequently, two members requested that a formal vote on the matter be taken.

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 21, Nays 32.*

**Mr. Chairperson:** The motion is accordingly defeated.

\* \* \*

**Mr. Chairperson:** The two sections of the Committee of Supply will now resume their proceedings in rooms 255 and 254, and the House will resume the session.

Mr. Speaker, please take the chair.

\* (16:00)

#### IN SESSION

**Mr. Speaker:** We will resume second reading of bills.

#### SECOND READINGS

(Continued)

#### Bill 35—The Capital Region Partnership Act

**Mr. Speaker:** We will move on to Bill 35, The Capital Region Partnership Act.

**Hon. Scott Smith (Minister of Intergovernmental Affairs and Trade):** Mr. Speaker, I move, seconded by the Minister of Transportation and Government Services (Mr. Lemieux), that Bill 35, The Capital Region Partnership Act, be now read a second time and be referred to a committee of this House.

#### *Motion presented.*

**Mr. Smith:** Mr. Speaker, I am pleased to introduce for second reading Bill 35, The Capital Region Partnership Act.

The Regional Planning Advisory Committee recommended the Province adopt legislation to form the partnership of Capital Region municipalities. The mayors and reeves of the Capital Region unanimously passed a resolution requesting the Province to adopt legislation after consultation with the leadership with the Capital Region municipalities.

The proposed bill responds to the RPAC recommendations and the mayors and reeves' request without being top down. It enables the establishment of a partnership that gives the municipalities in the Capital Region the opportunity to shape that partnership. The legislation facilitates the creation of the Capital Region partnership with the mandate to foster positive regionalism, mutual understanding and co-operation and promote regional thinking and collaboration by (a) sharing information, (b) discussing issues of mutual concern, (c) developing ideas for regional action, (d) conducting research and analysis and (e) agreeing upon common approaches to shared problems.

Mr. Speaker, the mayors and reeves of the municipalities of the Capital Region are tasked with developing an organizational and government structure for partnership that meets certain criteria set out in the legislation. As well, before recommending to the Lieutenant-Governor-in-Council that the partnership be established, I will have to be satisfied that the organization and structure the government has proposed by the partnership represents the entire region, recognize the city of Winnipeg's size and importance in the Capital Region, and facilitate the development of regional solutions to issues.

Mr. Speaker, we believe that the Capital Region partnership must be built on consensus of mutual trust among the mayors and reeves of the

municipalities in the Capital Region. This legislation allows that to happen. We have set out the principles under which the partnership will be created and are confident that the municipal leadership can shape an organization that will lead to a stronger and more prosperous future for all members.

Mr. Speaker, with those few words, thank you very much.

**Mr. Peter Dyck (Pembina):** I move, seconded by the honourable Member for Minnedosa (Mrs. Rowat), that we adjourn debate.

*Motion agreed to.*

### **Bill 36—The Courts Administration Improvement Act**

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** I move, seconded by the Minister of Transportation and Government Services (Mr. Lemieux), that Bill 36, The Courts Administration Improvement Act; Loi visant à améliorer l'administration des tribunaux, 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:** It has been moved by the honourable Attorney General, seconded by the honourable Minister of Transportation and Government Services, that Bill 36, The Courts Administration Improvement Act, be now read a second time and be referred to a committee of this House.

His Honour the Lieutenant-Governor has been advised of this bill and the message has been tabled.

**Mr. Mackintosh:** Mr. Speaker, the bill contains amendments to a variety of provisions of three different acts, all related to the improvement of the operation of the courts.

The first part, Mr. Speaker, is under The Provincial Court Act. It contains amendments to address two different types of situations dealing with the status of judges. The first provisions clarify what is to happen to cases when a judge dies or retires, is removed, is suspended or unable to complete a case. There are provisions in the Criminal Code that address this type of situation for Criminal Code

matters, but those provisions do not affect the situation for other types of matters. These provisions give the Chief Judge the authority to proactively ensure that a case will continue to move at an appropriate pace through the court in the event that a case cannot be completed by the judge who started it.

The second set of amendments creates the office of temporary judge. There are sometimes situations where a judge of the Provincial Court may be perceived to be in a conflict of interest that cannot be resolved by having another judge preside over the matter, that is, a judge from the same court. This might include situations where an immediate family member of a judge is being tried, or perhaps where a judge is a witness. Fortunately, these are rare occurrences. These provisions allow for the Chief Judge to ask a Chief Judge from another province to designate a judge to come to Manitoba to hear certain cases or a particular case. A temporary judge will have all the powers and duties of a provincial court judge in Manitoba. A complaint mechanism that takes into account the public interest of Manitobans and fairness to the temporary judge has also been included.

The second part is with regard to The Court of Queen's Bench Act. Part 2 contains amendments to The Court of Queen's Bench Act to address four distinct areas: the number of judges, the nomination committee and process for the appointment of masters, the clarification of two provisions regarding complaints about masters which are technical amendments, and the establishment of a date of conversion for judgments.

With regard to the number of judges, at the request of the Chief Justice of the Court of Queen's Bench, the overall number of judges will not change, but the number of judges in the Family Division is increased by two, and that increase is then offset by a decrease in the number of general division judges by two.

It is proposed that the nominating committee for masters be chaired by the Chief Justice of the Court of Queen's Bench, and that the senior master will be on that committee. This reflects the general supervisory role of both the Chief Justice and the senior master. The nominating committee will be required to provide a list of three to six qualified candidates to the minister. In addition, there are two technical

amendments clarifying the complaint process for masters.

The final proposed amendments to The Court of Queen's Bench Act is somewhat technical in nature but very important for those involved in civil litigation and creates certainty where the law has been uncertain. Basically, the Court of Queen's Bench must make an order in Canadian dollars, but a claim may be made in a foreign currency, so an American company, for example, can sue a Manitoba supplier for \$10,000 in U.S. dollars, but the order made by the court must be the amount of Canadian dollars necessary to equal \$10,000 U.S.

When it comes to enforcing the order, however, there is no law to specifically set out what date should be used when calculating how many Canadian dollars are required. This is important, because exchange rates fluctuate, and the amount of the judgment could change significantly. The exchange rate could be 80 cents to the dollar on the date of judgment, but a year or two later, when the judgment is paid, it could be 60 cents to the dollar.

The proposed amendments establish the date of payment as the date to be used with three exceptions. The first exception is if the court decides it would be more equitable to order a different date. The second exception is if the agreement between the parties sets out a date. The third exception is if the judgment is being enforced through the court.

The third part is with regard to The Summary Convictions Act. In 2001, the Association of Manitoba Municipalities made recommendations that our government examine alternative methods of by-law enforcement without having to use the court. I want to also commend the advocacy of the AMM in this regard. This concept is good, not only for municipalities but for the criminal court system, where approximately 15 000 by-law matters are dealt with annually.

Justice officials met with various municipal organizations, and this bill contains a system recommended to provide an alternative to court. The proposed model creates a screening officer program that allows municipalities to review certain designated by-law tickets without having to use the court system. The screening officers will have the authority of the council, enter into a compliance agreement with the person who received the ticket,

or refer the matter to court if the person wanted to dispute the ticket. In other words, the court remedy is still available. Participation by municipalities in this program is optional.

In addition, this bill contains provisions that strengthen Manitoba's ability to collect unpaid fines by refusing to issue or renew the person's vehicle registration. This fine collection tool is currently used by the photo enforcement program, and these provisions expand its use to other provincial offences. The current maximum penalty of \$500 for general offences under The Summary Convictions Act has not been amended in approximately 20 years. This amendment affects those provincial acts where a maximum fine is not set out. This provision modernizes these acts by increasing the maximum penalty to \$5,000.

By way of background, all offences for which tickets, that is common offence notices, are issued have their own maximum fines set out in the specific statutes and do not rely on the general provisions in The Summary Convictions Act. In addition, the vast majority of provincial laws include specific maximum penalties.

\* (16:10)

Therefore, this new provision in The Summary Convictions Act would only apply to a small number of prosecutions, it is estimated, under acts which do not set out a maximum fine. Whether fines to the new level would ever be imposed would be determined through prosecution of cases, and the final decision would be made by a judge. There is not expected to be any measurable revenue impact as a result of this modernization of the existing legal framework.

The bill also contains amendments to permit the increased use of technology by the Summary Convictions Court to increase efficiencies and improve service levels.

**Mr. Peter Dyck (Pembina):** Mr. Speaker, I move, seconded by the honourable Member for Morris (Mrs. Taillieu), that we adjourn debate.

*Motion agreed to.*

#### **Bill 37—The Municipal Assessment Amendment Act**

**Mr. Speaker:** I will move on to Bill 37, The Municipal Assessment Amendment Act.

**Hon. Scott Smith (Minister of Intergovernmental Affairs and Trade):** Mr. Speaker, I move, seconded by the Minister of Transportation and Government Services (Mr. Lemieux), that Bill 37, The Municipal Assessment Amendment Act, be now read a second time and referred to a committee of this House.

*Motion presented.*

**Mr. Smith:** Mr. Speaker, I am pleased to introduce for second reading, Bill 37, The Municipal Assessment Act.

Bill 37 proposes an amendment to The Municipal Assessment Act, the legislation that provides the framework for the assessment of property in the province. Specifically, Bill 37 gives municipalities a new authority to vary the tax portions for prescribed classes of property for municipal tax purposes. This authority provides municipalities with an additional tool to manage local tax shifts expected from the 2006 reassessment and to effectively address ongoing local tax issues. It will not increase overall levels of taxation.

The City of Winnipeg currently has this authority under the City of Winnipeg Charter. Although to date it has not been used, the proposed amendment centralizes the authority for both the City and all other municipalities in The Municipal Assessment Act.

Mr. Speaker, just in closing, this authority is subject to Cabinet regulation ensuring that municipalities use the new tool appropriately and in accordance with the broader interests and equity.

Thank you for those few words, Mr. Speaker, and I am pleased to introduce it to the House.

**Mr. Peter Dyck (Pembina):** Mr. Speaker, I move, seconded by the honourable Member for Lakeside (Mr. Eichler), that we adjourn debate.

*Motion agreed to.*

**Bill 41—The Drivers and Vehicles Act and  
The Highway Traffic Amendment Act**

**Mr. Speaker:** Now we will move on to Bill 41, The Drivers and Vehicles Act and The Highway Traffic Amendment Act.

**Hon. Ron Lemieux (Minister of Transportation and Government Services):** Mr. Speaker, I move, seconded by the Minister of Justice and Attorney General (Mr. Mackintosh), that Bill 41, The Drivers and Vehicles Act and The Highway Traffic Amendment Act; Loi sur les conducteurs et les véhicules et Loi modifiant le Code de la route, now be read a second time and referred to a committee of this House.

His Honour the Lieutenant-Governor has been advised of the bill, and I tabled the message.

**Mr. Speaker:** It has been moved by the honourable Minister of Transportation and Government Services, seconded by the honourable Minister of Justice and Attorney General, that Bill 41, The Drivers and Vehicles Act and The Highway Traffic Amendment Act, be now read a second time and be referred to a committee of this House.

His Honour the Lieutenant-Governor has been advised of this bill, and the message has been tabled.

**Mr. Lemieux:** Mr. Speaker, I am pleased to speak to my honourable colleagues today regarding Bill 41, The Drivers and Vehicles Act and The Highway Traffic Amendment Act. The proposed bill establishes a new act titled The Drivers and Vehicles Act, which will provide authority for Manitoba Public Insurance, MPI, to deliver driver and vehicle licensing services on behalf of government. As my colleagues have seen, the bill is large. It includes not only the new act but the complementary amendments to 13 other statutes that are affected by the creation of this statute. We have also addressed some transitional issues and a few housekeeping issues under The Highway Traffic Act.

The proposed Drivers and Vehicles Act is largely comprised of provisions taken from The Highway Traffic Act. Also included are registration requirements for off-road vehicles, which have been transferred from The Off-Road Vehicles Act. Extensive redrafting of these provisions was necessary to improve upon the archaic state of many of the Highway Traffic and Off-Road Vehicles acts' provisions. However, the amendments do not alter the requirements for obtaining a driver's licence or a vehicle registration.

While the new act provides MPI with administrative authority to deliver driver and vehicle

licensing programs, the fundamental principles which govern these programs will remain in The Highway Traffic Act. Under the responsibility of government, this approach will ensure that the government maintains control over matters that fundamentally affect the rights of persons using Manitoba highways.

These matters include standard settings, such as driver medical standard and vehicle equipment standards; establishing fees for driver and vehicle licensing services; rules of the road, these cover the rules of operation for all users of Manitoba's highways from motorist to cyclist to pedestrians to off-road vehicles; countermeasures initiatives for issues such as impaired driving and auto theft; appeal bodies, the Licence Suspension Appeal Board. The Medical Review Committee will continue to report to the Minister of Transportation.

In closing, Mr. Speaker, the introduction of Bill 41 will complete the process of merging driver and vehicle licensing services with Manitoba Public Insurance. I am confident this new service delivery model will be of benefit to Manitobans while at the same time ensuring government remains responsible for the fundamental aspects of driver and vehicle licensing programs.

I look forward to discussing the details of the bill with my colleagues at Law Amendments Committee. Thank you, Mr. Speaker.

**Mr. Peter Dyck (Pembina):** Mr. Speaker, I move, seconded by the honourable Member for Minnedosa (Mrs. Rowat), that we adjourn debate.

*Motion agreed to.*

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, perhaps if we could do Bill 31 while we wait for the Health Minister.

#### **Bill 31—The Condominium Amendment Act**

**Mr. Speaker:** Okay. We will move on to Bill 31, The Condominium Amendment Act.

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, I move, seconded by the Minister of Justice (Mr. Mackintosh), that Bill 31, The Condominium Act; Loi modifiant la Loi sur les condominiums, be

now read a second time and be referred to a committee of this House.

**Mr. Speaker:** It has been moved by the honourable Minister of Finance, seconded by the honourable Attorney General, that Bill 31, The Condominium Amendment Act, be now read a second time and be referred to a committee of this House.

**Mr. Selinger:** I have precious few words to say, Mr. Speaker. The bill speaks for itself, and all I can add to it is that it provides additional protections for people that own condominiums and gives them additional information so that they can, as condominium owners, make the proper judgments as to whether they are being served properly with regard to their ownership of condominiums.

So it is legislation for which there has been consultation done in the community, including members of the opposition, and it moves our ability forward to provide condominium owners with the kind of information they need to make prudent choices about purchases, repairs and liability issues. Thank you.

**Mr. Peter Dyck (Pembina):** Mr. Speaker, I move, seconded by the honourable Member for Lakeside (Mr. Eichler), that we adjourn debate.

*Motion agreed to.*

\* (16:20)

#### **Bill 42—The Health Services Insurance Amendment and Prescription Drugs Cost Assistance Amendment Act**

**Mr. Speaker:** Now we will move on to Bill 42, The Health Services Insurance Amendment and Prescription Drugs Cost Assistance Amendment Act.

**Hon. Tim Sale (Minister of Health):** Mr. Speaker, I move, seconded by the Minister of Finance (Mr. Selinger), that The Health Services Insurance Amendment and Prescription Drugs Cost Assistance Amendment Act; Loi modifiant la Loi sur l'assurance-maladie et la Loi sur l'aide à l'achat de médicaments sur ordonnance, be now read a second time and be referred to a committee of this House.

**Mr. Speaker:** It has been moved by the honourable Minister of Health, seconded by the honourable Minister of Finance, that Bill 42, The Health Services Insurance Amendment and Prescription Drugs Cost Assistance Amendment Act, be now read a second time and be referred to a committee of this House.

**Mr. Sale:** Bill 42 deals with the amendments to The Prescription Drugs Cost Assistance Act. Our insurance and Pharmacare programs obviously are very vital, and it is important that appropriate mechanisms are in place to ensure these programs are administered appropriately so they can be sustainable. This bill amends The Health Services Insurance Act and The Prescription Drugs Cost Assistance Act to ensure that the legislative underpinnings adequately support accountability and decision-making processes for these programs.

The amendments will update the powers of inspectors relating to claims for payment for insured services so that they are consistent with the inspection powers in the act relating to personal care homes that were recently proclaimed in the force as well as inspection powers of other acts. Among other things, the updated powers will enable inspectors to use data processing and copying equipment when carrying out an inspection to obtain a warrant from a Justice to enable them to exercise their powers if that is required.

The amendments to the prescription drugs payment of benefits act will provide similar powers to inspectors in relation to the Pharmacare program. The amendments will also recognize the prescribing powers of extended practice registered nurses, Mr. Speaker. In addition to updating the powers of inspectors, the amendments will facilitate timely, effective and reasoned decision making respecting coverage of the cost of new and advanced technologies.

Finally, the amendments to The Health Services Insurance Act clearly set out the power of the Patient Utilization Review Committee to obtain information and limits on that power as well, Mr. Speaker. Since 1991, that committee has carried out its mandate to identify patients who receive health services which appear to be beyond medical necessity and who may be possible abusers of the system by obtaining information using delegated authority. The amendments will clearly set out the authority of the

committee in this area and, consistent with The Personal Health Information Act, will require that the committee limit the amount of information it gathers to the minimum amount necessary to properly carry out its duties.

**Mr. Denis Rocan (Carman):** Mr. Speaker, I move, seconded by the honourable Member for Fort Whyte (Mr. Loewen), that debate be adjourned.

*Motion agreed to.*

### **Bill 43—The Regulated Health Professions Statutes Amendment Act**

**Hon. Tim Sale (Minister of Health):** Mr. Speaker, I move, seconded by the Minister of Intergovernmental Affairs (Mr. Smith), that Bill 43, The Regulated Health Professions Statutes Amendment Act; Loi modifiant diverses lois sur les professions de la santé réglementées, be now read a second time and be referred to a committee of this House.

**Mr. Speaker:** It has been moved by the honourable Minister of Health, seconded by the honourable Minister of Intergovernmental Affairs, that Bill 43, The Regulated Health Professions Statutes Amendment Act, be now read a second time and be referred to a committee of this House.

**Mr. Sale:** Mr. Speaker, Bill 43 will amend 19 different statutes that regulate the practice of health professionals. Seventeen of these statutes will be amended to allow the province to have better access to health professionals during a public health emergency. This legislation is parallel to the legislation which was introduced by my colleague, the Minister for Intergovernmental Affairs, in regard to emergency provision of services. It will allow the regulatory bodies to waive registration or licensing requirements if there is a public health emergency and health professionals must be brought in from elsewhere in either Canada or the United States.

The minister, after consultation with public health officials and other persons considered advisable, will make the determination about whether such an emergency does exist in either all of the province or a particular part of the province. Because it is likely that denturists or opticians would not be required during a public health emergency, these provisions will not be included in those acts, Mr. Speaker.

These amendments complement the amendment in Bill 15, The Emergency Measures Amendment Act, to which I just referred, that would allow for the recognition of qualifications of persons coming into the province to assist when an emergency has been declared under that act. All 19 statutes will be amended to require the regulatory bodies to collect certain demographic information about their members for an electronic registry of health care providers. This registry is a critical building block for the development of electronic health records as it will allow the identity of a provider seeking access to a patient's personal health information to be validated. The information may be shared in non-identifying form with authorized entities such as regional health authorities and may be used to facilitate health workforce planning.

Bill 43 will further amend The Medical Act to clarify what information is to be included in the physician profiles that the College of Physicians and Surgeons will make available to the public. Thank you, Mr. Speaker.

**Mrs. Leanne Rowat (Minnedosa):** I move, seconded by the Member for Pembina (Mr. Dyck), that debate be adjourned.

*Motion agreed to.*

### **Bill 38—The Residential Tenancies Amendment Act**

**Mr. Speaker:** We will now move on to Bill 38, The Residential Tenancies Amendment Act.

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, I move, seconded by the Minister of Health (Mr. Sale), that The Residential Tenancies Amendment Act; Loi modifiant la Loi sur la location à usage d'habitation, be now read a second time and be referred to a committee of this House.

**Mr. Speaker:** Would the Minister of Health please take his seat.

It has been moved by the honourable Minister of Finance, seconded by the honourable Minister of Health, that Bill 38, The Residential Tenancies Amendment Act, be now read a second time and be referred to a committee of this House.

**Mr. Selinger:** Mr. Speaker, Bill 38, The Residential Tenancies Amendment Act, proposes a number of

changes that will facilitate the improvement of the province's rental housing stock. Other proposed changes will make The Residential Tenancies Act more responsive to the needs of both landlords and tenants.

Currently, a rehabilitation scheme must substantially increase the life expectancy and quality of the whole complex and all units in the complex. Amendments in this bill will allow approval of rehabilitations on a unit-by-unit basis. A rehabilitation unit can be exempted from rent regulations for up to two years. This will reduce the amount to be expended at any one time and the disruption to tenants. The amendments also provide for an exemption from rent regulation for up to 15 years where a rehabilitation scheme is approved for a distressed property. Details of the requirements for a unit and distressed property rehabilitations will be prescribed in regulation.

Mr. Speaker, under the act, a landlord is responsible to repair and maintain the unit and the rental property. Under the proposed amendments, a tenant will be able to apply to the director of the Residential Tenancies Branch for compensation if the landlord is unreasonably delayed in complying with a repair and maintenance obligation.

These amendments will require a tenant to be given at least three months notice if a landlord wants to remove or reduce a rent discount. Protection for tenants in units that are exempt from regulation will be increased by providing a prohibition against rent increases made with the intent to evict such a tenant.

Mr. Speaker, the director will be given discretion to make an order related to past rent increases in situations where a landlord did not comply fully with the requirements for notice to the tenant of the rent increase. The director must be satisfied that the incomplete information did not result in unfairness to the tenant. As announced in the budget speech, the exemption from rent regulation for newly constructed rental property will increase from 15 to 20 years. This will apply where occupancy takes place after March 7, 2005.

Mr. Speaker, a number of the proposed amendments deal with issues that have arisen in the administration of the act. Provision is being made to allow a landlord to charge an administrative fee when a tenant abandons his unit before the tenancy

agreement expires. The fee will be prescribed in regulation.

Where the term of a tenancy agreement is deemed renewed because the landlord did not give the required renewal, the renewal term will be limited to a maximum of 12 months. A tenant will be able to terminate a deemed renewal by giving notice of one rental payment period.

A landlord will be able to make a claim against a tenant for the cost of obtaining a writ of possession from the Court of Queen's Bench, and enforcing it when the tenant does not comply with an order of possession.

\* (16:30)

The period during which a tenant can terminate a fixed-term tenancy agreement where a landlord has applied for an above-guideline rent increase will be clarified, and the right to give such notice will be extended to tenants affected by a rehabilitation scheme.

Mr. Speaker, currently, where a claim is successful, costs are limited to a maximum of 10 percent of the amount of compensation ordered. Under the proposed amendments, the method of determining costs wherein a landlord or tenant is successful with a claim will be set out in the regulation. The amendments proposed in this bill will make regulation work more effectively and will be of benefit to both landlords and tenants.

Mr. Speaker, with these comments, I am pleased to commend this bill for consideration.

**Mr. John Loewen (Fort Whyte):** Mr. Speaker, I move, seconded by the Member for Pembina (Mr. Dyck), that debate be adjourned.

*Motion agreed to.*

#### **Bill 39—The Investment Trust Unitholders' Protection Act**

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, I move, seconded by the Minister of Industry, Economic Development and Mines (Mr. Rondeau), that Bill 39, The Investment Trust Unitholders' Protection Act; Loi sur l'immunité des détenteurs d'unités de sociétés de placement, be now

read a second time and be referred to a committee of this House.

**Mr. Speaker:** It has been moved by the honourable Minister of Finance, seconded by the honourable Minister of Industry, Economic Development and Mines, that Bill 39, The Investment Trust Unitholders' Protection Act, be now read a second time and be referred to a committee of this House.

**Mr. Selinger:** Mr. Speaker, Bill 39, The Investment Trust Unitholders' Protection Act, will provide protection to investors that own units of Manitoba-based, publicly traded investment trusts. The bill will protect unitholders from liability that may arise from the actions of the trustees of the investment trust. As a result, unitholders will now enjoy the same protection as shareholders of a corporation. The provinces of Alberta and Ontario have already enacted similar legislation. The legislation will help ensure that businesses in Manitoba that choose to use business trusts do not feel compelled to relocate their management elsewhere to qualify for benefit of liability protection.

Mr. Speaker, with these comments, I am pleased to recommend this bill for consideration.

**Mr. John Loewen (Fort Whyte):** I move, seconded by the Member for Minnedosa (Mrs. Rowat), that debate be adjourned.

*Motion agreed to.*

**Mr. Selinger:** Mr. Speaker, I had mentioned earlier on Bill 31 some of the protections with respect to access to things like the plans of construction—

**Mr. Speaker:** Order. We have already dealt with that bill. If a member wishes to add more to it, he would have to seek leave of the House.

Does the honourable member have leave?

**Some Honourable Members:** Leave.

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

#### **Bill 31—The Condominium Amendment Act** (Continued)

**Mr. Greg Selinger (Minister of Finance):** I would like to thank the House for that. I have some further

information to put on the record with respect to Bill 31.

First of all, condominiums are an increasingly popular form of housing. Bill 31 addresses some of the issues which I mentioned earlier as well as some additional issues identified by unit owners, the Canadian Condominium Institute, as well as the Manitoba Real Estate Association.

This act will give condominium purchasers a 48-hour cooling-off period. The proposed amendments will clarify when the 48-hour period begins. The period will start either when the purchaser contract is formed or when required information is provided to the purchaser, whichever of these events is later. For added certainty, the document transferring title to the purchaser will not be able to be registered in the Land Titles Office unless it is accompanied by a declaration by the purchasers that they have received the required information and that the cooling-off period has expired.

Mr. Speaker, the bill will expand the methods that can be used to cancel a purchase agreement. In addition to personal delivery and registered mail, purchasers will be able to cancel through fax or any other verifiable method, except e-mail. E-mail has been excluded, as the real estate industry is concerned about the risk of non-delivery due to spam filters and other causes.

In order to make informed decisions about buying a condominium, it is important that prospective purchasers be provided with information about the financial status and other details of the unit and complex. The proposed amendments will require that information provided to purchasers includes the most up-to-date versions of that information. Also, purchasers will be able to obtain a copy of the most recent reserve fund study if one has been done.

Mr. Speaker, the drawings and other documents used to construct a condominium complex can be useful for future repairs in conducting reserve fund studies. The proposed amendments will require developers to provide the construction documents to condominium boards after construction.

Finally, Mr. Speaker, the bill will clarify the situation regarding reserve fund contributions made by unit owners. These contributions are an asset of the complex and are not refunded unless the property

ceases to be a condominium complex. However, the contributions recorded for a unit have a value that can be negotiated between a buyer and seller when a unit is sold.

Mr. Speaker, we are also conducting a comprehensive review of The Condominium Act, as the act has not been amended for some time. Some issues have been identified that will require some careful thought in consultation. The comprehensive review is expected to be completed this fall. The need for further legislative amendments will be considered at that time.

With these comments, Mr. Speaker, I am pleased to recommend this bill for consideration.

**Mr. Speaker:** That takes care of the first issue of second readings.

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, would you please call Bill 22, and, when debate should conclude on that one, the Workers Comp bill, Bill 25?

## DEBATE ON REPORT STAGE AMENDMENTS

### Bill 22—The Water Protection Act

**Mr. Speaker:** We will now resume debate on report stage amendments on Bill 22, The Water Protection Act, the first amendment, clause 2(2), standing in the name of the honourable Member for Ste. Rose (Mr. Cummings). What is the will of the House?

Is it the will of the House for the amendment to remain standing in the name of the honourable Member for Ste. Rose?

**An Honourable Member:** He is out of the room. Can we just have a minute?

**Mr. Speaker:** Is it the leave of the House to just give it a few minutes until the honourable member finishes reading his notes and he will be here to read them?

**An Honourable Member:** That would be fine.

**Mr. Speaker:** He is here, but he has to read his notes.

\* (16:40)

We will move on to Bill 22, The Water Protection Act.

We will deal with the first amendment, clause 2(2), standing in the name of the honourable Member for Ste. Rose.

What is the will of the House? Is it the will of the House for the amendment just to remain standing in the name of the honourable Member for Ste. Rose? *[Agreed]*

Any member wish to speak?

**Mr. Jack Penner (Emerson):** First of all, on the amendment that is before us, I think this amendment clearly is an indication of how lax the minister has been in drafting the bill in not taking into consideration the total, overall ecosystem and how the ecosystem is interdependent on land and water and how everything else evolves around that. We know that, in order for a proper ecosystem to function, Mr. Speaker, in the province of Manitoba and, I believe, anywhere else in the world, the province of Manitoba is very uniquely different from many other areas on the globe, but it does require two things in order for any kind of ecosystem to function in any manner at all. That is, it requires water and it requires land. It requires air and everything that goes with it. Those three items: if we have not got any clean air or air period, we have no water; if we have no land, we have no ecosystem.

I believe what the minister has done, and maybe it was an oversight, pure oversight, because I think there were many oversights in this bill when the initial bill was drafted by the minister, or the minister gave the order to draft the bill. Remembering a bit about how this process works having been a member myself, having drafted the land and water strategy and done legislation around those kinds of things, you have to be aware that wetlands, whether it is a lake bottom, a river, a stream, a swamp, or any other areas called wetland, it is basically an area of an ecosystem that has water in it normally or, at least in the recent past, has had water in it that is still wet.

Eliminating in this act or not making mention of the importance of maintaining a wetland ecosystem in this province clearly demonstrates to me how unwilling the minister was to recognize the importance of the total ecosystem and the importance of

this bill and how we define clean water and what constitutes clean water and what constitutes the filtering system in a natural ecosystem to ensure that clean water can actually exist.

I believe our wetlands, the marshes, the streams that flow out of them, and all this intricately related water system we have in the province are dependent one on the other. Not only is the cleaning process, the filtration of water important to note under this bill, and what importance and role the wetlands play in this bill, it is important to recognize there is an analogy that needs to be looked at.

I just look at The Pas area, for instance, where we did the Ducks Unlimited project in The Pas, in the delta, and what huge, immense area the delta is and how grown in that delta is and how important a role that delta plays in ensuring the water that is delivered out of the river system will actually have two things. It has a soil depository in it and a huge growth area of marshes that draw up the nitrates and the phosphates out of the soil that is being distributed and contributed to that delta area via the delivery of the water running down the river.

\* (16:50)

It seems to me that this minister paid no attention to that. I believe it is a clear indication that, when I read the bill and how it was drafted, it was the initial draft, and the intent of the initial bill was largely to point fingers at the desecration that the minister deemed was attributed to agriculture and the contribution of the nutrients in our river systems and our water systems that farmers put into the water. Little does he know that we on our farm just over the last couple of weeks went over our soil cap.

By the way, 1967 is when we started soil testing on our farm. Those tests show the phosphate levels on our farm have hardly changed one iota. The residual phosphate levels in our soil have changed virtually nothing. But it does prove another thing, that the massive increase in production that farmers have caused, who have by fertilizing that soil to compensate for the nutrient withdrawal out of that soil by the agricultural activities going on on that land, have been very effective in virtually doubling the production of an acre of land in the province of Manitoba. When it comes right down to the finger that the minister was pointing when he did the water conference in the city of Winnipeg here, he pointed

the finger directly at how the farmers had negated their responsibility, not only in Canada but indeed all the way into the United States.

He pointed directly at the Red River Valley and what an immense contribution to the nutrient loading of Lake Winnipeg the people in the Red River Valley were making. I wish I would have brought—and I will before this debate is over. I will read into the record the minister's department's own reports on the nutrient loading level from Emerson to Winnipeg and from Fargo, North Dakota to Emerson. All the nutrient loading in the world that the minister pointed at is simply not so, according to his own report. The tests that have been done over the last 22 years, you know what? The lines of phosphate levels from Emerson to Winnipeg are dead flat. No increase. The amount of fertility products the farmers have used on their land has increased dramatically during that period of time.

It does prove one thing. The residual effect is exactly what the scientists were referring to in the sixties just before the Green Revolution. The scientists were saying to us farmers that if you do not start contributing substantially fertility products to your soil, you are going to lose totally your soil productivity because you are mining your soils. They did. The farmers did.

What I found interesting in a conversation I had with one of our soil scientists in the province here is that they cannot show any considerable or substantive amount of increase in phosphate in the soils of our province, except for a few small pockets in the province of Manitoba. I find that extremely interesting, and that we are now going to blame the agricultural community for doing that is interesting.

Secondly, the role that our wetlands play in ensuring the natural cleaning process that nature has put in place actually functions, functions well. If the minister were really serious about what he calls "cleaning up Lake Winnipeg," I suspect he would want to do on Lake Winnipeg what he has so strongly suggested to our friends to the south when they talk about building an outlet on Devils Lake. He has said time and time again there have not been adequate studies done on Devils Lake.

I would say to the minister that he is as remiss in doing adequate studies on Lake Winnipeg as they probably are down south on Devils Lake. I would

say to the minister when I read last week's paper, *Winnipeg Free Press*, that there might not be enough money in this province to keep the boat going that was doing water testing on Lake Winnipeg, that it would now be privatized and turned over because the government obviously does not have enough money to fulfil its own mandate.

You have to ask what is this Bill 22 all about. What is it all about? Mr. Speaker, is it just finger pointing? Maybe I should sit down and let the minister comment if he wants to so—

**An Honourable Member:** The *Namao* was federally funded and we helped finance the—  
[interjection]

**Mr. Penner:** Maybe we should be asking that the minister be allowed to make the comments that he wants to put on record.

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

**Mr. Penner:** We will give him leave.

Obviously, Mr. Speaker, the testing of the waters in Lake Winnipeg is a bit of a sore spot for him because he knows he has not done his job in ensuring that proper testing will be done on that lake as he has demanded from his foreign neighbours. He will blame everybody else but his own self about making sure we have the scientific evidence that will demonstrate the need for making sure our lake waters are pure and clean.

I want to say to you, Mr. Speaker, that this amendment dealing with wetlands, the natural filtration system, is something the minister absolutely forgot to put in his bill. How unfortunate that he did not recognize nature's own best way of cleaning water. He totally forgot about. I say to the minister that there are many other things he forgot in this bill which we will keep on putting back on the record, and which we will speak on. If the minister will adopt the amendments we have put before him, not only we as the Progressive Conservative opposition but the Liberal opposition, then we have to look at the 12 amendments the minister himself put to his own bill, and then we have to look at the 3 subamendments that he put to his amendments.  
[interjection] Then you know how absolutely irresponsibly—is that the way we have put it?—under

which the mandate of this minister's, but irresponsibly having dealt with an issue or wanting to deal with an issue that I believe is one of the most important issues in this province, indeed, not only this province, but all of the world and that is water.

This minister and his government have talked about Kyoto, how they will support Kyoto and the billions of dollars that we will spend on Kyoto because he wants to make sure this province will not warm up more than it is now. We almost froze to death last year, but he wants to heat it up a bit more, and the way he will do it is by spending billions of dollars on Kyoto. What is Kyoto going to do?

\* (17:00)

It is interesting, when I read the Kyoto Accord, I read that we in Canada could actually spend billions of dollars buying credit from countries such as Russia and the Ukraine, although I have seen now the Russians have also joined Kyoto because I think they see this as a bit of a windfall for them from a cash standpoint. But, when I visited the Zaporozhye region of the Ukraine where my forefathers come from, I stayed in a hotel and I looked out the back window of the hotel—

**Mr. Speaker:** Order. The honourable member's time has expired. Any other speakers?

**An Honourable Member:** Are we going to leave it standing?

**Mr. Speaker:** Okay, it will remain standing in the name of the honourable Member for Ste. Rose (Mr. Cummings).

\* \* \*

**Mr. Speaker:** Now we will move on to clause 21(1). We will deal with a subamendment to clause 21(1), standing in the name of the honourable Minister of Water Stewardship, who has 13 minutes remaining.

**Hon. Steve Ashton (Minister of Water Stewardship):** I cannot resist, Mr. Speaker, after the comments from the opposition critic who, in one fell swoop, I think, basically identified the Conservative position on Bill 22, which is he does not see any problems in terms of water quality in the province. While he was at it, he could not resist taking another run at the Kyoto Accord.

Mr. Speaker, I have mentioned this before, but how much longer can members opposite keep putting forth this Flat-Earth-Society view of the world? If the member opposite does not understand that we have challenges in terms of water quality, if he does not understand that climate change is real, it has been identified, not just through the Kyoto Accord but by scientists throughout the world, I really wonder which century the members opposite are in. I mentioned before, and I think I was being generous, 1895, when it came to the floodway agreement, but I am not sure what century to place their scientific views because I do not know anyone that has followed any of the scientific debate that does not recognize, outside of the Member for Emerson (Mr. Penner), that climate change is a real challenge. It is one of the most significant challenges facing Manitoba, facing this country. We could see the wiping out of the boreal forest over the next number of years.

I add, by the way, in terms of water quality, the member opposite keeps trying to create a debate that just does not exist. The only one who gets up and says if anyone is blaming agriculture it is the Member for Emerson, because I have said time and time again, as has every member of this government, that agriculture is part of the solution. Agriculture has been part of the solution for quite some time.

Mr. Speaker, what the member opposite does not put on the record is that many of the amendments that were brought forward with this bill were recommended by KAP. In fact, KAP put out a press release congratulating the government for listening in terms of amendments. The member opposite plays the game of bringing forth amendments and even sort of suggesting he is concerned about the agricultural concerns. When we brought in the amendments, I knew the members opposite would, you know, play the political game and say, "Oh, it is a flawed bill."

Mr. Speaker, many of the amendments we have brought in came right from the committee hearings, came right from KAP. If the member opposite is opposed to those amendments, let him vote against them. Bringing in amendments and take a good bill and make it better, well, that is what the legislative process is about. The number of amendments we have on this bill pales in comparison to other bills. It pales in comparison to the bill brought in by the current Opposition House Leader (Mr. Derkach). I

think there were about 70 amendments that were brought in on The Municipal Assessment Act, but the Leader of the Opposition said that was different.

Mr. Speaker, I have been through a number of bill debates. The MTS bill was amended, I think, more than 50 times by the government itself. So the bottom line is amendments should be dealt with on the basis of their merits.

What I find amazing is the rant from the Member for Emerson (Mr. Penner) before, criticizing a number of subamendments. You know what, Mr. Speaker? In December we tabled our proposed amendments. We took the time from September to December to do that. The opposition appoints a new critic, and guess what? He comes in with a whole bunch more subamendments that he asked leave for, and we gave it. The government, the opposition, we gave the member opposite leave to be able to bring forward those amendments.

Five months after the bill came before the House in December, they appoint a new critic, and it is a new change in direction here. So do not let them lecture us about amendments. We gave leave. In fact, the House, I think, has been very flexible in dealing with opposition amendments, with government amendments, because you know what, Mr. Speaker? This is a major bill. It has major implications. I do not think it really is anything other than positive for the people of Manitoba if during the legislative process we take the time to do it.

At committee, the members opposite did not move a single amendment. At committee, they did not move one, single amendment. So we all took the time, after the committee stage, to go back and meet with stakeholders. This is a new process, holding a bill over, going through this process. Maybe we could have dealt with some of these amendments back in September when we had the committee hearings, but there was not one amendment brought forward by a member of the opposition at the committee hearings. Not one.

They, too, wanted to take the time, Mr. Speaker. I happen to miss the speaker for the Opposition House Leader. Most bills are actually dealt with in this House. Where we have the committee hearings, we deal with the amendments that night. They run through in about 48 hours. What is so wrong about

trying to develop a legislative process that actually allows for due consideration to amendments back and forth.

If I as minister and we as a government are guilty of anything, it is wanting to take a good bill and make it even better. If we are guilty of anything, we listen to KAP. We do not just mouth all the kind of rhetoric we get from the member from Emerson, who gets up. I do not know what conference he went to in 2003. No one said, "Agriculture is the problem." What we said, Mr. Speaker, time and time again is, "Agriculture is the solution." Read the Lake Winnipeg Stewardship Board. What is the percentage of the contribution to the nutrient overload from the entire agricultural production of Manitoba, including natural runoff? What is it?

It is 14 percent. Read the documents. The member from Emerson does a disservice to agriculture when he creates this phoney debate. No one is saying agriculture is the problem, other than the Member for Emerson (Mr. Penner), claiming that people are. Talk about political hallucinations here. The member sees water quality as being better than it was 20 years ago. He does not see any problem with climate change. He sees all sorts of things under the beds, reds under the beds, provisions that are apartheid and floodway agreements. Let us get a grip on reality. We have a legislative process, we have amendments.

By the way, the subamendment we are dealing with right now was brought in by the Member for Emerson—

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

**Mr. Ashton:** And we gave leave.

Mr. Speaker, to get up and say, "Well, you know the minister brought in amendments." Ministers always bring in amendments if there are good cases made.

By the way, the impact of some of these amendments, they are often one-word amendments in a major bill. You know, fine. If the members opposite are so rigid they cannot see an amendment is—they brought in amendments. The Leader of the Liberal Party, the Member for River Heights (Mr. Gerrard) has brought in four amendments. The subamendment we are dealing with right now,

brought by the Member for Emerson. The former critic brought in eight amendments and the current critic has brought in eight. There are more opposition amendments than there are government amendments.

I am not sure if there is a split in the caucus because certainly there seems to be a rather different style between the former critic and the current critic. At times, it seems like the former critic was not even being allowed to debate some of these issues. But this is a phoney debate. We deal with amendments on their merit, and in this particular case we have already adopted, as a House, one of the amendments brought in by the members of the opposition.

So what is legislative process about? I think it is about giving due consideration to any proposal to come forward. I do regret that a fair number of the amendments the members of the opposition have brought through. I think there may be an idea that they have come up with. We have adopted one, but there are a number of others which are fairly limited, including this one, in terms of the impact on the bill.

I think you will find, Mr. Speaker, once we get to the point of actually voting on a lot of these, we will dispose of them according to their merits. Many of them, I think, reflect the different view. Certainly, the Member for Emerson, I did not know how you get more of a different view of the challenge facing water than the Member for Emerson, who says, "Water was in better shape 20 years ago than it is today," and this government and, I think, about 99.9 percent of Manitobans who say that water is under stress, that Lake Winnipeg is under stress, lakes and rivers and streams.

\* (17:10)

The member opposite has selective political hearing because that is what I said in 2003. That is what I said in 2004. That is what I have said in 2005. That is what this government has said. Lake Winnipeg, for example, it is not a dying lake. It is not a dead lake, but we as a government want to make sure it does not end up being a dying or a dead lake.

The Member for Emerson (Mr. Penner) again, I do not know which conference he was at, it is a bit like on Devils Lake. Most of the contributions of the member opposite on Devils Lake have been supporting the North Dakota view of the world. He

even quoted that Bismarck editorial, you know, the province of Winnipeg, their editorial. I do not know whose side the Member for Emerson is on, but we are on the side of Manitobans when it comes to Devils Lake. Let me guarantee you, we are on the side of Manitobans. I think the member opposite may want to ask himself, but let them put forward their views on any of these issues.

We believe in dealing with each and every amendment on its merit, and I want to put on the record that I have indicated even to the member that if he wishes to sit down and discuss his amendments, I would be more than pleased to sit down as minister to do that, because when the original bill was brought in, we were open in discussions with the opposition. When the proposed amendments happened, we discussed them with KAP, and I know KAP, by the way, has discussed them with the opposition. I think we should be listening to the major farm organization KAP. I do not think there is anything wrong with that.

Accuse me as a minister in this government for listening too much to farmers like the members opposite say that we are listening to farmers and producers in this province. Maybe they spent 11 years paying lip service to the farm community, but when KAP comes in and they have got a good idea, I do not slam the door on them like members opposite would like me to do, and say, "We cannot have any more amendments. We cannot improve the bill. We cannot listen to you." [*interjection*]

I am glad the Opposition House Leader (Mr. Derkach) has to stand next to me to try and prevent me from speaking, because he does not want on the record the fact he brought in 70 amendments when he was the minister. That was a different Member for Russell, I am sure. He is chastened now. He is a born-again believer in no amendments.

Let us get real. This bill should be a model of how we deal with things. Instead, we are pushing it through in the dying days of a session in July and August. What did we do? We went to hearings in September, not in July and August, but in September. When we had hearings, not a single amendment was brought in by members opposite. Not a single amendment at those hearings. What did we do? We came back in December on report stage, which is part of our rules. We brought in these amendments,

and we brought in the entire package of amendments we brought forth.

Yes, the opposition is again reconsidering their position. I am not sure if they are for the bill or they are against the bill. Maybe they are trying politically to avoid any real discussion of what their position is on the bill, but we will deal with amendments on their merit. We have already passed one that was brought forward by their side. We believe our amendments are worthy of consideration.

Let us stick to the real issue. Are you for and against Bill 22, and then, are you for and against listening to the farm community, listening to Manitobans and making Bill 22, a good bill, even better? That is the real issue.

**Mr. Peter Dyck (Pembina):** I move, seconded by the honourable Member for Fort Whyte (Mr. Loewen), that we adjourn debate.

*Motion agreed to.*

\* \* \*

**Mr. Speaker:** Now we will go to the third amendment, clause 31.1, standing in the name of the honourable Member for Portage la Prairie (Mr. FaurSchou).

What is the will of the House? Is it the will of the House for the bill to remain standing in the name of the honourable Member for Portage la Prairie? *[Agreed]*

**Mr. Penner:** Mr. Speaker, I just need a little time to look at the purpose of the amendment. The amendment by the honourable Member for River Heights (Mr. Gerrard) clearly indicates that any person who is affected by an order, a decision by a minister under this act may within 30 days after making the order or decision appeal the order to the Municipal Board. The decision of the Municipal Board, notwithstanding any contrary municipal act, is final and not subject to further appeal.

I think, Mr. Speaker, that, again, the minister has really taken a lot of time over the last 10 to 12 minutes to demonstrate how knowledgeable he was in an act that he wants to take credit for putting forward to protect the waters of Manitoba.

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

We believe there are many players that should have been consulted in a much more meaningful way than the minister has done. I know that he spoke long and loud at his own first clean water conference in the city of Winnipeg, and he criticized the agricultural community for the lack of stewardship they had displayed in Manitoba. He also made it very clear that he was going to implement a series of soil tests and force farmers to soil test their soil before fertility products were allowed.

The minister shakes his head confidently. He must have a very poor memory, Mr. Deputy Speaker, because he was the one who clearly stated at that conference, "We are going to make a great deal of effort to ensure that farmers will soil test their soil before they will put fertility products on their land." I will say to this minister that soil testing has taken place from the mid-sixties in Manitoba, and most farmers would be economically remiss in putting on, dumping on a bunch of nutrients on their soil at the cost of the nutrients today.

I just checked on our farm the other day, 38 cents a pound for phosphate, and that is not all phosphate. There is only, I believe, 30% phosphate in the material, but it is 38 cents a pound. I mean, a farmer would have to be pretty economically wealthy in order to be able to just en masse dump those kinds of fertility products on the soil and not pay much attention to the economics of farming. The economics of farming are really directed at making a living for the family that operates the farm. Most farms in the province of Manitoba, as you know, Mr. Deputy Speaker, certainly are still family owned and operated farms, and most of them want to at least make enough money off operating that farm to be able to buy shoes and socks and lunch kits for their kids so they can go to school.

The interesting thing about it is that this minister when he did that speech had failed to do his research, or else he would have known that most farms periodically test their soils to keep a close eye on what the residual fertility levels are on their farms. It is not necessary, Mr. Deputy Speaker, or to the minister, to test your soil every year. Once you have got a record that you can go back to, you test every two or three years on a given field to see whether the balance is being maintained, and then you target what yields you want to shoot for in your fertility

application. Farmers, believe it or not, know how much phosphate and how much nitrates and how much copper, zinc and potassium and all those kinds of things you have to add to your soil to raise a 60-bushel crop.

\* (17:20)

We used to think it was a big science. But it is not really a science that most farmers can get away with not being able to understand, and most farmers are integrating it into their planning process. That is the thing I think the minister completely fails to recognize here.

*Mr. Speaker in the Chair*

Under this section that is being amended here, the honourable member states very clearly that there are aspects of this bill, and of the act, when it is applied in its fullest terms, sometimes needs to be evaluated by an outside interest. That outside interest is identified here as the Municipal Board. We all know what the Municipal Board is. They are a group of people identified by government that sit and assess matters that are brought before them, make their views known on it and make their recommendations to the minister. The Municipal Board can be quasi-judicial in its approach. It can recommend, or it can say, this is what must be. This clause speaks to what the Municipal Board will rule, without anything contrary to The Municipal Act, is final and not subject to further appeal.

I think therein lies a bit of a problem with this amendment. I am not certain that an act should read to the finality of a quasi-judicial body that normally would make recommendations on various aspects of operations and/or other matters dealing with municipal interests and how municipalities would deal with matters such as planning and all those other kinds of things that we would write into this act a provision whereby that quasi-judicial authority would be given final authority and say over what their decision was. I think it is a bit presumptuous that we should say to them that you must be the final authority.

It is always my view that government, having been given the right by the people to govern and enact, must be given final authority under the terms of an act unless it deals with matters that are beyond the normal operational control of government. That

is why the Municipal Board sometimes is given the authority to make final rulings.

Under the terms of this act, Mr. Speaker, I would suggest we should be careful how we amend this act to ensure that there be a fair assessment by the people that are elected by the general public in Manitoba to do what they are given the authority to do, and that is to govern and make decisions based on what they hear.

I would suggest that, if the honourable member might have suggested this appeal be put before the Municipal Board and asked them for their recommendations, the minister and the Executive Council could then make a decision based on those recommendations. I think that would only have been fair, and might, in fact, have added to the operations of this bill.

When I go back to section 31(1), and the section dealing with these matters, when you go to 31 without adding the clause 1 that this amendment would add, it deals with making regulations. Therein, I believe, lies the biggest problem with this section and how it is being amended. This would mean, in my view, when I read this act, that may, within 30 days after making the order of a decision, appeal the order of a decision through the Municipal Board and the decision of a municipal board, notwithstanding any contrary thing is final and not subject to further appeal.

If you look at what 33(1) says, it says, "designating as invasive species any non-indigenous organism that places or may place an aquatic ecosystem at risk of harm if it is introduced into or otherwise enters that ecosystem." I think these regulations that the government is talking about in section 33(1) from (a) to (j) deal in large part with respect to such things as siting of construction sites, and I would suspect that, when they put this in a line where regulations might be needed under the water act, they might have looked at such things as hog barns and other livestock operations that might, in fact, generate fertility product, although manure, in my view, in years past was always designated as one of the best organic fertility products that money could buy.

However, as many of the terminologies used by this government currently would lead one to believe that they no longer believe that. I would suspect that

if we looked at some of the testing that has been done by the Department of Agriculture in the southeast area where hogs are significant as an operation and when they look at the immense increased carrying capacity of pastures where manure products have been put on, in other words, organic fertilization has been used, you will find that those capacities of those pastures have more than doubled in the last five years.

In other words, where there was one cow an acre, one acre or two acres for a cow was required before, you can now raise two cows on an acre of land and have enough pasture for that product, all done with organic fertilizers. I think that is very evident of how much of a contribution the changes in agriculture that have been driven, in large, part mostly by agricultural operators in trying to find more economic ways of doing business. So raising hogs in an area where the organic fertilizer raised in that hog farm can be used to fertilize the pastures that will then carry a herd of cattle on that same land that is now being used to spread organic fertilizers on and that can double the carrying capacity of that pasture of cattle, I think, from an environmental ability is certainly desirable.

When you look at the whole matter of sustainable development, I mean, you could take that another step. But, if you then take the organic material that was generated by the cows and spread that on land that produced grain, you could then raise double the amount of grain which you could use to make the feed to feed the pigs to use the organic fertilizer produced by the pig to put on the pasture that feed the cows, and you would almost have a perpetual wheel from a sustainable developmental side.

Now let me speak a bit about the Fertilia organic fertility products versus the run-off and/or what the minister has referred to so many times, the contamination of our soils, and this bill—

**Mr. Speaker:** Order. The honourable member's time has expired.

When this matter is again before the House, it will remain standing in the name of the honourable Member for Portage la Prairie.

## COMMITTEE OF SUPPLY (Concurrent Sections)

### EDUCATION, CITIZENSHIP AND YOUTH

\* (14:50)

**Mr. Chairperson (Harry Schellenberg):** Will the Committee of Supply please come to order. This section of the Committee of Supply meeting in Room 254 will now resume consideration of the Estimates for the Department of Education, Citizenship and Youth. As had been previously agreed, questioning for this department will follow in a global manner.

The floor is now open for questions.

**Mrs. Myrna Driedger (Charleswood):** I would like to ask the minister some questions about an open letter to the community of Seven Oaks released today by the Seven Oaks School Division. One of the comments they made in here is "We have respected the law."

I would ask the minister to please tell us what kind of conversation he has had with the Seven Oaks School Division that would then lead them—and I know he sent out letters actually indicating to them that it is not legal to get into land development, that The Public Schools Act does not allow that. Why would the Seven Oaks School Division have put that statement in their letter, "We have respected the law," when they have, in fact, not followed the law?

**Hon. Peter Bjornson (Minister of Education, Citizenship and Youth):** Well, I cannot speak for the Seven Oaks School Division. I had received the letter today. That is just part of the communication that has been going on as we have communicated with the school division. As I said, we had sent a letter to the school division. We have initiated this process to determine what, indeed, has transpired here, and that is why we are engaged in this review process. I cannot speak for why they would draw that conclusion in the letter.

**Mrs. Driedger:** What does the minister intend to do, especially in reference to that particular statement, because he has sent a letter to them a number of days ago? In fact, there were two letters that went to them, and the minister indicated that they would have received similar letters to everybody else saying that,

in fact, land development by school division is not considered legal, that it is in contravention of the act. Why, then, days after that letter went out, would the school division have put in here, "We have respected the law"?

**Mr. Bjornson:** Well, again, I cannot speak for the Seven Oaks School Division and why they would write the letter as such. That is why we are going to be in this process to determine all facts. We have to gather all the information. We are going to be very thorough in our approach to this review. Certainly, the issue, as you are aware, I have said that school divisions should not be developers, and that is why we are engaged in this process. We are going to review how this transpired. I cannot speak as to why the Seven Oaks School Division would put that statement in their letter.

**Mrs. Driedger:** The school division also said that they sought and received permission from the Province every step of the way. Is that accurate?

**Mr. Bjornson:** The disposition process would require them to seek approval from the Public Schools Finance Board. That is the process.

**Mrs. Driedger:** It is interesting that they have indicated "every step of the way." By, in fact, indicating it the way they have, they sought and received permission from the Province every step of the way. They have indicated by that statement that the Province knew everything that they were doing, every step of the way. Considering that they are in contravention of the law, does that mean that the Province allowed them and condoned them breaking the law?

**Mr. Bjornson:** The letter has the school division's interpretation of what has transpired. The Public Schools Finance Board is the body that deals with the disposition of property. That is why we are engaged in this process, to answer all the specifics around how this particular process has taken place. So, as an arm's-length organization, it is the Public Schools Finance Board that has to address issues of the disposition of property. That is a decision-making body that would have dealt with these issues, not the department, not the Province.

**Mr. Ron Schuler (Springfield):** Previous to today, the minister has, on occasion, mentioned that the school division made a certain amount of money.

Now we have a letter and, on page 2, paragraph 1, it says, "As a result of selling off surplus property, the division has realized a profit of about \$700,000. This profit sits as a service to a future school site. At the point that a school is approved to this site, the division will realize a monetary profit, which it will reinvest in improvements to its school buildings and grounds."

How can the division realize a monetary profit when a school is approved for that site?

\* (15:00)

**Mr. Bjornson:** Well, I cannot speak to the content of the letter as it was not written by myself, obviously; it was written by the Seven Oaks School Division. These are issues that speak to the complexity of the issue. The dimensions are financial, they are legal, and we are going to be addressing all the questions that are raised as a result of this review.

**Mr. Schuler:** I guess what I am getting at is does the Public Schools Finance Board give fair market value for the property to the school division. It has been a while since I have been on the school board, so I do not remember how this worked. Does the school division provide the real estate and Public Schools Finance Board put a school on it, and/or does PSFB pay the division back for the property?

**Mr. Bjornson:** The Public Schools Finance Board will reimburse the school division the cost of the property at the lowest negotiated price only when a ministerial award has been given for the purpose of the construction of the school, when the award is issued, I should say.

This is consistent with the policy guidelines, and that only includes the parcel of land that has been designated for the purpose of school construction. It does not include property that might be surplus as a result of the designation of that property for school purposes.

**Mr. Schuler:** So, if that specific parcel of property, or portion thereof, was granted to the school division for a dollar because of offset or developer contribution, whatever, then that is all the school division would get back, the dollar they paid for it, or are they given a formula for fair market value?

**Mr. Bjornson:** The school division would be reimbursed based on invoices provided to the Public

Schools Finance Board with respect to the actual costs incurred for the purchase of that property, including sundry costs, such as legal costs. So it is an invoiced reimbursement per se.

**Mrs. Driedger:** Certainly, in reading this letter from the Seven Oaks School Division, the one overriding aspect to it is the fact that they do not seem to understand that land development is illegal for a school division to get into it.

They also would have heard from the same individual, I am sure, because he attended school board meetings at the time that the minister heard from. They probably heard from the same individual last May about what was going and about the questions that were arising from this individual. This individual, also, at the time of writing the letter of allegation, had asked the minister for financial statements to allow him to look further into this and that was never provided to him.

So, in fact, the minister has not been very forthcoming with the public. Not only has he not been forthcoming with this Estimates process and the questions that are being asked here, he has not even been forthcoming in response to the allegations that this individual raised as well as that individual's requests, as a taxpayer in that school division, to see the financial statements for the school.

The minister's terms of reference to get to the bottom of all of this are weak, fuzzy at best, certainly will not get to the bottom of this issue. The terms of reference appear to be very crafted in order to protect the minister and other NDP individuals, and by having an internal review we will not, I do not think, see all of this information that needs to be made public actually be made public.

This is a very watered-down version of terms of reference. When I finally saw them, I was amazed that they did not go further than that and that the investigation of the minister or the department is not even addressed in there. That is one of the most important aspects to this investigation. I am terribly disappointed that the minister did not give direction for stronger terms of reference so that this could properly be looked into.

Therefore, Mr. Chairman, I move to condemn the Minister of Education, Citizenship and Youth for his refusal to get to the bottom of the illegal land

development scheme in the Seven Oaks School Division.

**Mr. Chairperson:** It has been moved by the honourable Member for Charleswood,

THAT I move to condemn the Minister of Education, Citizenship and Youth for his refusal to get to the bottom of the illegal land development scheme in the Seven Oaks School Division.

The motion is in order and debate may proceed.

Is the committee ready for the question?

**An Honourable Member:** Question.

**Mr. Chairperson:** Shall the motion pass?

**Some Honourable Members:** No.

**Some Honourable Members:** Yes.

#### Voice Vote

**Mr. Chairperson:** All right. All those in favour of the motion, please say yea.

**Some Honourable Members:** Yea.

**Mr. Chairperson:** All those opposed to the motion, please say nay.

**Some Honourable Members:** Nay.

**Mr. Chairperson:** In my opinion, the Nays have it.

#### Formal Vote

**An Honourable Member:** Recorded vote.

**Mr. Chairperson:** A formal vote on this motion has been requested by two members. This section of Committee of Supply will now recess to allow this matter to be recorded and to allow members to proceed to the Chamber for the vote.

*The committee recessed at 3:10 p.m.*

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*The committee resumed at 4:03 p.m.*

**Mr. Chairperson:** I call the meeting to order.

The floor is open for questions.

Order, please. I am interrupting the proceeding of this section of the Committee of Supply because the total time allowed for Estimate consideration is now expired.

Our Rule 76(3) provides in part that not more than 100 hours shall be allowed for the consideration of the business of Supply.

Our Rule 76(5) provides that where the time limit has expired the Chairperson shall forthwith put all remaining questions necessary to dispose of the matter and such questions shall not be subject to debate, amendment or adjournment.

I am therefore going to call in sequence the remaining resolutions for Education, Citizenship and Youth:

Resolution 16.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$25,933,100 for Education, Citizenship and Youth, School Programs, for the fiscal year ending the 31st day of March, 2006.

**Resolution agreed to.**

Resolution 16.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$9,072,200 for Education, Citizenship and Youth, Bureau de l'Éducation Française, for the fiscal year ending the 31st day of March, 2006.

**Resolution agreed to.**

Resolution 16.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$185,198,000 for Education, Citizenship and Youth, Education and School Tax Credits, for the fiscal year ending the 31st day of March, 2006.

**Resolution agreed to.**

Resolution 16.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$905,557,100 for Education, Citizenship and Youth, Support to Schools, for the fiscal year ending the 31st day of March, 2006.

**Resolution agreed to.**

Resolution 16.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,047,000 for Education, Citizenship and Youth, MB4Youth, for the fiscal year ending the 31st day of March, 2006.

**Resolution agreed to.**

Resolution 16.7: RESOLVED that there be granted to Her Majesty a sum not exceeding \$52,578,500 for Education, Citizenship and Youth, Capital Grants for School Divisions, for the fiscal year ending the 31st day of March, 2006.

**Resolution agreed to.**

Resolution 16.8: RESOLVED that there be granted to Her Majesty a sum not exceeding \$463,400 for Education, Citizenship and Youth, Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2006.

**Resolution agreed to.**

Resolution 16.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,485,600 for Education, Citizenship and Youth, Administration and Finance, for the fiscal year ending the 31st day of March, 2006.

**Resolution agreed to.**

This concludes our consideration of the Estimates in this section of the Committee of Supply meeting in Room 254.

I would like to thank the minister and critics for their hard work and dedication during this process.

Committee rise.

## CAPITAL INVESTMENT

\* (14:50)

**The Acting Chairperson (Mr. Doug Martindale):** Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of Capital Investment.

Does the honourable Minister responsible for Capital Investment have an opening statement?

**Hon. Greg Selinger (Minister of Finance):** No.

**The Acting Chairperson (Mr. Martindale):** We thank the Minister responsible for Capital Investment for no comments.

Does the official opposition critic, the honourable Member for Lac du Bonnet, have any opening comments?

**Mr. Gerald Hawranik (Lac du Bonnet):** No, I do not have any opening comments.

**The Acting Chairperson (Mr. Martindale):** We thank the critic from the official opposition for having no comments.

At this time, we invite the minister's staff to join us at the table, and we ask that the minister introduce his staff who are present.

*Ms. Bonnie Korzeniowski, Madam Chairperson, in the Chair*

**Mr. Selinger:** I will just introduce the Executive Director of the Treasury Board, Bruce Gray, and Associate Secretary David Woodbury, to discuss with us Capital Investment.

**Mr. John Loewen (Fort Whyte):** With regard to the Capital Investment, the minister announced in 2003 or in his 2004 budget, I believe, that there was going to be a change in the way that infrastructure capital was accounted for. Could he just indicate what changes were made?

**Mr. Selinger:** Yes. The Public Sector Accounting Board recommended that infrastructure assets, and in this case we are talking roads, move from a cash basis to an amortization basis. Then there was a study done by the PSAB about how that could be implemented, the specifics around how that could be implemented, you know, how you amortize road services versus road beds, those kinds of things. So what we did, as recommended by the Auditor General, was we went to an amortization approach in how we deal with infrastructure, which requires annual amortization for old assets to be charged to expenses. For balanced budget purposes, that constitutes a new expense, one that would not have existed prior to GAAP.

On the other hand, new expenses, or new acquisitions of infrastructure, are no longer charged to expenses; they are capitalized. So it is that portion that is capitalized that shows up as a new expense

every year and spreads over the useful life of that asset. It is spread over the useful life of that asset depending on which part of that asset we are talking about.

In terms of the roadways, there are infrastructure assets, there is in Schedule on page 166, if the member wishes to turn to that, it breaks out the amortization rate in the third column over the useful life of the asset in the second column. The equation at the bottom of that page indicates the amortization cost on an annual basis. For an example, as stated there, a \$30,000 asset amortized over 15 years would be \$2,000 a year.

**Mr. Loewen:** Well, with regard to the Estimates of Capital Investment, on page 155 of the Estimates book, indicates for '04-05 Capital Investment of \$141 million, and for this fiscal year \$226 million. Have those total amounts been affected by this change, or simply the amounts listed as Infrastructure Assets?

**Mr. Selinger:** If the member is asking the impact of this accounting change on other assets other than roadways, the general assets of the government were amortized starting in 1999, and because there was this further study that was required with respect to infrastructure assets, they only started to be amortized in the last budget.

**Mr. Loewen:** Well, there are quite a number of groupings here. Nothing in here, specifically, breaks out what the minister described as roadways. So I guess I am looking for a figure, and where that figure would come from. For example, is it all in Transportation and Government Services, or is the Manitoba floodway expansion part of that, as part of that will be for roads and bridges?

**Mr. Selinger:** If the member would turn to page 158 and look under Transportation and Government Services, B.14, that is where it shows.

**Mr. Loewen:** So the effect of that accounting change impacts on the estimate for '04-05 of roughly \$79 million, and the estimate of '05-06 for \$95 million, or is it the other figure shown, the gross amount, I assume, which is \$87 million and \$106 million?

\* (15:00)

**Mr. Selinger:** The accounting standard is applied in both cases that the member identified. The gross

amount is before third-party recoveries, mostly from the federal government, which gives you the net amount at the top of that category.

**Mr. Loewen:** Does the minister have a table, an analysis, presumably from Treasury Board or from somewhere in his department, that indicates the net effect during the year of this change in accounting policy, in other words, what the effect is in '04-05 and '05-06, and going forward with regard to this change in accounting policy?

**Mr. Selinger:** In the '04 budget book, which the member probably does not have with him—

**Mr. Loewen:** Actually, I do.

**Mr. Selinger:** Okay. If the member could turn to page 10 on the Estimates of Expenditure and look on the bottom of page 10, there is what is called a Reconciliation Statement. He can see the Restatement of Capital Expenditures, the last two rows prior to the totals. You will see Less: To Part B - Capital Investment, there was a shift of \$84 million for amortization. Then the next line is adding the \$68 million of amortization of Capital Assets to March 31, '04. So that indicates the shifts that occurred.

**Mr. Loewen:** Just to make sure I got this clarified, and we are just talking rough numbers here, as a result of the change in this there was a difference in roughly \$16 million that was reported as an expense during the year, as a result of the change in accounting policy. That is, \$16 million less was expensed than would have had to be expensed had the rules not changed.

**Mr. Selinger:** With minor adjustments, the member is essentially correct. There is an 84, a 68. Those two numbers would show about a \$16-million shift. The amortization in the 84 number extends forward, depending on the particular asset that was capitalized in that regard.

This table that I can show the member about what the time frame is over which you amortized assets that would be on page 165 of this year's Estimates, Accounting Policy, and 166 for Infrastructure. I showed him 166, and 165 for other types of assets. For example, Computer Hardware - personal computers is one of the smallest ones. Our shortest amortization period is four years, whereas at the top of the page, Buildings, a bricks-and-mortar

project would be over 40 years. So there are variations. I have indicated to the member on 166 the variations within specific infrastructure assets, which range from 10 to 40 years.

**Mr. Loewen:** I will appreciate there are different periods for amortization. Obviously, what I am trying to decipher here is what this change in accounting policy meant to the financial picture for the Province.

With regard to the \$84 million, almost \$85 million, that the minister has identified as to Capital Investment, prior to this accounting change, that all would have been expense during the year as a result of the accounting change that was put forward to a capital investment, and is he indicating that \$68 million of that was an expense as an amortized amount for the year?

**Mr. Selinger:** So, if the member would look at page 11 in that '04 budget, you can see there, in the third column, the costs for amortization and interest related to Capital Assets, \$55.3 million. Then, if the member would look on page 11 in the '05 book, you will see in that same third column the cost in this budget at \$57.9 million for amortization and interest to these types of assets.

**Mr. Loewen:** Well, the minister has introduced another figure here. I am just trying to get at the simple arithmetic of what it would have been had the accounting change not gone through and what it was as a result of the accounting change gone through. So is it the difference between 85 and 55, or is it the difference between 85 and 68?

**Mr. Selinger:** If I understand the member correctly, he is trying to get at what it would have cost to do before versus what it would have cost to do after in cash terms.

**An Honourable Member:** Yes.

**Mr. Selinger:** If everything was equal, it would have been the difference roughly between 68 and 84, but the actual difference was much smaller than that because of other investments that were made.

\* (15:10)

**Mr. Loewen:** Just with regard to the reconciliation this year, is there a similar figure that the minister

can give me for what it would have cost had the accounting change not gone through?

**Mr. Selinger:** I believe the minister is asking what the reconciliation is for the '05 budget, and I am pointing him to the bottom of page 10 where there is just a minor reconciliation of about \$440,000 for assets that were discovered throughout the year that should have been put into the amortization shelter, the Schedule B.

**Mr. Loewen:** Well, I am actually looking at a different situation in terms of, and maybe that is the answer, but, just to clarify, this year's Estimates indicate on page 155 that there is going to be roughly \$95 million spent with regard to Transportation and Government Services, which, I would assume, would be comparable to the \$78-million number that we discussed, or \$79-million number that we discussed. I am just curious to know if, in fact, the accounting change had not been made and that \$94 million, almost \$95 million had been totally expensed as the previous accounting would have handled it, what the difference would have been this year in terms of expenditures in this year's budget.

**Mr. Selinger:** In both cases, on that page 155 in the line or the row the member indicates, Transportation and Government Services, the 78.9 and the 94.9 are apples-to-apples comparisons of the costs of assets for Transportation and Government Services, infrastructure assets that are amortized according to GAAP standards.

**Mr. Loewen:** So is the minister saying the \$95-million number is the amount of capital that is invested or the amount of expense that is amortized?

**Mr. Selinger:** To clarify, the 78.9 and the 94.9 are the actual cash outlays, the actual budgeted amount for road or infrastructure improvements in that year. So what that means is that they are going to spend 94.9 on infrastructure, and 78.9 the previous year. That will be amortized over the useful life of the specific assets, according to the schedules we have talked about, and according to GAAP standards.

Now there are, in addition, other infrastructure works that are done that fall below the threshold for amortization. So there are some cash outlays that continue as well for infrastructure that is done. In addition, there are costs for maintenance and upkeep of these assets.

**Mr. Loewen:** That is fine. I appreciate the minister clarifying that.

To follow along with the question that I asked, how much of that \$95 million gets expensed this year?

**Mr. Selinger:** Well, the short answer is the infrastructure investments get expensed according to the schedule that we have discussed, depending on the type of asset it is. If it was a 20-year asset, one twentieth of it would be expensed. If it was a 40-year asset, one fortieth of it would be expensed. Then there is a total number for amortization and interest expense which shows up on page 140, for the member, in the book. It would be 15.5.(d). You can see the Amortization Expense is 64.9. It is at the bottom of page 140 on the left-hand side, 64.9, and then 55.1 and change for Interest Expense, for a total of \$120 million.

**Mr. Loewen:** Well, I do not know how you can make this any simpler for the minister, but I will try. You are building roads and bridges. Some you are capitalizing over 20 years, some over 10 years, some over 40 years, according to this chart, so whatever varying degrees. You are spending \$95 million on that this year.

I am simply looking for what part of that \$95 million is being expensed this year in terms of that amortization figure. I realize the number is close to \$65 million, but that includes a whole bunch of assets. I am just looking for the number—you say you are spending \$95 million in capital this year. I would like the number of that \$95 million, the expense that is coming out of that \$95 million.

**Mr. Selinger:** Once again, that level of detail is not in this section of the book. We would have to get that information for the member.

We are not disagreeing, depending on the types of assets that are in that mix there for Transportation and Government Services, somewhere between one twentieth and one fortieth than would be expensed this year. It would add into the total on page 140, which includes previous years. If he wants the specific allocation we would have to get that information for him.

**Mr. Loewen:** I thank the minister for that. I assure him I do want the specific allocation. That is what this whole line of questioning has been about.

I am a little surprised that, given the people he has at the table, they do not have the number for me, but I just wonder how long it would take to get that number.

**Mr. Selinger:** We should be able to get it in fairly short order for the member. I would even think that to be possibly done this week.

\* (15:20)

**Mr. Loewen:** Thank you. I appreciate that.

Just to clarify, once again, those are the only—well, if the minister could, I would assume that the floodway expansion is being handled the same way in terms of amortizing the assets over a period of time. I am not sure if it is, again, as we have seen with the roads, varying periods of amortization for varying phases, but if I could get that same number for that, I would appreciate it, as it is a new venture and a new number per se for the budget.

**Mr. Selinger:** Yes, we will get that.

**Mr. Loewen:** I thank the minister for that. Just for clarification, because on the general assets list, under Transportation and Government Services, there is a number of \$34 million, and I think I know the answer to this, but I just want to clarify that within that \$34 million, which in '04-05 was \$27.5 million, roughly, this accounting change had no effect on that? Those were numbers that are recorded as amortized assets prior to and subsequent to, I guess, from 1999 and subsequent to?

**Mr. Selinger:** Yes, that is correct. Since '99, they have been amortized according to the GAAP standards.

**Mr. Loewen:** Is there any type of analysis done by the department, or done by the Treasury Board, which lays out clearly and concisely for the minister, over the course of the next four or five years, what the difference would be, given certain budgetary numbers put in for roads et cetera, and the floodway, what the difference of this accounting change would make to government in terms of its reporting of its expenses prior to this accounting change, and after the accounting change? Is there an analysis like that, and, if so, would the minister table it?

**Mr. Selinger:** No, we have just simply complied with the accounting change on a go-forward basis as

required once the due diligence was done on how you would break out those assets according to that schedule I discussed with the member on page 166. So you just have to follow the new accounting standard now.

**Mr. Loewen:** And that was just something that was decided in presenting the budget of '04-05, without any type of analysis done going forward on what the cost or benefit might be in terms of financial reporting to the government? It was just something that the minister decided to do without any indication from his staff or department what effect that would have on his budgeting?

**Mr. Selinger:** The effect of the change was noted in the reconciliation statement on page 10 in the '04 budget. That is why it was put there, to show the difference from before and after on how it was treated according to the GAAP standards. The GAAP standards had been recommended to us for several years by the Auditor General, who also understood that this study was being done by PSAB on how to record the various assets under infrastructure. So it had been a GAAP standard that had been adopted and then it took three or four years to sort of get it in shape in terms of the study. Then there had to be the due diligence done inside of Manitoba on the assets that were already out there and how they would be treated. Then it was reconciled here on the bottom of page 10, in '04.

**Mr. Loewen:** That is fine for one year. This is a very significant number. It is a very significant number in terms of the financial statements. I am waiting for the numbers from the minister, but if you were to take that \$95 million and just look at amortizing all of it over a 20-year period, it means possibly a difference in what is expensed in the new scenario versus what would have had to have been expensed in the old scenario of \$75 million. Is the minister saying he just did it without getting any analysis going forward? Quite frankly, I find that very hard to believe, and, quite frankly, I have been told directly by the Auditor General that this is a big change for the government in terms of how it is traditionally accounted for just this type of expenditure on a cash basis. So, quite frankly, I find it mind-boggling that the Minister of Finance for the Province did not have a very, very serious look at how this would affect his ability to balance budgets going forward, at least in the five-to-ten-year range. That is virtually preposterous.

**Mr. Selinger:** The member should understand that the accounting change was one that was required by the Auditor General, and a lot of due diligence was done before it was implemented to ensure that there was a good appraisal of what the amortization and costs would be of the old assets. As the member will understand, old assets get amortized to maturity on a go-forward basis. New assets get added and invested in, which also have a time horizon to which they reach maturity, and the old and the new assets are addressed, including interest costs, within the budget of the department in question.

There were controls put in to manage the transition; there was a reconciliation provided to the member. The member also knows that investments in infrastructure inside that department are rolled out on a—there is a planning horizon for rolling out the investment in these new assets as the department goes forward.

**Mr. Loewen:** Well, I realize that. I would just like a little more exact science to be given to this committee as a result of the questions that are being asked. That is really what is about. I can appreciate the fact that the minister is hesitant to give out those numbers because they obviously will indicate that, as a result of the accounting change, there has been a significant change in the budgetary policy of the Province of Manitoba, a change which will result in a, some might look at as a significant windfall in terms of how expenses are handled within the department, and which also might have some of bearing on an explanation of why the debt has increased so much.

Obviously, the minister does not want to answer those questions, so maybe we will just move on to asking the minister if he could tell us what discussions he has had with Mr. David Woodbury regarding the catastrophe and crisis at Crocus, and when he and Mr. Woodbury first talked about the situation at Crocus.

**Mr. Selinger:** Just back to the member's previous comments, I think he might be overstating the impact of the change.

**An Honourable Member:** Well, I do not know. You will not give me the number.

**Madam Chairperson:** The Member for Fort Whyte. Can I remind members to wait for me to recognize them?

**Mr. Selinger:** The point I was trying to make before the member interrupted was—and I had already explained it to him once, but I am going to explain it to him a second time—is the old assets had to be put on the book in terms of amortization, so they consumed a lot of the available room. So there is no windfall. I explained this to the member from Lac du Bonnet as well when we discussed in the Chamber in terms of Estimates. It works out roughly the same. There is a small difference, but when you bring on the books, the amortization required for the old assets as well as the expenses for the new assets, it roughly comes out to the same. That is just the way it worked out. I think there was a small difference. I think it was in the order of \$3 million. So there is no windfall as the member is alleging.

\* (15:30)

**Mr. Loewen:** Well, I will look forward to getting the figures that the minister has promised in the rest of this week, and we will do what analysis we can on what skimpy information he has been willing to provide. But, just to finish the question, I have asked the minister if he could indicate the nature of any discussions he has had with Mr. Woodbury regarding the catastrophe over in valuations at the Crocus Fund, when those discussions started, and when he was first informed that there was a valuation crisis at Crocus?

**Mr. Selinger:** That entire question is being reviewed by the Auditor General right now. It is not appropriate for me to get into times and places of personal conversations on any policy matter. The member likes to intrude on people's conversations. I have noticed that he asked previous questions about conversations I had with the former Deputy Minister of Finance.

I can assure the member that everything that the Auditor has wished to be informed to him has been made available to him, and any information he requests now or in the future will be made available to him.

**Mr. Loewen:** I am not asking for personal conversations. I am asking for information either in written or verbal form that was passed on from Mr. Woodbury to the Minister of Finance regarding the situation at Crocus, nothing confidential about it. I am just interested in finding out what conversations he had, and when the minister first became aware,

and when Mr. Woodbury informed him that there were problems at Crocus.

**Mr. Selinger:** As I indicated, the Auditor General has full access to all the records he needs to determine the processes that were involved, and anything relating to Crocus. We have been fully open in providing information they have acquired.

**Mr. Loewen:** Did the minister indicate to the Auditor General that he had had discussions with Mr. Woodbury surrounding the valuation crisis at Crocus?

**Mr. Selinger:** The question is completely hypothetical. I am neither indicating one way nor the other. I think the member is fishing, and there is no fish to be caught here.

**Mr. Loewen:** Well, apparently the only fish to be caught were the investors of Crocus who were caught to the tune of \$60 million. I am simply asking the minister to explain for their benefit and for the benefit of the taxpayers of Manitoba who have also been fleeced in this particular debacle what discussions he and Mr. Woodbury had regarding the valuation crisis at Crocus.

**Mr. Selinger:** I have given the member an answer to that already, and I remind the member we are talking about Schedule B Capital areas, completely off topic.

**Mr. Loewen:** Well, Mr. Woodbury, the government's appointee to the Treasury Board, is at the table. The minister is at the table. I am simply asking for clarification on what their discussions were revolving around this Crocus Investment Fund situation, and when Mr. Woodbury and the minister discussed this issue, and what the minister was told about it.

**Mr. Selinger:** I have already responded to the member's question in that regard. I am here to discuss Part B, Estimates of Capital Investment.

**Mr. Loewen:** Is the minister simply saying that he never had any discussions with Mr. Woodbury regarding the situation at Crocus?

**Mr. Selinger:** I have answered that question. I am here to discuss Part B, Capital.

**Mr. Loewen:** Well, once again, I think, then, it only fair to take this opportunity to advise the minister and Mr. Woodbury that they keep their notes because one day they, quite likely, will both be in a situation where they are required to testify in a judicial forum under oath about their involvement in this sorry affair. It is unfortunate that they will not come clean with it now. It is unfortunate for the taxpayers of Manitoba, particularly unfortunate for the 33 000 investors who have been fleeced of \$60 million.

I think they have the right; this minister and Mr. Woodbury have an obligation to come clean with all the facts, to put on the record their discussions, and I will open the floor for the minister to rethink his position, and actually do the right thing by the unit holders and the taxpayers, and explain in a fair, honest and open manner what he knew, when he knew it, and the nature of the discussions that he had with Mr. Woodbury about it.

**Mr. Selinger:** Yes. Once again, the member is abusing the process that we are supposed to be engaged in here. He does it on a regular basis, I am informed, across all the Estimates procedures. We were the ones that changed The Auditor General's Act to provide the powers necessary for the Auditor General to investigate venture capital funds. That was a power that previously did not exist under the former government. We provided that power, and we backed that power up with a letter from the Minister of Finance when the Auditor General asked for it to continue his investigations and to clarify the powers that we had given him under the The Auditor General's Act. So we have provided the authorities necessary for the Auditor General to investigate anything he wishes with regard to this matter.

**Mr. Loewen:** Well, at risk of getting into the same situation as the *Free Press* indicated when they recorded in their editorial, "blah, blah, blah," I would say that we are prepared to pass the Estimates of Capital Expenditures at this time.

**Madam Chairperson:** Resolution B.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$52,000 for Capital Investment, Legislative Assembly, for the fiscal year ending the 31st day of March, 2006.

*Resolution agreed to.*

Resolution B.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,538,400 for Capital Investment, Advanced Education and Training, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution B.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$165,500 for Capital Investment, Agriculture, Food and Rural Initiatives, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution B.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$450,000 for Capital Investment, Conservation, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution B.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$547,000 for Capital Investment, Energy, Science and Technology, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution B.7: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,417,700 for Capital Investment, Family Services and Housing, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution B.8: RESOLVED that there be granted to Her Majesty a sum not exceeding \$343,800 for Capital Investment, Finance, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution B.9: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,583,400 for Capital Investment, Health, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution B.10: RESOLVED that there be granted to Her Majesty a sum not exceeding

\$1,283,100 for Capital Investment, Justice, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution B.11: RESOLVED that there be granted to Her Majesty a sum not exceeding \$34,283,300 for Capital Investment, Transportation and Government Services, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution B.12: RESOLVED that there be granted to Her Majesty a sum not exceeding \$12,100,000 for Capital Investment, Internal Reform, Workforce Adjustment and General Salary Increases (An Enabling Appropriation), for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

\* (15:40)

Resolution B.13: RESOLVED that there be granted to Her Majesty a sum not exceeding \$6,351,100 for Capital Investment, Conservation, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution B.14: RESOLVED that there be granted to Her Majesty a sum not exceeding \$94,917,600 for Capital Investment, Transportation and Government Services, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution B.15: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,000,000 for Capital Investment, Water Stewardship, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution B.16: RESOLVED that there be granted to Her Majesty a sum not exceeding \$56,000,100 for Capital Investment, Manitoba Floodway Expansion, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution B.17: RESOLVED that there be granted to Her Majesty—

Resolution B.16, I will reread.

Resolution B.16: RESOLVED that there be granted to Her Majesty a sum not exceeding \$56,100,000 for Capital Investment, Manitoba Floodway Expansion, for the fiscal year ending the 31st day of March, 2006.

**Resolution agreed to.**

Resolution B.17: RESOLVED that there be granted to Her Majesty a sum not exceeding \$6,000,000 for Capital Investment, Internal Reform, Workforce Adjustment and General Salary Increases (An Enabling Appropriation), for the fiscal year ending the 31st day of March, 2006.

**Resolution agreed to.**

This completes the Estimates of Capital Investment. The next set of Estimates that will be considered by this section of the Committee of Supply is the Estimates of the Civil Service Commission.

Shall we briefly recess to allow the minister and critics the opportunity to prepare for the commencement of the next set of Estimates?

Order, please. A recorded vote has been requested in another section. We will now recess and proceed to the Chamber for a recorded vote.

*The committee recessed at 3:43 p.m.*

—————  
*The committee resumed at 4:05 p.m.*

**Madam Chairperson:** Order, please. I am interrupting the proceedings of this section of the Committee of Supply because the total time allowed for Estimates consideration has now expired.

Our Rule 76(3) provides in part that not more than 100 hours shall be allowed for the consideration of the business of Supply.

Our Rule 76(5) provides that where the time limit has expired the Chairperson "shall immediately put all questions necessary to dispose of the

remaining matters. These questions are not subject to debate, amendment or adjournment."

I am going, therefore, to call in sequence the questions on the following matters:

*Mr. Doug Martindale, Acting Chairperson, in the Chair*

**The Acting Chairperson (Mr. Martindale):** Resolution 17.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,592,600—

We are going to start again.

At the conclusion of the Estimates for the Department of Water Stewardship being considered by the section of Supply sitting in the Chamber on May 2, one of the resolutions was omitted.

I will, with the committee's agreement, add that resolution to the list of those which are to be passed at this time. The resolution in question is Water Services Board Resolution 25.5. I would remind members that these questions may not be debated, amended or adjourned according to the rules of the House.

Resolution 17.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,592,600 for Civil Service Commission for the fiscal year ending the 31st day of March, 2006.

**Resolution agreed to.**

Resolution 17.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$66,300 for Civil Service Commission, Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2006.

**Resolution agreed to.**

Resolution 1.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$6,058,100 for Legislative Assembly, Other Assembly Expenditures, for the fiscal year ending the 31st day of March, 2006.

**Resolution agreed to.**

Resolution 1.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,881,100 for Legislative Assembly, Office of the

Auditor General, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution 1.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,476,900 for Legislative Assembly, Office of the Ombudsman, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution 1.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,254,500 for Legislative Assembly, Office of the Chief Electoral Officer, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution 1.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$743,500 for Legislative Assembly, Office of the Children's Advocate, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

\* (16:10)

Resolution 1.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$170,900 for Legislative Assembly, Costs related to Capital Assets, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution 6.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$74,255,300 for the Employee Pensions and Other Costs for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution 26.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$16,130,300 for Enabling Appropriations, Enabling Vote, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution 26.2—[interjection] I am going to interrupt myself here and ask the members to cease and desist so I can concentrate. I thank all honourable members.

Resolution 26.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,400,000 for Enabling Appropriations, Sustainable Development Innovations Fund, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution 26.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,250,000 for Enabling Appropriations, Justice Initiatives, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution 26.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$300,000 for Enabling Appropriations, Security Initiatives, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution 26.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$13,500,000 for Enabling Appropriations, Internal Reform, Workforce Adjustment and General Salary Increases, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution 27.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$25,000,000 for Other Appropriations, Emergency Expenditures, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution 27.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$805,000 for Other Appropriations, Allowance for Losses and Expenditures incurred by Crown Corporations and Other Provincial Entities, for the fiscal year ending the 31st day of March, 2006.

***Resolution agreed to.***

Resolution 28.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$11,153,800 for Sport for the fiscal year ending the 31st day of March, 2006.

**Resolution agreed to.**

Resolution 28.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,400 for Sport, Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2006.

**Resolution agreed to.**

Resolution 25.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,909,300 for Water Stewardship, Manitoba Water Services Board, for the fiscal year ending the 31st day of March, 2006.

**Resolution agreed to.**

This concludes our consideration of the Estimates in this section of the Committee of Supply. I would like to thank the ministers and the critics for their co-operation.

What is the will of the committee?

**An Honourable Member:** Committee rise.

**The Acting Chairperson (Mr. Martindale):** Committee rise.

#### IN SESSION

**Mr. Speaker:** Is it the will of the House to call it 5:30? *[Agreed]*

The hour being 5:30, this House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Wednesday).

**LEGISLATIVE ASSEMBLY OF MANITOBA**

**Tuesday, May 10, 2005**

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