

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

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

**Vol. LVI No. 59B - 1:30 p.m., Tuesday, June 7, 2005**

**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, June 7, 2005

The House met at 1:30 p.m.

### ROUTINE PROCEEDINGS

#### PETITIONS

##### Supported Living Program

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

The provincial government's Supported Living Program provides a range of supports to assist adults with a mental disability to live in the community in their residential option of choice, including a family home. There is a lack of group homes available and this means special needs dependants must remain in the family home.

The provincial government's Community Living Division helps support adults living with a mental disability to live safely in the community in the residential setting of their choice.

Families with special needs dependants make lifelong commitments to their care and well-being, and many families choose to care for these individuals in their homes as long as circumstances allow.

The cost to support families who care for their special needs dependants at home is far less than the cost of alternate care arrangements such as institutions or group and foster home situations.

The value of the quality of life experienced by special needs dependants raised at home in a loving family environment is immeasurable.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Family Services and Housing (Ms. Melnick) consider changes to the departmental policy that pays family members a reduced amount of money for room and board when they care for their special needs dependants at home versus the amount paid to a non-parental care provider outside the family home.

To request that the Minister of Family Services and Housing consider examining on a case-by-case basis the merits of paying family members to care for special needs dependants at home versus paying to institutionalize them.

This is signed by Margaret Froese, Elaine Froese, Angeline Schellenberg 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.

##### Teachers' Pension Plan Pension Adjustment Account

**Mr. Ralph Eichler (Lakeside):** I wish to present the following petition.

The background to this petition is as follows:

After contributing to the Teachers' Pension Plan Adjustment Account (PAA) which funds the Cost of Living Adjustment (COLA) since 1977 until the year of our retirement from the profession of teaching, we find ourselves facing the future with little hope of a meaningful COLA, and with the resulting severe loss of purchasing power.

We petition the Legislative Assembly of Manitoba as follows:

To request the provincial government to consider funding the PAA to ensure that we receive a reasonable COLA, and that any loss of purchasing power we will face will be minor.

Submitted on behalf of Ray Harkness, Tony Balian, Ralph Trombo, Ellis Woods and many, many others.

\* (13:35)

##### 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 Janice Saurette, Ray Saurette, Derek Saurette and many, many others.

#### **Teachers' Pension Plan Pension Adjustment Account**

**Mr. Larry Maguire (Arthur-Virden):** I wish to present the following petition to the Legislative Assembly of Manitoba:

The background to this petition is as follows:

After contributing to the Teachers' Pension Plan Pension Adjustment Account (PAA) which funds the

Cost of Living Adjustment (COLA) since 1977 until the year of our retirement from the profession of teaching, we find ourselves facing the future with little hope of a meaningful Cost of Living Adjustment (COLA), and with the resulting severe loss of purchasing power.

We petition the Legislative Assembly of Manitoba as follows:

To request the provincial government to consider funding the PAA to ensure that we receive a reasonable COLA and that any loss of purchasing power we will face will be minor.

Signed by Agnes Smith, Carole Kotylak, Dorothy Thomson, Joseph Cop, Jane Hunter, Jenetta Curtis, David Braddell—

**Mr. Speaker:** Order. It is only a requirement that we read the first three names on the petition.

**Mr. Jack Reimer (Southdale):** I wonder, Mr. Speaker, if there is leave that I present on behalf of the Member for Carman (Mr. Rocan).

**Mr. Speaker:** Is there leave for the honourable member to present on behalf of the honourable Member for Carman?

**Some Honourable Members:** No.

**Mr. Speaker:** No?

**Some Honourable Members:** Leave.

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

#### **Fort Garry Hotel**

**Mr. Jack Reimer (Southdale):** I wish to present the following petition to the Legislative Assembly of Manitoba.

The background of the petition is as follows:

In 1987 the City of Winnipeg seized the Fort Garry Hotel from its owner, Harvard Investments Limited. This was a family-owned Manitoba corporation, in what has been characterized as a miscarriage of justice.

Due to deliberate actions of the City of Winnipeg, errors by the Municipal Board of

Manitoba and the lack of clarity in provincial legislation, Harvard was denied the due process and natural justice that are fundamental to the property tax assessment and appeal process in Manitoba.

As a result, the company was unfairly burdened with a grossly excessive assessment and tax bill that in turn precipitated a tax sale and mortgage foreclosure, effectively bankrupted the company and caused Harvard's shareholders to be dispossessed of their business and property.

The background to this petition was outlined more fully in a grievance presented to this Assembly by the honourable Member for Carman (Mr. Rocan) on May 18, 2005.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Intergovernmental Affairs and Trade (Mr. Smith) to consider conducting a review of the circumstances outlined and to consider making a recommendation for redress to the Government of Manitoba.

Signed by Gerard Bzdel, Brenda Van Raes, Josephine Chudzik and others.

\*(13:40)

### **Education Support Levy and Special Levy**

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

These are the reasons for this petition:

All Manitobans are concerned about providing a high quality of education to students.

The current model of funding education through property taxes no longer works.

Education is a provincial responsibility and provincial funding of the operation of Manitoba's public schools has fallen every year under the current Doer administration to the most current level of 56 percent.

Residential property tax bills continue to rise as local school divisions are forced to turn to property

owners to offset decreasing provincial government funding.

The Minister of Education (Mr. Bjornson) has shown little action in finding a long-term solution to providing school divisions with predictable, stable and appropriate funding for public education.

Manitobans pay among the highest property taxes in all of Canada.

The elimination of the Education Support Levy and Special Levy on residential property and farmland would reduce property tax bills by approximately one-half and enhance transparency and accountability in the funding of public education.

We petition the Legislative Assembly of Manitoba as follows:

To request the Premier of Manitoba (Mr. Doer) to consider accepting that the funding and delivery of public education is exclusively a provincial responsibility.

To request the Premier of Manitoba to consider eliminating the Education Support Levy and Special Levy from all residential property and farmland in Manitoba.

Signed by Ken Mason, Charlotte Middleton, Carol Loader and many, many others.

### **Wuskwatim Project Development Agreement**

**Mrs. Bonnie Mitchelson (River East):** I wish to present the following petition to the Legislative Assembly of Manitoba.

The background of this petition is as follows:

The Government of Manitoba and Manitoba Hydro have stated publicly that a referendum vote including all NCN band members will be held as part of the approval process for the Wuskwatim Hydro Project.

The Government of Manitoba and Manitoba Hydro have stated that the Wuskwatim Hydro Project and associated hydro transmission lines will not proceed without the support of the majority of NCN band members through the Wuskwatim Project Development Agreement Referendum.

NCN band members were not properly informed and consulted concerning the terms and implication of the Wuskwatim Agreement in Principle.

The partnership agreement to be approved by the Wuskwatim PDA Referendum will largely determine the economic future of NCN First Nations.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister responsible for Manitoba Hydro (Mr. Chomiak) and the Government of Manitoba consider ensuring an informed, appropriate and fair Wuskwatim Project Development Agreement Referendum vote, and a vote overseen by an independent qualified third party such as Elections Manitoba.

Signed by Jarvis Spence, Kelvin Spence, Diane McDonald and many others.

\* (13:45)

#### **Crocus Investment Fund**

**Mr. Kevin Lamoureux (Inkster):** To the Legislative Assembly of Manitoba.

The background to this petition is as follows:

The Manitoba Government was made aware of serious problems involving the Crocus Fund back in 2001.

As a direct result of the government ignoring the red flags back in 2001, over 33 000 Crocus investors lost over \$60 million.

Manitoba's provincial auditor stated "We believe the department was aware of the red flags at Crocus and failed to follow up on those in a timely fashion."

The relationship between some union leaders, the Premier (Mr. Doer) and the NDP seems to be the primary reason as for why the government ignored the red flags.

We petition the Legislative Assembly of Manitoba as follows:

To request the Legislative Assembly of Manitoba to consider the need to seek clarification on why the government did not act on fixing the Crocus back in 2001.

Signed by Charanjiwan Bains, S. Matharoo and Nirmal Brar.

### **COMMITTEE REPORTS**

#### **Standing Committee on Intergovernmental Affairs Second Report**

**Ms. Marilyn Brick (Chairperson):** Mr. Speaker, I wish to present the Second Report of the Standing Committee on Intergovernmental Affairs.

**Madam Clerk (Patricia Chaychuk):** Your Standing Committee on Intergovernmental Affairs presents the following as its Second Report.

**Mr. Speaker:** Dispense? Read it?

Your Standing Committee on Intergovernmental Affairs presents the following as its Second Report.

#### **Meetings:**

Your committee met on Monday, June 6, 2005, at 9:30 a.m. in Room 254 of the Legislative Building.

#### **Matters under Consideration:**

Bill 29—The Municipal Councils and School Boards Elections Act/Loi sur les élections municipales et scolaires

Bill 35—The Capital Region Partnership Act/Loi sur le Partenariat de la région de la capitale

#### **Committee Membership:**

Substitutions received prior to commencement of meeting:

Mr. Maguire for Mrs. Driedger  
Mr. Cummings for Mr. Reimer  
Mr. Dyck for Mr. Schuler  
Mr. Cullen for Mrs. Stefanson  
Mr. Dewar for Mr. Swan  
Mr. Jennissen for Mr. Aglugub

Substitutions made, by leave, during committee proceedings:

Mr. Martindale for Ms. Korzeniowski

#### **Public Presentations:**

Your committee heard 3 presentations on Bill 29 – The Municipal Councils and School Boards

Elections Act/Loi sur les élections municipales et scolaires, from the following organizations:

Doug Dobrowolski, Association of Manitoba Municipalities  
Val Turner, Manitoba Municipal Administrators Association  
Mel Graham, Inter-Organizational Access Committee

Your committee heard 3 presentations on Bill 35 – The Capital Region Partnership Act/Loi sur le Partenariat de la région de la capitale, from the following organizations:

Don Forfar, Chairperson, Mayors & Reeves of the Capital Region  
Bob Stefaniuk, Reeve, R.M. of Richot  
Wilf Taillieu, Reeve, R.M. of Headingley

#### **Written Submissions:**

Your committee received 1 written submission on Bill 29 – The Municipal Councils and School Boards Elections Act/Loi sur les élections municipales et scolaires, from the following organization:

Councillor Jae Eadie, City of Winnipeg

#### **Bills Considered and Reported:**

Bill 29–The Municipal Councils and School Boards Elections Act/Loi sur les élections municipales et scolaires

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

*THAT Clause 26(a) of the Bill be amended by striking out "section 29" and substituting "section 27".*

Bill 35–The Capital Region Partnership Act/Loi sur le Partenariat de la région de la capitale

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

*THAT Clause 4(1)(b) of the Bill be amended by striking out "unique and".*

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

#### **Motion agreed to.**

\* (13:50)

#### **Standing Committee on Legislative Affairs Seventh Report**

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

**Madam Clerk (Patricia Chaychuk):** Your Standing Committee on Legislative Affairs presents the following as its Seventh Report.

**Some Honourable Members:** Dispense.

**Mr. Speaker:** Dispense.

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

#### **Meetings:**

*Your committee met on Monday, June 6, 2005, at 9:30 a.m. in Room 255 of the Legislative Building.*

#### **Matters under Consideration:**

*Bill 5–The Manitoba Public Insurance Corporation Amendment Act (Injury Compensation Appeal Commission)/Loi modifiant la Loi sur la Société d'assurance publique du Manitoba (Commission d'appel des accidents de la route)*

*Bill 8–The Manitoba Council on Aging Act/Loi sur le Conseil manitobain du vieillissement*

*Bill 16–The Wildlife Amendment Act/Loi modifiant la Loi sur la conservation de la faune*

*Bill 30–The Manitoba Agricultural Services Corporation Act/Loi sur la Société des services agricoles du Manitoba*

*Bill 31–The Condominium Amendment Act/Loi modifiant la Loi sur les condominiums*

*Bill 34–The Highway Traffic Amendment Act/Loi modifiant le Code de la route*

*Bill 39–The Investment Trust Unitholders' Protection Act/Loi sur l'immunité des détenteurs d'unités de sociétés de placement*

*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*

*Bill 50—The Statutes Correction and Minor Amendments Act, 2005/Loi corrective de 2005*

**Committee Membership:**

*Substitutions received prior to commencement of meeting:*

*Hon. Mr. Lemieux for Mr. Dewar  
Hon. Ms. Wowchuk for Hon. Mr. Mackintosh  
Hon. Ms. Oswald for Hon. Mr. Robinson  
Hon. Mr. Struthers for Hon. Mr. Smith  
Mr. Eichler for Mr. Dyck*

*Substitutions made, by leave, during committee proceedings:*

*Hon. Mr. Mackintosh for Hon. Mr. Struthers*

**Public Presentations:**

*Your committee heard 2 presentations on Bill 8 – The Manitoba Council on Aging Act/Loi sur le Conseil manitobain du vieillissement, from the following organizations:*

*Gerry Kaplin, Manitoba Committee of Seniors  
Norma Drosdowech, Manitoba Council on Aging*

*Your committee heard 1 presentation on Bill 16 – The Wildlife Amendment Act/Loi modifiant la Loi sur la conservation de la faune, from the following organization:*

*Wyman Sangster, Manitoba Lodgers and Outfitters Association*

*Your committee heard 1 presentation on Bill 30 – The Manitoba Agricultural Services Corporation Act/Loi sur la Société des services agricoles du Manitoba, from the following organization:*

*Ian Wishart, Keystone Agricultural Producers*

*Your committee heard 1 presentation on Bill 31 – The Condominium Amendment Act/Loi modifiant la Loi sur les condominiums, from the following individual:*

*George Mulder, Private Citizen*

*Your committee heard 1 presentation on Bill 34 – The Highway Traffic Amendment Act/Loi modifiant le Code de la route, from the following individual:*

*Diane Rybak, Private Citizen*

**Bills Considered and Reported:**

*Bill 5—The Manitoba Public Insurance Corporation Amendment Act (Injury Compensation Appeal Commission)/Loi modifiant la Loi sur la Société d'assurance publique du Manitoba (Commission d'appel des accidents de la route)*

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

*Bill 8—The Manitoba Council on Aging Act/Loi sur le Conseil manitobain du vieillissement*

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

*Bill 16—The Wildlife Amendment Act/Loi modifiant la Loi sur la conservation de la faune*

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

*Bill 30—The Manitoba Agricultural Services Corporation Act/Loi sur la Société des services agricoles du Manitoba*

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

*Bill 31—The Condominium Amendment Act/Loi modifiant la Loi sur les condominiums*

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

*Bill 34—The Highway Traffic Amendment Act/Loi modifiant le Code de la route*

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

*Bill 39—The Investment Trust Unitholders' Protection Act/Loi sur l'immunité des détenteurs d'unités de sociétés de placement*



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

*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*

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

*Bill 50—The Statutes Correction and Minor Amendments Act, 2005/Loi corrective de 2005*

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

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

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

#### **Standing Committee on Human Resources Second Report**

**Ms. Marilyn Brick (Chairperson):** Mr. Speaker, I wish to present the Second Report of the Standing Committee on Human Resources.

**Madam Clerk (Patricia Chaychuk):** Your Standing Committee on Human Resources presents the following as its Second Report.

**Some Honourable Members:** Dispense.

**Mr. Speaker:** Dispense.

*Your Standing Committee on Human Resources presents the following as its Second Report.*

#### **Meetings:**

*Your committee met on the following occasions:*

*Thursday, June 2, 2005, at 6:30 p.m.*

*Monday, June 6, 2005, at 6:30 p.m.*

*All meetings were held in Room 254 of the Legislative Building.*

#### **Matters under Consideration:**

*Bill 25—The Workers Compensation Amendment Act/Loi modifiant la Loi sur les accidents du travail*

#### **Committee Membership:**

*At the Thursday, June 2, 2005, meeting your committee elected Mr. Schellenberg as the Vice-Chair.*

*At the Monday, June 6, 2005, meeting your committee elected Mr. Jha as the Vice-Chair.*

*Substitutions received prior to commencement of the Thursday, June 2, 2005, meeting:*

*Mr. Cullen for Mr. Faurschou  
Mr. Loewen for Mr. Murray  
Mr. Rocan for Mr. Schuler  
Mr. Aglugub for Mr. Dewar  
Mr. Schellenberg for Mr. Reid*

*Substitutions received prior to commencement of the Monday, June 6, 2005, meeting:*

*Ms. Korzeniowski for Mr. Aglugub  
Mr. Jha for Mr. Altemeyer  
Mr. Maloway for Hon. Ms. Oswald  
Mr. Martindale for Mr. Santos  
Mr. Caldwell for Mr. Schellenberg  
Hon. Ms. McGifford for Mr. Caldwell  
Mr. Schuler for Mrs. Driedger  
Mr. Penner for Mr. Loewen  
Mrs. Rowat for Mrs. Mitchelson*

#### **Public Presentations:**

*Your committee heard 49 presentations on Bill 25 – The Workers Compensation Amendment Act/Loi modifiant la Loi sur les accidents du travail, from the following individuals and/or organizations:*

*David Sinclair, Private Citizen  
Graham Starmer, Manitoba Chamber of Commerce  
Darlene Dziewit, President, Manitoba Federation of Labour  
Ted Hudson, Private Citizen  
Gerry Schedler, Private Citizen  
Craig Schedler, Private Citizen  
Liz Elliott, Private Citizen  
Gerald Allen, Private Citizen  
Doug Dobrowski, Association of Manitoba Municipalities  
Bruce Hacault, Private Citizen  
Lois Wales, Manitoba Government Employees Union  
Robin Reed, President, Frontier Teachers Association  
Peter Wohlgenut, Borderland Teachers Association*

*Ray Perreault, Private Citizen*  
*Ron Perreault, Private Citizen*  
*Les Lilley, Private Citizen*  
*Harvey Levin, Private Citizen*  
*Karen Mozden, Private Citizen*  
*Alex Forrest, United Firefighters of Winnipeg*  
*Debbie Woodman, Private Citizen*  
*Brenda McAdam, Private Citizen*  
*Anne Savignac, Private Citizen*  
*Robert Smith, Private Citizen*  
*Shannon Martin, Canadian Federation of Independent Business*  
*Brian Ardern, President, Manitoba Teachers Society*  
*Diane Zuk, President, Pembina Trails Teachers Association*  
*Kathy Coulombe, Private Citizen*  
*Heidi Eigenkind, Private Citizen*  
*Darlene Kernot, Private Citizen*  
*Dorothy Wigmore, Private Citizen*  
*Ron Nash, Private Citizen*  
*Ruth-Ann Furgala, Manitoba Association of School Trustees*  
*Dave Sauer, Private Citizen*  
*Bob Dolyniuk, Manitoba Trucking Association*  
*David Markham, Mining Association of Manitoba*  
*Patrick Campbell, Private Citizen*  
*Bill Gardner & Stephen Copen, Manitoba Employers Council & Employers Task Force*  
*Kevin Connolly, Private Citizen*  
*Don Penney, CN Railway*  
*Patrick Riley, Canadian Pacific Railway*  
*Chris Christensen, South Eastern Manitoba Labour Council*  
*Dave Gledhill, Private Citizen*  
*Dave Angus, Winnipeg Chamber of Commerce*  
*Terrence Turner, Private Citizen*  
*Neil Curry, Canadian Manufacturers & Exporters*  
*John Jacobs, Private Citizen*  
*Alan Payne, Private Citizen*  
*Rory Roman, Private Citizen*  
*Gloriafer Shand, Private Citizen*

**Written Submissions:**

*Your committee received 14 written submissions on Bill 25 – The Workers Compensation Amendment Act/Loi modifiant la Loi sur les accidents du travail, from the following individuals and/or organizations:*

*Donna McDonald, Manitoba Nurses' Union*  
*Hilda Froese, Garden Valley School Division*  
*Lisa Steffler, Private Citizen*  
*John Steffler, Private Citizen*

*Carol Harvey, St. James-Assiniboia School Division*  
*Charlene Bergen, Private Citizen*  
*Stephen Hunt, United Steelworkers*  
*Linda Davies, Private Citizen*  
*Jim Baker, Manitoba Hotel Association*  
*Bruce Campbell, Public Service Alliance of Canada*  
*Donna Fedorkiw, Private Citizen*  
*Kim Knox-Powers, Private Citizen*  
*Stan Letwyn, Private Citizen*  
*Cliff Anderson, Private Citizen*

**Bills Considered and Reported:**

*Bill 25–The Workers Compensation Amendment Act/Loi modifiant la Loi sur les accidents du travail*

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

*THAT the proposed section 2.1, as set out in Clause 4 of the Bill, be amended by renumbering it as subsection 2.1(1) and adding the following as subsection 2.1(2):*

**Board to consult industries, employers and workers 2.1(2)** *Before a regulation is made under subsection (1), the board must provide an opportunity for consultation with affected industries, employers and workers, and report the results of the consultation to the minister.*

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

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

**Point of Order**

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

**Mr. Leonard Derkach (Official Opposition House Leader):** Mr. Speaker, on a point of order. I am just wondering whether maybe we can revert back to Ministerial Statements because I would invite the minister to perhaps give us an update on the flooding and the current situation as it exists in the province with, once again, excessive rainfall coming in the southwest side of the province.

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

**Hon. Gord Mackintosh (Government House Leader):** Well, on the same point, Mr. Speaker. Members opposite, I know, are waiting for their leader, and if it makes things easier, if they want to recess until he arrives, we are prepared to accommodate that just to be realistic about the situation. I noticed that the minister has arrived so I presume that the Opposition Leader is on his way.

**Mr. Speaker:** On the point of order raised by the honourable Official Opposition House Leader, he does not have a point of order. It is a dispute over the facts because it is up to the government to decide whether they make a statement or not. It is entirely at the discretion of the government.

#### Introduction of Guests

**Mr. Speaker:** Prior to Oral Questions, I would like to draw the attention of honourable members to the Speaker's Gallery where we have with us today Mr. Joe Slomiany.

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

Also in the public gallery we have from Smith-Jackson School 15 Grade 4 students under the direction of Ms. Maria Moseychuk. This school is located in the constituency of the honourable Minister of Conservation (Mr. Struthers).

Also in the public gallery we have from Neepawa Area Collegiate 31 Grade 11 students under the direction of Mrs. Michelle Young. This school is located in the constituency of the honourable Member for Ste. Rose (Mr. Cummings).

Also I would like to draw the attention of honourable members to the public gallery where we have with us today fourth-year nursing students from the University of Manitoba under the direction of Linda West.

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

\* (13:55)

#### ORAL QUESTIONS

##### Crocus Investment Fund Public Pension Funds

**Mr. Gerald Hawranik (Lac du Bonnet):** Mr. Speaker, in January 2000 this NDP government

requested Crocus to examine a capital retention strategy for public pension funds and Crown corporations. Over the next two years, the Crocus CEO studied the super fund concept for the NDP. The strategy was to add more money to Crocus from other public pension funds in Manitoba, and on November 19, 2002, a meeting was held between the Premier and the Crocus CEO to discuss the super fund concept.

I ask the Minister of Finance why would this NDP government meet with their union friends to sink more money into Crocus when just 10 months earlier the Finance Minister received advice from his own department official recommending an independent review of Crocus. Why would he do this?

**Hon. Gary Doer (Premier):** Mr. Speaker, the member will note that we never did proceed with it. This was a proposal that was around since 1994.

It was interesting last evening I was at a meeting of Richardson capital corporation where individual pension fund investments were made. I think the superannuation fund made an investment in that account. MPI made an investment, no, I am sorry, Workers Compensation, the Teachers Fund, and also the City of Winnipeg and the City of Winnipeg Police, so the bottom line is we did not proceed.

**Mr. Hawranik:** Mr. Speaker, at the November 19, 2002, meeting between the Premier and the Crocus CEO, the presentation to the Premier suggested that it would be more effective to create a larger pool of funds within Crocus using pension funds from Crown corporations, civic employee pension plan funds, civil service employee pension funds and even the Teachers' Retirement Allowance Fund. Less than two years before that meeting, in January '01, a senior account manager with the Department of Industry warned of cash problems within Crocus. Crocus did not have enough money.

I ask the Minister of Finance why meet with your union friends to inject more money into Crocus when you were warned by your own Finance Department officials that Crocus had serious problems.

**Mr. Doer:** Mr. Speaker, the minister, as the Auditor General's report notes, did not proceed. This proposal has been around since 1994. It was presented to former Premier Filmon in a similar way. It was

presented again to us. It was part of the retention strategy of the former government where it identified in its, and I am just trying to remember the name of the author, Ms. Raskin, I believe, wrote a report that indicated that there was \$1 billion in savings and \$12 billion in pension. So this is not new news. The meeting is in the report, the action.

It is interesting because I think there are a couple of funds that were established, one in 1999 by Merv Tweed, where the government made an announcement that one James Umlah would be the CEO of the scientific fund, Mr. Speaker.

**Mr. Hawranik:** Mr. Speaker, this NDP government was poised in late 2002 to sink more public pension funds into Crocus on the advice of its union friends. The Auditor General states in his report very clearly, "There were sufficient red flags to justify a detailed review of Crocus in the latter part of 2002."

Mr. Speaker, Crocus was not complying with its own legislation. Government officials from both the Department of Finance and the Department of Industry issued warnings. All the red flags were there, but this Finance Minister and this Premier ignored them.

I ask the Minister of Finance why did he do nothing for the more than 33 000 Crocus unitholders. Why did he ignore all those red flags?

\*(14:00)

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, the point of the question is the member is asking us why we did not give Crocus what they wanted. Why did we not give them access to pension funds? Because we were not comfortable and ready to do that. Why did we not give them access to removing—

**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, Mr. Speaker. I can understand why the minister did nothing in the

Crocus fiasco. He cannot even remember the question that has been asked of him.

Mr. Speaker, I would ask that the member be allowed to restate his question since the minister was trying to paraphrase it and was messing it up.

**Mr. Speaker:** Order. On the point of order raised by the honourable Official Opposition, he does not have a point of order. It is clearly a dispute over the facts.

\* \* \*

**Mr. Speaker:** The honourable Minister of Finance, to continue with the answer.

**Mr. Selinger:** Yes, Mr. Speaker, and thank you for that clarification on the point of order. Clearly there was no proceeding with the setting up of a super fund, a recommendation that had been made in 1994 to the then-Filmon government. It was not proceeded with, it is clearly stated so in the report.

Additional demands made by the Crocus Fund on page 145 to eliminate the cap were not proceeded with. I note that many, many times under the former government the cap was lifted. It was not lifted under us. All of the requests that they ask here were not proceeded with. I do not know what the member's problems were. We acted with prudence and diligence.

#### Crocus Investment Fund Public Pension Funds

**Mr. John Loewen (Fort Whyte):** Mr. Speaker, I want to assure this minister that we have lots of problems with the way he acted and did not, and chose not to, act with regard to the Crocus Fund. He is going to have to answer to those one of these days.

The issue is not so much the super fund. It is that there is no stronger evidence of collusion between the highest levels of this government, the labour movement in Manitoba and the Crocus Fund than the Auditor General's report which indicates clearly that meetings were taking place behind the scenes to discuss how the government could persuade funds with public dollars, civil servants' pension funds, the TRAF, the funds that were there for the benefit of injured workers, the WCB, how this government along with Crocus was trying to influence these funds to make questionable investments.

This fund became a tool of government economic policy. All the while this minister had red flags raised to him that the fund needed to be investigated, yet he sat quietly by. I would ask him to explain today why he sat quietly by while the—

**Mr. Speaker:** Order.

**Hon. Greg Selinger (Minister of Finance):** The member seems to be trying to have it both ways. He is suggesting that we did not act and then when we did not act, he is saying why did you not act.

Mr. Speaker, proposals always come to government. They started in 1994 under the former government under a venture capital review that was undertaken by them. They asked for this venture capital review. They got a recommendation to look at a super fund. That super fund proposal identified in 1994 was presented to the government. The government did not proceed on it. The government did not proceed on many other requests that were made.

In contrast, members opposite continually lifted the cap. Members opposite made exemptions on what kinds of companies could be invested in. We have to ask ourselves if there is real collusion here, why will the member opposite not make available to the Legislature the secret agreement he signed.

**Mr. Loewen:** Mr. Speaker, I would direct the minister to the Auditor's report which clearly states that 36 percent of Crocus's portfolio was committed to investments that also contained public funds. Public funds were sourced from Workers Comp, from TRAF and from the Province of Manitoba. All the while that red flags were being raised with this minister about problems at Crocus, his government and the Premier (Mr. Doer) of this province were working together with Crocus as a tool of their economic policy to have more co-investments with Crocus.

As a matter of fact, as the Auditor points out, they invested in a company that allowed Crocus to invest in a company that was a real estate venture, and as the Auditor General said it was not allowed under the Crocus Fund act. This investment had the same consultant for Workers Comp money as it had for Crocus Fund. Given that all the red flags were raised, how can this minister explain sitting quietly by while teachers' retirement funds were put at risk

and while funds from Workers Compensation Board were put at risk in a real estate venture that was not even allowed under the Crocus Fund act? How can he justify that?

**Mr. Selinger:** Mr. Speaker, the most active period of co-investments between government and the Crocus Fund was the period when the members opposite were in office, and the co-investments which showed the greatest losses also occurred when the members opposite were in government.

It was very clear that they were using the fund to promote economic development within the project, and projects like Isobord wound up failing. Projects like Westsun wound up failing. Their projects lost a total of \$55 million during the period of time they were in government.

I can say to you the co-investment strategy that was initiated by members opposite and actively pursued by members opposite was only considered with caution and prudence under our government.

**Mr. Loewen:** If the minister had proceeded with any prudence at all, maybe 34 000 investors in Manitoba would not have been fleeced of \$60 million. He should do more, he should worry more about doing his job than what happened in the nineties.

Mr. Speaker, as the Auditor General pointed out, there was an investment made, a co-investment between Workers Comp, TRAF and Crocus Fund in a real estate venture that is not allowed under the Crocus Fund act. The same consultant was used for Workers Comp as was used for the investment by the Crocus Fund. The then-president of the TRAF had to write a letter to the Minister of Education (Mr. Bjornson) indicating that the chief investment officer from Workers Compensation forced, against his better judgment, TRAF to make an investment in this venture that was not even allowed under the act.

Yet this minister, despite having red flags raised as early as 2001 and 2002, sat by quietly and said nothing while teachers' pension funds were put at risk and workers' funds were put at risk. I would ask the minister to explain his inaction to the people of Manitoba.

**Mr. Selinger:** Mr. Speaker, the Auditor's report is very clear on these matters. We did not proceed with the super fund concept developed under the former

government, promoted by them and presented to us. In terms of co-investments, the co-investments made under the previous government with Crocus such as Westsun lost \$21 million between 1995 and 2002. The provincial government lost \$3.5 million on that. Winnport Logistics, Crocus lost \$6.7 million, the Province lost \$5.6 million in 1998. The Prairie Production Centre, Crocus invested \$26 million and the Province lost \$1.3 million. All of these co-investments which lost money were their projects.

Will they take responsibility for the bad investments which they initiated with the Crocus Fund?

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

**Speaker:** Order. I would like to remind all honourable members that the clock is ticking, for one thing, and we are trying to get as many questions and answers in as we can. I ask the co-operation of all honourable members.

The honourable Leader of the Official Opposition has the floor.

### **Flooding Disaster Areas**

**Mr. Stuart Murray (Leader of the Official Opposition):** Thank you very much, Mr. Speaker. I do want to thank the Premier and the Minister of Transportation for allowing me to view the disaster zone that is in around the R.M. of Strathclair, Rivers and other areas. While we were there, of course, we saw the devastation up close, River city, all of these communities, Oak River.

I would just ask the Premier, who was out there, by the way, I know on Friday, if he would listen to the R.M.s, the municipalities, the mayors and the reeves, who have themselves declared, rightly so, this a disaster area. I would ask the Premier if today he would stand in his place, knowing that their government has forecast more rain for that area, Mr. Speaker, if he would agree to support the municipalities, the reeves and mayors, and, in fact, declare this a disaster zone.

**Hon. Gary Doer (Premier):** Mr. Speaker, first of all, disaster assistance funds and treatment will be granted. I announced that on Friday. We already had a cheque on Thursday for those communities, many of the same communities.

Secondly, municipalities have declared local emergency provisions in their region. That is appropriate for them to commandeer decisions in their municipalities and make decisions in their municipality. Mr. Speaker, we have not gone to the next power, which is a state of emergency in the province, which would allow us to order evacuations, to order a considerable amount of action in the part of an emergency. The last time that happened was, well, it was certainly in 1997.

I was involved with the former Premier then when there was a situation in Rosenort where people would not leave and they were at risk. We both travelled to that area together after the authority was granted. It was not granted in its initial stages, Mr. Speaker. It is a very major power. We are monitoring the situation, but I want to point out the difference between disaster assistance, local emergency, which, of course, is taking place and a province-wide emergency which allows the Province to override almost every provision for purposes of this emergency.

We feel we are monitoring the situation daily. It is not a local emergency in many of the municipalities cited by the member opposite. I want to pledge to him that we are absolutely committed to disaster assistance as well.

\* (14:10)

**Mr. Murray:** Mr. Speaker, I think it is very clear that the Premier does not confuse the disaster assistance that was for the previous flooding versus what is happening currently today and getting worse. That is the issue and when municipal leaders, mayors, reeves and frankly the citizens of that community, we are seeing basements being flooded, we are seeing roads that are having to be cut in half. So there are real issues that are happening in this community. I think the most important thing is that, when the leadership of those communities are declaring their area as a disaster zone, they are reaching out to this Premier to do the right thing.

I ask him today knowing again that we see situations developing in southeast Manitoba where we have got crops that have been put in place. We see rain in that area as well. There are some serious issues here, but I would ask the Premier to focus on southwest Manitoba where they have declared a disaster zone, Mr. Speaker. Those people deserve the

support of this Premier, not from the previous, we understand that, but currently, what is happening today. Will he stand with the people in southwest Manitoba and declare that a disaster zone?

**Mr. Doer:** Well, Mr. Speaker, I want to point out that many municipalities have declared local emergency provisions not—

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

**Mr. Speaker:** Order. I can only entertain one question and one answer at a time. I ask the co-operation of all honourable members here. The honourable First Minister has the floor.

**Mr. Doer:** Yes, thank you very much, Mr. Speaker. The member opposite should know that in 1997, in the Red River Valley, it was only at the later stages when we had to evacuate and overrule the local emergency provisions. The first stage you want to have a local emergency declared which has been conducted. We feel that, and we are monitoring it on a daily basis, if we need to evacuate citizens or if there are powers the local municipalities cannot invoke, and many powers they can invoke in their own jurisdiction, we will bring that emergency power to the Province. That is an elevation of the emergency condition from the local municipality who are making decisions with local emergency provisions on the hour, every hour as they should.

Many people in municipalities, I talked to people in the '97 flood and they did not want the Province right away to call a state of emergency and override the local municipal leaders. The member opposite—

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

**Mr. Speaker:** Order.

**Mr. Doer:** Mr. Speaker, there are people who want to make these decisions. They do not want to have the Province invoke evacuations where they are not necessary. There are many conditions under the emergency powers that we will continue to have in residue if we need it.

Members opposite are talking about Disaster Assistance. I can assure members that the threshold for Disaster Assistance is \$5 million in damages. Mr. Speaker, we were over that last Friday because we were \$3.4 million on Thursday and we know that we

are well over that now. That is why we talked to the federal minister on Friday. That is why we had federal Emergency Measures people out with our people, and Disaster Assistance money will flow to those municipalities.

**Mr. Murray:** Mr. Speaker, I note going back to June 8, 1999, the then-Leader of the Official Opposition stated, "Madam Speaker, a meeting was held with producers and municipal officials yesterday in southern Manitoba. Business producers want the provincial government to declare a disaster area."

Mr. Speaker, he agreed with municipal leaders then. I do not understand why he refuses to do it today. The Premier is twisting, unfortunately, with people's lives and emotions. Nobody is asking for emergency services. That is not the question. We are simply saying that the people in that area, the municipal leaders, the reeves and the mayors in that area have declared their areas a disaster area. In order to understand that their Province is standing behind them, as they should, as this Premier went on record of June 8, 1999, I am asking him simply today will he do what he agreed when he was in opposition and will he side with the municipal leaders and declare that area a disaster zone.

**Mr. Doer:** Let me try to explain this to the member opposite. There is—

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

**Mr. Speaker:** Order.

**Mr. Doer:** There are two stages to a natural disaster. Whether it is a forest fire or—*[interjection]* You know, this is a fairly serious issue. You should not heckle, Mr. Speaker, in this House.

**Mr. Speaker:** Order.

**Mr. Doer:** Thank you, Mr. Speaker. There are two stages to a natural disaster. One is the whole issue of property and persons who are at risk and could be severely at risk that require, on the one hand, local emergency measures to be introduced, and, on the other hand, where severe circumstances are dictated, a province-wide emergency declaration is made so that evacuations and other measures that are extreme to save life and limb are invoked by the Province of Manitoba.

There is a second issue dealing with natural disasters and that is the treatment under the Disaster Assistance program for individuals, communities and other infrastructure to get funding to deal with the losses that are invoked by the natural disaster.

We have already committed funding under all the Disaster Assistance programs in Manitoba for the municipalities, for the individuals and for the communities. The issue of June 8, 1999, Mr. Speaker,

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

**Mr. Speaker:** Order.

**Mr. Doer:** The issue in 1999 was aided and abetted by the fact—

**Mr. Speaker:** Order.

#### **Seven Oaks School Division Auditor General Review Request**

**Mrs. Myrna Driedger (Charleswood):** Mr. Speaker, despite the insistence by the Minister of Education, the Seven Oaks School Division Superintendent Brian O'Leary, the disgraced campaign manager for the NDP, despite their insistences that the illegal land development by the Seven Oaks School Division made money, it appears that the report put out by the Minister of Education shows otherwise. The division's own June 4 documents suggested that they overestimated their revenue by nearly \$1 million and that their losses could actually exceed \$200,000.

Now the Minister of Education wants the school division to audit themselves. Well, it is like putting the fox in charge of the hen house. I would like to ask the Minister of Education today will he call in the Auditor General to do a proper, full, complete, unbiased review.

**Hon. Peter Bjornson (Minister of Education, Citizenship and Youth):** The recommendations that came forward as a result of this review were that the Seven Oaks School Division was to extricate itself from the development process once it had met the requirements under the legal agreements that they had entered into. The second recommendation was that an external audit of the financial situation around this development issue be addressed. We are

expecting compliance. We have asked that they engage in this process.

As I said to the member during the Estimates process, the review was going to be done within 30 days and the missing answers to the questions about this review were that there were some outstanding issues with respect to accounts receivable and accounts payable. That is why we have asked for an external review.

\* (14:20)

#### **Swinford Park Documents**

**Mrs. Myrna Driedger (Charleswood):** Mr. Speaker, there are no assurances from hearing the minister answer that because he is the one that has been out there touting that they made money on the deal. In fact, his own report is now saying that that is highly unlikely.

Mr. Speaker, prior to the completion of the 30-day whitewash report, the minister indicated that the department had a legal opinion about whether this was illegal or legal, and they also had a financial review done of Swinford Park. He assured us that those documents would be part of this review and they are not part of the review. They are not attached to the review and, in fact, when we requested them by freedom of information the minister's office refused to give us those documents so that we certainly do not have a full picture of what should be part of that review.

I would like to know if the minister would agree today to table those two very important documents.

**Hon. Peter Bjornson (Minister of Education, Citizenship and Youth):** Mr. Speaker, during this discussion around this issue, yes, there were documents that had been prepared, third-party documents. Were they part of the review? Yes, it was relevant information that was part of the review. As per the FIPPA request, the member was provided with rationale as to why those documents were not provided.

#### **Auditor General Review Request**

**Mrs. Myrna Driedger (Charleswood):** Mr. Speaker, this is looking more and more like a cover-up. That review is nothing more than a whitewash to protect this government and all their NDP friends.



Mr. Speaker, this report does parallel Crocus in an alarming way. A runaway administration, unlawful activities, a total failure of oversight, inflated valuations and a whistle blower dismissed by a Cabinet minister, this report confirms that taxpayers' money was indeed put at risk. These same people who put it at risk are now asked to audit themselves.

Mr. Speaker, I find that totally absurd and ask today if the Minister of Education would ensure that this big mess, this file, is turned over to the Auditor General for an unbiased review.

**Hon. Peter Bjornson (Minister of Education, Citizenship and Youth):** Mr. Speaker, the member perhaps did not hear my response where I said that we have asked for an external audit of all financial matters relating to this issue.

Also, the individual that was responsible for overseeing the review has impeccable credentials. He has worked in the Department of Education long prior to our term in office. I have absolute faith in the process that was engaged in to deliver this review, Mr. Speaker.

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

**Mr. Speaker:** Order.

**Mr. Bjornson:** Thank you, Mr. Speaker. We also had support from the Department of Finance where needed, where the expertise exceeded the abilities of the individuals in the Department of Education. There were a lot of people who worked very hard on this report, and we have requested an external audit of the financial issues around the Swinford Park Development.

### **Children in Care Protection**

**Mrs. Mavis Taillieu (Morris):** Mr. Speaker, sadly, a 17-year-old boy died on the street yesterday and his family believes it was because he did not get the support he needed while in care under the watch of this government and this Minister of Family Services. The boy's mother said her adopted son, who suffered from fetal alcohol spectrum disorder, needed 24-hour supervision, but instead was left to fend for himself at night.

My question to the minister is why did she fail to provide the 24-hour supervision which would have seen this boy alive today.

**Hon. Christine Melnick (Minister of Family Services and Housing):** Mr. Speaker, certainly our condolences go to the family. It is really a tragedy when a person of this age would lose their life in a tragic way. The department is very concerned as well. When an incident of this nature occurs, there are several investigations that begin, certainly the agency, the authority, the Winnipeg Police Service and the CME. I think it is very important that we take the time to allow these organizations to do this thorough review as they need to do to find out what we can learn to perhaps in the future ensure that anything like this does not happen again.

**Mrs. Taillieu:** Mr. Speaker, the family of this child said they entrusted their son to Child and Family Services to get the help they needed for him, but now they have lost him forever. Just four months ago, another child died violently while in care when he was shot when another child in care was allowed to have a gun. These children were not adequately supervised.

I would ask the minister what action she took between that tragedy four months ago and the death of another child yesterday to protect children in care.

**Ms. Melnick:** Well, Mr. Speaker, that was indeed another tragic incident that happened. The department immediately issued a directive to all agencies, to all organizations, to ensure that, when a child is out of the care of the agency, they are made very aware of what is and is not appropriate to bring back in.

It is, again, a sad situation, Mr. Speaker. We have learned around the issuing of the directive to make sure that we continue to communicate with all organizations again in an attempt to make sure that an incident such as that does not happen again.

**Mrs. Taillieu:** Well, Mr. Speaker, it did just happen again. Now this minister has failed to provide the supports for kids in care and has failed to provide direction to her department. Each time a death occurs under this minister's watch, and there have been several, there is an internal investigation, there is a police investigation, and often the Medical Examiner does a review and provides recommendations. With

all this information she still has not taken corrective action, and still another child has died just yesterday.

What is she waiting for? Will this minister take action today before any more deaths occur?

**Ms. Melnick:** Again, Mr. Speaker, we have received recommendations at various times. We have acted on those recommendations. The CME operates independently and will do a thorough review, as I am sure he will. The Winnipeg Police Service also acts independently and will bring forward recommendations as they see fit. Certainly the department continues to work with all the caretakers, with professionals with many years of experience on an individual basis with each individual child. Again, it is extremely tragic when a situation like this occurs, but we are all working around what we believe will be the best care for children.

#### **Physician Resources Recruitment/Retention Strategy**

**Mrs. Heather Stefanson (Tuxedo):** Mr. Speaker, Manitoba is suffering from critical shortages of doctors, nurses and other health care professionals. Regional health authorities are trying to recruit foreign-trained doctors to fill the vacancies, yet this Minister of Health and his NDP government have failed to retain a qualified foreign-trained doctor who wants to stay and practise in Manitoba, forcing her to leave her family to accept a residency position in another province.

I would like to ask the Minister of Health why he is forcing another doctor whose husband is here with us in the gallery today to leave Manitoba and her family in order to be trained outside of her home province, Mr. Speaker.

**Hon. Tim Sale (Minister of Health):** Mr. Speaker, it is never easy when people with skills are unable to use those skills in any jurisdiction, whether it is this province or any other, and that is certainly not anything that we take any pleasure in. There are numbers of Manitobans who are international medical graduates whom we have worked very hard to provide programs for. But the decisions about who gets into those programs are not political decisions, and they are not made in the minister's office nor does the minister's office attempt to influence those decisions. The Canadian process for residency matching programs, CaRMS, is a non-partisan inter

and national body which works nationally with residency vacancies across this country to make the best decisions within the priorities of the national and provincial systems. We do not try to influence that process.

\* (14:30)

**Mrs. Stefanson:** Mr. Speaker, this doctor has been accepted in another province, and she will be moving as a result of this government's inability to recruit and retain doctors in this province. The announcements of doctors leaving the province seem to be occurring on almost a daily basis. As of February 2005, the Winnipeg Regional Health Authority had seven psychiatrist vacancies, yet, this Minister of Health is allowing a foreign-trained, extremely qualified psychiatrist to slip through his fingers and leave for a residency position in another province. This minister includes foreign-trained doctors as part of his recruitment strategy, so why is he forcing this doctor to leave her family and leave Manitoba.

**Mr. Sale:** Mr. Speaker, as I said, we do not relish the situation where any IMG is unable to use her or his skills in service of Canadians. That is why we have put 10, the international medical graduates' one-year program at the University of Manitoba, and recently expanded that with our announcement last week to 15. That is why we worked hard with the College of Physicians and Surgeons to get as many IMGs through the CAPE process so they can serve Manitobans as quickly as possible, but we do not, from the minister's office or to my knowledge does any minister in Canada, interfere in the CaRMS process. I regret the fact that this person has not been able to find a position through that national process in Manitoba, but I do not believe it is in the interests of Manitobans for the minister to directly involve herself or himself in the choice of what residency positions go to what doctors.

**Mrs. Stefanson:** Well, Mr. Speaker, this is indicative of the fact that this minister is unable to manage our health care system and recruit and retain doctors to work here in Manitoba. Emergency rooms and other services have been shut down because they do not have the staff necessary to treat patients, and Manitobans are being forced to travel highways to access health care in our province.

At a time when we are facing a staffing crisis in all areas of health care will this minister agree to

meet with Bill Graham, who is here today, whose wife is a qualified foreign-trained psychiatrist, to prevent yet another doctor from leaving our province?

**Mr. Sale:** What I am unwilling to do is politicize the process of medical training in this province, Mr. Speaker. We have 28 psychiatrists in one or other level of the five-year residency programs in this province that we are currently supporting through our residency programs. We have 156 trained psychiatrists currently serving Manitobans. That process has recruited and currently is recruiting sufficient supply for our needs.

We have significant pressures in a number of areas which have been present and continue to be present, and we prioritize those areas through the college, through the School of Medicine and through the national CaRMS residency matching process. I believe that process, while sometimes people feel on an individual basis does not meet their needs, is a fair process. It is a non-political process, and it should stay that way.

### **Hydra House Mismanagement Concerns**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, on April 11 of this year, we learned that concerns about Hydra House had been raised with the government as early as the spring of 2000. The Minister of Family Services said in this Legislature on April 11 that these were concerns of what had happened during the administration of the previous government.

Why did the minister say this occurred under the previous government when the document which I table now says very clearly that these specific problems occurred between October 1999 and February 2000 under her government's watch? The minister made very serious accusations with respect to the previous government which we now know to be clearly erroneous. Why did the minister mislead the Legislature on April 11?

**Hon. Christine Melnick (Minister of Family Services and Housing):** Mr. Speaker, I think if the member from River Heights took the time to read the report that was released on July 6, 2004, by the Attorney General, he clearly outlines that there were several concerns around the spending of public funding during the time of the previous

administration. That is clearly lined out in the report. This is not news that the member brings to the floor. We have dealt with the situation with Hydra House. Over a month ago, I finalized the cutting of ties with Hydra House. St. Amant Centre has taken over the care. St. Amant Centre is an institution of high repute and I look forward to working with them in the care of these very vulnerable people.

**Mr. Gerrard:** Mr. Speaker, the minister says she did not mislead the House, and yet I have tabled clear and unmistakable evidence that she did, that this activity occurred between October 1999 to February 2000.

Either the minister is not very smart and did not do her homework, or the minister is indeed very smart and she deliberately acted to cover up the inaction of her government. This information had been reported earlier in the day in the *Free Press*. The minister had plenty of time to prepare a response to the question she could know was coming, and she responded twice in the same way to questions, so we know it was not a simple mistake. The letter also, of course, implies that the financial concerns were irregularities and not as serious as we now know.

Why did the minister try to cover up her own government's inaction just as her government is trying to cover up the government's inaction on Crocus in 2001?

**Ms. Melnick:** Well, again, Mr. Speaker, I will refer the member from River Heights to the Auditor General's report where he talks about concerns previous to September-November 1999. After September-November 1999, we acknowledged, I accepted, the report in its entirety. The main concern was a lack of service purchase agreements, the cutting of the monitoring capacity in '93-94. We have dealt with that. We are no longer funding Hydra House.

Again, the member from River Heights does not bring new information to the floor. I do not know if he is current in knowing that. I will just repeat, we have cut ties and we are working with St. Amant Centre around the care of these very vulnerable people.

### **Crocus Investment Fund Compensation to Investors**

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, my question was for the Premier (Mr. Doer), but I will settle for the Minister of Finance, I guess.

Over 33 000 Manitobans, as we all know, plus, lost in excess of \$60 million. There are two very important facts, and this is why I wanted to ask the Premier this question, but I will settle for the Minister of Finance because of the optics of the Chamber.

First of all, the government was aware of the problem that Crocus was facing back in 2001. That is a fact. The second fact that I would like to emphasize is that the government chose to do nothing.

My question to the Minister of Finance, because the Premier is not in a position to answer this question, is can the Minister of Finance clearly indicate to this House what sort of compensation, if any form of compensation, is going to be offered by this government for those that have lost money because of government neglect.

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, on the prospectus that Crocus publishes, there is a statement that is put there very clearly and it reads as follows: "None of the securities administrators or any other department or agency of the government has assessed the merits of investment in the fund. The securities administrators and the government make no recommendation concerning such an investment and assume no liability or obligation to any investor of the fund."

Every prospectus that every shareholder buys has that statement in it.

As this Chamber knows, Mr. Speaker, this government brought in class-action legislation which was proclaimed early in 2003 as a vehicle of consumer protection. Members of the public who are shareholders of Crocus may, and are suggesting in public that they will, avail themselves of that legislation and they will decide who to sue based on these warnings.

**Mr. Speaker:** Time for Oral Questions has expired.

\* (14:40)

#### MATTER OF PRIVILEGE

**Mr. Speaker:** The honourable Member for River Heights, on a matter of privilege?

**Hon. Jon Gerrard (River Heights):** Mr.—

**Mr. Speaker:** On a matter of privilege?

**Mr. Gerrard:** Yes.

**An Honourable Member:** Yes.

**Mr. Speaker:** I need it on record. The honourable Member for River Heights, on a matter of privilege?

**Mr. Gerrard:** Mr. Speaker, I rise on a matter of privilege.

**Mr. Speaker:** The honourable Member for River Heights, on a matter of privilege.

**Mr. Gerrard:** Mr. Speaker, I rise on a matter of privilege. As the Speaker well knows, on a matter of privilege it is important to establish, first of all, that this was raised at the first possible opportunity, and, second, that there is a prima facie case of privilege.

I rise on a matter which I had raised in Question Period about the Minister of Family Services (Ms. Melnick) misleading this House. This is the first time that this could have been raised, and as *Beauchesne* says on 114, for questions of privilege arising during Question Period it is customary to raise those at the conclusion of Question Period, and this I am doing.

The second point, Mr. Speaker, is that it is important to establish a prima facie case of privilege, that as the Speaker has pointed out it is necessary to meet a very high test. That high test is that the minister has deliberately misled, as the words that have been used, the House, and I am going to take the Speaker and the House through this issue carefully.

The issue began on April 11 and dealt with circumstances around the government having knowledge of financial and other problems at Hydra House as early as the spring of 2000. Now this matter was first brought to public attention by an article which appeared in the *Winnipeg Free Press* on Monday, April 11. This article was the lead article in the City & District section of the *Free Press*. The article must have been brought to the minister's attention on the morning of April 11 because it dealt with her department. It was very prominently featured, and the minister and her staff had ample opportunity to review the facts of what had been brought to the minister in the spring of 2000 and to be able to prepare an answer based on her thorough

review of the facts. We are not dealing with a question which came out of thin air. We are dealing with a question which was clearly one of the major subjects in the news that day.

Now, to add to this, the details that were provided in the *Winnipeg Free Press* on April 11 were extremely serious because they suggested that much of what had been said by the previous Minister of Family Services was wrong when he had indicated that the first he knew of financial problems of Hydra House was in November of 2000. Clearly, the evidence that was presented in the *Free Press* and has subsequently come to light in more detail showed that the information provided by the former Minister of Family Services was not correct, and, indeed, there had been evidence of financial problems brought to the minister of financial services and his department in the spring of 2000. This was reviewed quite thoroughly and indeed was the subject of a letter which was part of the outcome of that review, which I tabled earlier and which dates to August of that year. Indeed, the letter that I tabled dates from August 14 of 2000.

Now the question here is did the minister mislead. I have already tabled it. I tabled it earlier, yes. The question here is whether the minister has deliberately misled the House. I mean this is a very important question because, you know, if the minister did then it would be a breach of privilege and a matter of privilege which is what I am, in fact, bringing up. Now what we now know in this letter of August 14, 2000, was that the result of the investigation which was done, which resulted from the material presented to the former Minister of Family Services in the spring of 2000, that this led to the investigation which then led to this letter.

This letter was addressed to Ms. Diane Lau, executive director of Hydra House Limited, 434 Archibald Street, Winnipeg, Manitoba, R2J OX4. The results of the investigation, and I quote, "concluded that during the period October 1999 to February 2000 the alternative services program was experiencing administrative and operation problems due to instability in key administrative and operational positions."

The conclusion of the report is that the problems occurred in the period October 1999 to February 2000. Now the present government, as we all know, was elected in September of 2000, and the Cabinet

was put in place on October 5. So this was a period during which was covered by this present government. Clearly, we have established when the period was that these matters concerned. All right, they happened between October 1999 and February of 2000.

Okay, now we come to the statement of the minister. The minister said on April 11, in response to a question from the MLA from Morris and I will quote. We have confirmed this was the MLA from Morris, that the former Ministry of Family Services knew about the problems at Hydra House as early as May 3, 2000. The former minister who is now the Minister of Health is on record indicating that allegations were brought to his attention in November of 2000, but there is a six-month credibility gap here. He knew a full six-months prior. Now, in her response to the question for the MLA from Morris, the Honourable Christine Melnick—

**Mr. Speaker:** Order.

**Mr. Gerrard:** —sorry, the honourable Minister of Family Services, my apologies. The honourable Minister of Family Services and Housing said, and I quote, "Mr. Speaker, I am glad to receive the question from the member opposite. It gives me the opportunity to clarify for the House what exactly it is we are discussing here. The complaints that the member is referring to were not in the nature of those that were received in November of 2000, which resulted in the Auditor General's review. These complaints we are dealing with process from a newly implemented respite program. The concerns actually came previous to this government coming to power, so they were again concerns that were raised previous to September of 1999."

Well, Mr. Speaker, I have established very clearly that these were concerns of matters which occurred between October of 1999 and February of 2000. They did not occur previous to this government occurring to power as the minister alleged as the minister indicated to members in this Legislature. Now one could say, well, you know this was a mistake, but there was a second question and on response to the second question from the MLA for Morris, the MLA for Morris asked, "When did the former minister become aware of the misspending at Hydra House? Was it May or November, as he stated in the record?" *[interjection]* Is the Member for Carman listening?

\* (14:50)

Mr. Speaker, this is a matter of privilege. The Minister of Family Services and Housing (Ms. Melnick) said in response to the question from the MLA for Morris (Mrs. Taillieu), and I quote, "Again, in dealing with the nature of the complaints that were raised in May 2000 around the newly implemented respite program, Mr. Speaker, the department received their complaints." And she goes on, there was a procedure followed, and da, da, da, and the minister says, "I would point out that the commonality here is that these were concerns of what had happened during the administration of the previous government."

Mr. Speaker, what is very clear is that these problems were during the present government which was first elected in 1999. So the issue here now is not whether the minister misled the House. Clearly, the minister had misled the House, and the question is whether this was deliberately misleading or just misleading. That is, as the Speaker knows, a very, very difficult task. But that is the critical issue here.

I would suggest that, and this is why I have gone into detail, this was a very prominent article raised in the newspaper. This was a matter, which the minister, I am sure, was very thoroughly briefed and prepared because she knew a question was coming. It is not a matter of a mistake because we have already shown that the minister made this point twice, not once. So this issue of this being a mistake can be disregarded.

So the question now is why did the minister say this. We may not be able to get inside the minister's head, as it were, but, certainly, let us look at the possibility that the minister, for some reason, did not know what she was talking about or was not properly made aware of the issues and that this was not a deliberate mistake.

Well, Mr. Speaker, the minister is a very bright and very highly intelligent person. She was promoted to Cabinet and to become a minister because she was seen by the Premier (Mr. Doer) as being very bright and very talented. It is highly unlikely that the minister did not know what she was talking about. I would estimate that the chances that the minister did not know what she was talking about were probably about one in a million. She had surely been very carefully briefed. As I have said, this was not a

situation where there was a mistake because we heard it twice. So, in this circumstance, we are left with the conclusion, or with a very high likelihood, that the minister deliberately misled the House. Clearly, the minister knew the facts of the case. She was well briefed. The minister had various choices. All the evidence of this case suggests that the minister deliberately chose to mislead the Legislature into believing that the problems occurred under the previous government.

Mr. Speaker, the minister's actions can clearly be understood in the context of the ministers and the Premier who had very frequently tried to blame others for their own inaction. So this is a bit of a pattern. The problem here is that not only did she try to blame others, but, in fact, she deliberately misled this House twice on critical facts, and that is the heart of my case here. I would suggest to you that this is a circumstance where you must look very carefully at all of the facts, that this was raised, first of all, at the earliest possible opportunity; that this matter, clearly we have evidence provided today that this matter occurred between October 1999 and February 2000; and we have evidence that the minister said that it occurred earlier when it did not. She misled the House.

The question on which you must decide, Mr. Speaker, is the question of deliberately misleading. I would suggest when you look at the facts carefully that this was not a mistake, that this was not knowing the situation. One can only come to a conclusion that this was almost certainly deliberately misleading this House.

**Mr. Speaker:** Order.

**An Honourable Member:** I move, seconded by the MLA—

**Mr. Speaker:** Order. I have to recognize you so it is recorded through Hansard. That is why I kindly ask all honourable members, when they are dealing with the matter, wait until I recognize the member. It is for the identification of the Hansard.

The honourable Member for River Heights.

**Mr. Gerrard:** I move, seconded by the MLA for Inkster (Mr. Lamoureux), that this matter be referred to the Committee on Legislative Affairs for consideration of disciplinary actions respecting the Minister

of child and Family Services, the member from Riel (Ms. Melnick).

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, of course, *Beauchesne* says that "The distinctive mark of privilege is its ancillary character. The privileges of parliament are rights which are absolutely necessary for the due execution of its powers." It goes on to say that it ought rarely to come up.

In *Beauchesne* 31(1), it says, "A dispute arising between two members as to allegations of facts does not fulfill the conditions of parliamentary privilege."

Mr. Speaker, in our view, that is what this is. It is simply a dispute.

Mr. Speaker, of course, you have ruled this winter, based on the authorities, that *Maingot* has stated that "An admission that a member had intentionally misled the House would be required in order to establish a prima facie case of privilege."

You went on to say, Mr. Speaker, "This concept is supported by Manitoba precedents by a ruling from Speaker Walding in 1985, a ruling from Speaker Phillips in 1987, by seven rulings from Speaker Rocan from the period 1988 to 1995, nine rulings from Speaker Dacquay from the period 1995 to 1999 and by four rulings from the current speaker from the period 1999 to the present."

In a ruling delivered, you said, "On April 20, 1999, Speaker Dacquay ruled that, short of a member acknowledging to the House that he or she deliberately and with intent set out to mislead, it is virtually impossible to prove that a member deliberately misled the House." You went on to say, "Citation 31 sub-3 of the sixth edition of *Beauchesne* states that statements made outside the House by a member may not be used as a basis for privilege." Mr. Speaker, you will have to consider the factual basis as to where the statements were also made.

Mr. Speaker, it is our conclusion and our submission that this is just another dispute on the facts. Thank you.

\* (15:00)

**Mr. Leonard Derkach (Official Opposition House Leader):** Mr. Speaker, with the greatest of respect to

the House Leader, the member from River Heights did present factual evidence today and he tabled that evidence in the House that showed very clearly that, in fact, the minister's comments over the course of the past number of weeks in this House have, indeed, been misleading.

Mr. Speaker, this is a matter that the minister knew and had access to that information. She had possession of that information, yet she continued to give the impression that, indeed, she had no knowledge, or her impressions about the incidents were different.

Mr. Speaker, this is a clear indication of deliberately misleading members of this Legislature, and I certainly do support the matter of privilege that the member from River Heights raises this afternoon. I think it has to be taken very seriously because a matter of privilege is a serious matter. We have not had that many matters of privilege raised in this Chamber over the course of this session. I think it shows that we are careful in terms of which issues we choose and how the issues are chosen to bring forward as matters of privilege.

In this case, Mr. Speaker, this affects the most vulnerable people of our province, people who cannot stand up for themselves and speak for themselves, and, yet, because of this minister's manipulation and because of her lack of care and attention to that area of her portfolio, we have found that money has gone missing, money has been misappropriated, money has been abused in terms of the intention that it was meant for. If I were the minister, I would probably want to leave the Chamber now, too. But I have to say that it is this minister's deliberate misleading and deliberate attempt to try to avert the attention from her and to put that blame onto somebody else that has caused this matter to be raised as a matter of privilege.

So, Mr. Speaker, I think the member from River Heights brings a very worthy issue forward. He asked this question very clearly in the House today. He asked the minister, he gave the minister the opportunity to retract and to reconsider her comments and her actions of the past number of months, and the minister chose, as she has in the past, to stall and to dig in her heels and not to acknowledge that, in fact, she was in fact making an error. So the member from River Heights did give her every opportunity to do that.

In his defence, Mr. Speaker, I think he has raised this matter at the earliest possible opportunity. It is a prima facie case in my view. The member from River Heights has every reason to raise this as a matter of privilege and, indeed, I support him for doing that. Thank you, Mr. Speaker.

**Mr. Speaker:** A matter of privilege is a serious concern. I am going to take this matter under advisement to consult the authorities, and I will return to the House with a ruling.

### MATTER OF PRIVILEGE

**Mr. Speaker:** The honourable Member for Emerson, on a point of order?

**Mr. Jack Penner (Emerson):** Mr. Speaker, I rise also on a matter of privilege today.

**Mr. Speaker:** The honourable Member for Emerson, on a matter of privilege.

**Mr. Penner:** The reason I rise on a matter of privilege today is that we have had, over the last two weeks in various areas of the province, an abnormal amount of rainfall that is only second to, I believe, a disaster similar to what we have seen at other times in this province, and one of them was in 1997 when we had huge amounts of moisture from spring on and rain on top of that which caused flooding in 1997.

We had, a year ago, large areas with large amounts of rain in this province that constituted assistance from the Province of Manitoba and also from the federal government. There were a number of agencies that kicked in in that disaster. One of them was crop insurance, the other one was Disaster Assistance.

I think what we have seen over the last couple of days out in the western part of the province, and I know our Leader of the Opposition (Mr. Murray) was there today, as well as our Member for Carman (Mr. Rocan), who is the critic for Disaster Assistance was out touring the western part of the province today and taking a look at how serious the damages were, constituted by the rains that were anywhere between four and eleven inches depending on which part of western Manitoba you were in.

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

I believe, Mr. Deputy Speaker, that our Premier (Mr. Doer) today led the House to believe that there were certain things that kicked in to an announcement of a Disaster Assistance program when offered when those things, in fact, only kick in when a state of the emergency is declared. I think the Premier, when he rises on these matters, needs to ensure that he has proper briefing and a proper knowledge of the process as how it is established. Many of the municipalities of western Manitoba have declared a state of emergency or a disaster area in, not a state of emergency, but a disaster in their municipalities. We respect that, and I think the Province of Manitoba should respect that.

What is required then in order for federal funds to kick in at certain levels of that disaster and on a province-wide basis is the province must also declare a disaster. That is what we were asking for in Question Period today. However, the Premier made it sound as if we were declaring a state of emergency, and that is not what we were asking for. Very clearly, in a state of emergency, there would have been evacuation orders that would have been put in place. Emergency Measures would have moved in and taken certain action from a provincial standpoint. There might have been federal assistance through armed forces being brought in and all those kinds of things. That is what happens in a state of emergency, and I think the Premier had it all wrong when he tried to answer the question.

I also want to indicate to this House that not only is the disaster that we are experiencing in this province today just on the western side of the province. I was just talking to people in the R.M. of Piney, the R.M. of Stuartburn, the R.M. of Franklin and the R.M. of La Broquerie this morning, and it appears that in the R.M. of Piney, they had six and a half inches of rain. The roads are being washed out as we speak. Even part of the hard surface road in Piney is being washed away and will have to be resurfaced. That is how serious it is.

*Mr. Speaker in the Chair*

There are pastures where cattle are grazing. I was told this morning that cattle are up to their stomachs in water. I think this is clearly an indication that when you have six to six and a half or seven inches of rain in a given area of the province that is as flat as the R.M. of Stuartburn, the R.M. of Franklin, the R.M. of Piney are, major assistance is



required to get these people through this when they have to move cattle, when they have to rebuild roads, when municipalities have to reinstall culverts, or regravels roads. All those kinds of things add costs to their operation that simply are not normal, and therefore the province should declare a disaster in this province to assist those municipalities and those individuals that are going to have abnormal costs added because of the heavy rains that we have seen over the last number of days.

One only has to experience once in a lifetime a situation where one is virtually not allowed on their land to seed their crops, and I say to you, Mr. Speaker, that the whole area east of the Red River, right to the Ontario border and then north up to La Broquerie, and maybe even farther north than that, will probably not seed a major portion of their land this year. This is the second time that that area has seen a disaster such as this, and I believe it is imperative that the Province steps in and provides them with the kind of assistance that is needed, not declare a state of emergency as the Premier was referring to but, indeed, a disaster area.

When one recognizes, and I have some sympathy for these people when on our own farm last fall because of the huge amounts of moisture that we got last fall we simply could not harvest almost 3000 acres on our farm, and there are many people east of the river that were in a similar matter, and they actually put their combines in the field and tore up their fields and those tracks were full of water—

**Mr. Speaker:** Order.

#### Point of Order

**Mr. Speaker:** The honourable Government House Leader, on a point of order?

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, I think I had heard the member say that he was rising on a matter of privilege. I have not heard anything about the exercise of powers of parliament or anything remotely resembling a matter of privilege. I am wondering did I mishear the matter. Is this a grievance that the member is up on, or is this a debate because I did not call debate yet?

\* (15:10)

**Mr. Speaker:** On the same point of order? The honourable Member for Emerson, on the same point of order.

**Mr. Penner:** On the same point of order, I think one has to make the prima facie case before and I think the honourable Government House Leader knows that. I was making the prima facie case for the point I am going to raise with the minister and with the government.

**Mr. Speaker:** On the point of order, when up on a matter of privilege, it is to convince the Speaker that it is to deal with a prima facie case and it is not the time for debate yet unless—

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

**Mr. Speaker:** Order. If I do end up ruling it in order then that would be the time for debate, but right now it is to convince the Speaker that this is a prima facie case.

\* \* \*

**Mr. Penner:** Mr. Speaker, I rise simply at the earliest opportunity because the Premier (Mr. Doer) stood today in this House and told this House, gave this House certain information that simply was not factual under a disaster situation. He tried to portray this as a state of emergency which it is simply not. It is a disaster as normally declared under a disaster kind of a situation.

What we have asked for simply is to recognize the fact that some municipalities in this province have declared a disaster in their area. The next step that has to occur, Mr. Speaker, is that the Premier must also then declare a state of disaster in that area in order for the programs to kick in and be made available to the municipalities and the people of that area.

So, I am saying to you, Mr. Speaker, that what this House heard today was simply not factual information. The Premier (Mr. Doer), and I will not use the word "deliberate," but the Premier misled this House today in clearly putting—*[interjection]* Well, we will read. The Minister of Agriculture (Ms. Wowchuk) says, "you are wrong." Let us read Hansard and see what kind of information he put on the record and then we will know.

So I would like to move, Mr. Speaker, seconded by the honourable Member for Kirkfield Park (Mr. Murray), that the Legislative Assembly ask the Premier to clarify his statements to the Legislature

dealing with the matter of declaring a disaster area versus a state of emergency and which declaration constitute evacuation and which declaration would require the Province and the federal government to assist in paying for and through Disaster Assistance.

**Mr. Speaker:** The honourable Government House Leader, on the same privilege.

**Mr. Mackintosh:** Well, Mr. Speaker, that was just a presentation that had nothing to do with privilege, in our view, absolutely nothing to do with privilege. He did not in any way cite any rule, any precedent. He did not even make an allegation of deliberately misleading the House. This is simply a dispute on the facts and nothing more.

**Mr. Speaker:** The honourable Official Opposition House Leader, on the same privilege?

**Mr. Leonard Derkach (Official Opposition House Leader):** Yes, on the matter of privilege, Mr. Speaker. I do not have the motion in front of me at this moment, but this is a fairly serious matter as well.

Mr. Speaker, in the questions that the Leader of the Opposition was posing today, he was asking the Premier (Mr. Doer) to declare a section of our province as a disaster area, and it is not. We are not going to get into the issue of whether the Premier has done his job or not in declaring that area as an area of disaster. The issue here is that the Premier was twisting the question that was asked, and he was misleading us in indicating that in order for us to be able to call this a disaster area, that we would have to bring in a state of emergency where people at the local level no longer had authority.

Mr. Speaker, this is a clear misleading of Manitobans and this House because when you ask for a state of emergency that is a completely different matter. What we were asking, what the Leader of the Opposition was asking for today was that this area be declared an area of disaster. It means that an act of nature occurred in an area of a disastrous nature. It does not mean that we will impose emergency measures on that area. That is the last thing that we would be asking for. In the Premier's response he was misleading this House in that he was indicating that the Leader of the Opposition was asking for a state of emergency, which was not the case.

Now, Mr. Speaker, we could say that that is a dispute over the facts, but this is too serious a matter for that. This was a clear indication of where the Premier was deliberately misleading the members of this House that the Leader of the Opposition was asking for a state of emergency, which was not nearly near what the Leader of the Opposition was asking for. He was asking that this area be declared an area of disaster. If you look at the area and look at the circumstances, this indeed, even the Minister of Agriculture (Ms. Wowchuk), if she is really alert to what is happening out there, who is the Deputy Premier as well, would be encouraging her Premier to declare this area an area of disaster. I am going to point at her as the MLA for Swan River, who accompanied me when her area was under severe flood because of excessive rainfall and in that time, we declared her area as a disaster area. Why did we do it? Because then it allowed that area to be able to be able to access all of those supports that are needed when an area is declared a disaster area.

Now, my area today, the area that I represent, the area that the member from Minnedosa represents, the area that the member from Arthur-Virden represents, are all encompassed in a situation that is absolutely no different than what she experienced back, I think it was, in 19—what was it '89?

**An Honourable Member:** '88.

**Mr. Derkach:** Eighty-nine, it was 1989, Mr. Speaker, and I remember that very vividly. The member who was then the MLA accompanied us. We did go into the area. We landed the helicopter in areas where there was clear devastation, and it was the Premier, who was then the Honourable Gary Filmon, did pronounce that area as an area that was a disaster zone. Now, when we did that, we did that so that that area would have the comfort, where people were already under extreme stress were able to access all of those supports, provincial, federal supports, that are designed for areas that are declared disaster areas.

Now here we have, Mr. Speaker, a situation where the Premier now is trying to twist these things and say, "Well, I am not going to declare it a disaster area because then we have to announce a state of emergency." Well, that is foolish. What is even more foolish is the First Minister would put this kind of thing on the record and deliberately, I say deliberately, mislead Manitobans into believing that

they do not qualify for a disaster area because then we would have to impose all of these emergency type of measures upon them.

So, Mr. Speaker, the Member for Emerson (Mr. Penner) here is very, very accurate in putting forward this matter of privilege because it calls the Premier to attention on an issue that is very, very important, and very, very serious in the western part of this province, and one that the Deputy Premier who is listening to my remarks needs to encourage her Premier to declare this area, as her area was back in 1989, an area of disaster, where we have to address the issues in a very, very careful and a very, very prudent way, and very quickly, as well, because these people in this area are suffering.

So, that is why, Mr. Speaker, I think that the member from Emerson has a very appropriate case here and a compelling one which I think needs to be considered as a matter of privilege in this matter.

\* (15:20)

**Mr. Speaker:** A matter of privilege is of serious concern. I am going to take this matter under advisement to consult authorities and will return to the House with a ruling. Now we will move on to Members' Statements.

## MEMBERS' STATEMENTS

### Weekend Events in the Constituency of Pembina

**Mr. Peter Dyck (Pembina):** Mr. Speaker, it is my pleasure to rise in the House today to speak about a number of events that I attended in my constituency of Pembina.

On Friday, I attended a noon luncheon at the Boundary Trails Health Centre where the CEO Neil Walker and Linda Buhr were giving an update about the Central Regional Health Authority. It was very disheartening to learn that this health authority has about a \$2.5-million deficit due to the fact that it had been underfunded for the last while and they are expecting many more services to take place there.

After this luncheon, I attended the 50th anniversary celebration of the Morden-Pilot Mound 4-H Rally at the Manitou Fair Grounds. The grounds were filled with former and present 4-H members as well as their friends and families. There were

historical records in the form of club scrapbooks as well as club uniforms and project books. I must recognize the organizers of this event. Brian Nedohin, Linda Sprung, Linda Fehr and Nicole Shore for the tremendous job that they did. They did an excellent job of organizing this event.

Then on Saturday, I had the opportunity to attend the opening of Cardon Motors. The proprietors are Don and Karen Friesen and they were celebrating the opening of their new business selling and repairing used cars and trucks. It was a wonderful event and I wish them much success in the future. Mr. Speaker, it was interesting to see the number of people who attended the event and took part in the festivities.

Then on Sunday afternoon for the Back Forty Folk Festival which took place in the Morden Park, and despite the lack of sunshine, the festival with its three stages of entertainment was very successful. I congratulate the chairperson, Jeannie Nickel, for all her hard work. Thank you very much, Mr. Speaker.

### Mrs. Helen Steinkopf

**Hon. Tim Sale (Minister of Health):** Mr. Speaker, before I start my statement, I want to thank the House Leader of the Opposition (Mr. Derkach) for facilitating my ability to do this. Ministers do not usually speak in this time frame and I appreciate his willingness to let me do that.

Mr. Speaker, I want to mark the passing of Helen Steinkopf, known to many of us on both sides of the House. We suffered a great loss when the social justice advocate, Helen, passed away at the age of 86 recently.

Helen was a selfless and courageous woman who fought to protect the rights of the disabled for over 50 years. After giving birth to a daughter Justine with Down syndrome, Helen defied the usual practice of placing her child in an institution in order to keep her daughter at home. This single act of courage inspired a lifelong dedication to advocating for people with disabilities.

Over several decades, Helen helped to establish and volunteered with several local disability organizations including Premier Personnel, one of the first

supported employment programs for people with disabilities. In recent years, much of her time and energy went to help create Continuity Care, a non-profit organization designed to help families plan a safer and more secure future for their disabled relatives once the parents had passed away.

Mr. Speaker, Helen was an extraordinary woman. For example, she always welcomed a new challenge. She was camping on Lake Manitoba in the middle of the winter in her seventies learning how to use a quinsy. She was just an extraordinary human being who always welcomed the future with whatever it brought with great verve and a great sense of humour. She was regarded highly by all her colleagues, by all of us in the community, all of whom can attest to her dedication to the disabled community.

On behalf of our government and, I believe, all members of this House, I would like to extend my deepest sympathy to Helen's six children, as well as the rest of her family and friends who loved her dearly. Thank you, Mr. Speaker.

#### **Mr. Brad Bird**

**Mr. Larry Maguire (Arthur-Virden):** Mr. Speaker, I rise in the House today to pay tribute to Mr. Brad Bird who last month completed his Border-to-Bay walk to raise money for the Heart & Stroke Foundation.

Mr. Bird resides at Lake Metigoshe where he writes, traps and works seasonally as a senior interpreter at the Turtle Mountain Provincial Park.

Mr. Bird's story of adventure which he wrote and was reported in the May 22 issue of the *Winnipeg Free Press* indicated that Mr. Bird set out from his home on January 25, 2005, and completed the 1635-kilometre trek to Churchill 90 days later on April 24.

On his journey he faced many challenges including high winds, blinding snow, at least 40 degrees below freezing temperatures and illness which included pneumonia. However, what he will remember the most is the many fond memories of the communities he visited, the beautiful landscape and the warm reception that Manitobans gave him as he persevered.

Along the way, Mr. Bird promoted physical activity, healthy habits and nutrition. True to his

rural roots, he said that it was very important to him to encourage people to eat beef as part of a healthy diet and also to support local farmers he knows are struggling from the BSE crisis.

This winter trek also may be the longest of its kind in Manitoba's history. Mr. Bird says that it was well worth his effort to raise money for a charity whose research is so important. Presently, cardiovascular disease is the leading cause of death in Canada and the United States. Mr. Bird had set his sights on raising \$50,000 for the Heart and Stroke Foundation of Manitoba, and donations can still be made in honour of Mr. Bird's Border to the Bay Journey by calling 949-2000 here in Winnipeg. I would urge everyone to participate in this worthwhile cause.

I have had the pleasure of meeting Mr. Bird many times, but particularly each July at Métis Days. I urge everyone to be there again on July 1, 2 and 3, Mr. Speaker. Thank you very much.

#### **Cornish Library**

**Mr. Rob Altemeyer (Wolseley):** Mr. Speaker, I rise today to inform the House that on June 15 the Cornish Library, located in my constituency of Wolseley, will be celebrating 90 years of public service.

The Cornish Library was designed by architect S. Frank Peters and built in 1914 by the National Construction Company of Winnipeg with funds provided by the Carnegie Foundation. It was named after Winnipeg's first mayor, Francis Cornish and was built in Armstrong's Point, replacing the original Winnipeg Water Works.

The Cornish Library is not only a library but also an important piece of Winnipeg's historical heritage. Through the years, prominent users of the facility have included instrumental figures such as Ralph Connor, Ann Henry, Dorothy Livesay, as well as Nellie McClung, who conducted lectures in the basement.

Mr. Speaker, the value of neighbourhood libraries such as Cornish cannot be overstated. By giving community members of all ages a place where they can go to learn, expand, improve and entertain themselves, they provide an invaluable service.

Our government recognizes the important place local libraries hold in their communities. That is why

last Friday I was very pleased to present Friends of Cornish with a heritage grant cheque to maintain the Cornish Library. I would like to thank Patricia Thomson, Sandra Thusberg, Ardythe Basham, Linda Sigurdson-Collette and Barbra Tiller for working with me to make this possible.

Mr. Speaker, I would like to encourage all members of the House and the broader community to attend a series of celebratory events taking place next week at Cornish in recognition of their 90th anniversary. These events include an open house on June 15 from 1 to 8:30 p.m., a reading by Governor General's Award winner Miriam Toews at 7 p.m. on June 16, and a family fun day from 1 to 4 p.m. on Saturday, June 18.

On behalf of our government, I would like to wish everyone at the Cornish Library a happy 90th anniversary. I would like to thank all the staff and volunteers who have worked selflessly over the years to make the Cornish Library a friendly and vibrant part of the Wolseley community. Thank you.

#### Committee Meetings

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, I want to take this opportunity just to comment in terms of how bizarre this government is in terms of being able to organize government business.

I sat in committee last night and listened to presenter after presenter. There was a great deal of frustration. People do not understand how a government can be so incompetent in terms of being able to organize a proper public meeting. We had three pieces of legislation: the Crocus, the planning and the teachers' pension all being planned in one committee room, knowing full well, Mr. Speaker, that we had dozens of speakers that wanted to be able to present.

So we had a bizarre situation in which you had people wanting to present on the teachers, and you had people wanting to present, in particular, in regard to the planning. You go through the rural members. You had people that were dropped off. I would suggest that members, and particularly the Government House Leader (Mr. Mackintosh) and the Premier (Mr. Doer) of our province, read some of the comments made by the presenters. If you talked to some of them, Mr. Speaker, you will find that there

was just absolutely amazement on how it is the government would orchestrate public affairs in that nature.

I was somewhat embarrassed, and I was not the one that organized the meeting, Mr. Speaker. Speaker after speaker quite often made the comment, especially when we started to get into the wee hours, as to why it was that we were doing this in the way in which we were managing it.

We sat past midnight, and I understand that there were agreements from the past that said look we want to provide more decorum. Government comes in and, you know, we want to be able to accommodate individuals who come in from rural Manitoba so we allowed to continue past midnight. It just confuses me as to why it is the government cannot better operate the functions and roles of managing government business. Thank you, Mr. Speaker.

#### GRIEVANCES

**Mr. Speaker:** The honourable Member for Charleswood, on a grievance.

**Mrs. Myrna Driedger (Charleswood):** Thank you, Mr. Speaker. I am pleased to stand and have some time to address some of the outstanding issues of mismanagement by this government. I do not often stand and grieve in terms of what the government is doing, but there are so many things that are happening right now that it certainly begs some comments on the record about this.

There are many areas that the NDP government is demonstrating its inability to manage, and while I will focus largely on education, I do also want to indicate that health care certainly is in crisis, in many instances put in crisis by this government because they refuse to look at some options to deal with the long waiting lists particularly in orthopedics.

We certainly see in Agriculture a number of areas of mismanagement by this government, particularly in dealing with the BSE issue.

In Family Services, we see some gross mismanagement, and I would even say negligence on the part of this government in dealing with some incredibly serious issues where red flags have been going up all over the place, and we have got a Minister of Family Services (Ms. Melnick) that basically is disregarding all of them.

Certainly, with the whole issue of Crocus, we have heard how 33 000, 34 000 Manitobans are being fleeced by this government and losing tens of millions of dollars because we have a government that did not heed red flags that were waving in front of their faces for a couple of years.

With education, we also see red flags in a number of instances actually in education, and retired teachers were even pointing out some more this morning that this government is basically ignoring all of these warning signs that have been coming their way.

We should not be terribly surprised though because this government has been warned in the past about a number of issues, and I can refer to just a couple of those issues that I had warned the Minister of Health (Mr. Sale) about over the years, and those were the red flags that I waved in front of his face on the ER crisis and on the cardiac surgery crisis. This minister had at least a year's warning on each of those. He had time to act and do something about it, and instead he chose to ignore those warning flags that were put in front of him at that time in health care, and he only rose to the occasion, and did not even do that particularly well, but rose to the occasion after people started to die, and it is unfortunate, because in cardiac surgery I think it is just gross mismanagement and negligence that 11 people have to die before we have a government that stands up and reacts to anything related to the cardiac surgery crisis. With the ER crisis, it took people dying in the ERs, and mothers losing their babies, miscarrying in the ERs, before this government took any of this seriously and acted.

So there seems to be a trend in this government of mismanagement and a wilful disregard for red flags that are put in front of them and a wilful disregard for people and issues that are brought forward to them that they should be taking or making more time for and paying more attention to.

I imagine some of that could be happening right now because the government certainly does seem to be tired. They are extremely disorganized, and I have to say if it was not for our House leader in the last few weeks, we would find this government in absolute disarray because they are not managing the business of this House. They are not managing what they are supposed to be doing, and it is only by the

grace and good will of our House leader that things are moving in this Chamber and in this House.

We have got a Premier (Mr. Doer) of this province right now running all over Manitoba, not here as much as he should be, and his caucus is in disarray because he is not paying enough attention. Mr. Speaker, he probably is distraught about what is happening in the Crocus crisis and he is probably trying to avoid having to face it. So, rather than facing the public here, he is out looking for further opportunities for himself down the road by avoiding the things that he should be dealing with here. I think if he stuck around a little bit more, we might find that this NDP government gets a little more focussed on what they should be doing, instead of dragging their heels.

This morning and last evening was a perfect example.

We have just heard a private member's statement from the Liberal member that talked about some of the aggravation that this government caused people last night in committee when we had three major bills before a committee with over 60 presenters, and, somehow, NDP math made them think that, well, maybe, they are going to get through this in a period of about five and a half hours of committee. Why they would even possibly insult people by making them come in and sit there and, in fact, as it was pointed out by retired teachers this morning, half of the room was left standing because there was no room. There was not enough room for people to sit down. We had a room overflowing with people because this government could not get its act together, was so poorly organized, that these people were forced to stay here last night until 1:30 in the morning, and then come back at 9:30 this morning, and then again at 6:30 this evening. It was only by suggestions by this side of the House that there were more people accommodated in trying to give them a better comfort level in terms of presenting.

But, Mr. Speaker, I am rising today to grieve the actions of the Minister of Education (Mr. Bjornson). Now, as this session draws to a close, I know a lot of Manitobans are going to reflect upon what has been an absolutely disgraceful performance by this minister. This session, we have seen this minister misunderstand his own bullying legislation. This session, we have seen this minister mislead the House regarding the Seven Oaks School Division

and the Swinford Park development. We have seen this minister drop the ball on Bill 13, which is supposed to guarantee appropriate and inclusive education for every Manitoba child. We have also seen this minister treat teachers, and especially retired teachers, with contempt and disrespect and a number of retired teachers were quite clear in putting that on the record during committee.

Despite the many pronouncements of the minister regarding the Safe Schools Charter, we found that he knew very little about his own legislation, and this was his own first piece of legislation as the Minister of Education. You would have thought he had a little bit closer ties to it in understanding it, and a commitment to pass it through, but he brought it forward, and then totally forgot about it. To begin with, we learned that the legislation is not even in place, and that we are still waiting, according to the minister, for regulations on certain sections. Well, even one of his own officials said that regulations are not needed, that that act, once passed, should have been fully implemented.

So, when the minister was questioned about how many schools had codes of conduct, the minister did not know. Considering that the legislation said that codes of conduct were to be immediately put into place, this minister did not know when asked about this a year later. For a whole week, every time the minister opened his mouth a different number came out of it. Further, the answer he gave when he was in the House would change when he walked out of the House into a scrum. This whole affair was a confusing and disappointing one. Manitobans deserve better out of their Minister of Education, and this NDP government.

Sadly, we were only at the beginning of the minister's misadventures for 2005.

Mr. Speaker, on May 2, the official opposition raised some serious questions about the actions of the Seven Oaks School Division. It appeared as if the division was risking taxpayers' dollars to develop a residential community. At the time, little was known about the issue, except that the division had partnered with the Lombard North Group to develop between 70 and 100 lots, it appeared, and that local taxpayers had been footing the bill of about \$2 million.

\*(15:40)

The minister stood in his place in this House and said that he was not even aware of the issue. He said that this was the first he had been made aware of it when asked the question in the House. That the minister would be unaware of such a scheme seemed fairly unbelievable, but you had to give the minister the benefit of the doubt because it was just a few weeks earlier that this same minister did not know the finer points of his own Safe Schools Charter.

However, Mr. Speaker, the next day we learn that the minister was aware of what was going on in the Seven Oaks School Division, that he had known about it for a year and he had learned about it because a citizen sent him an e-mail of concern about the illegal land development that was going on and being conducted by the Seven Oaks School Division. So what did the minister do? He said he understood his own Public Schools Act. If he understood his own act, he should have known that that was a very serious allegation that came forward, and he should have paid more attention to it. Instead, it was just easier to pass it off to the Public Schools Finance Board to craft a letter for his signature.

Mr. Speaker, the Seven Oaks School Division then was spending \$2 million of taxpayers' money, and what were they spending it on? This coming from a school division that has almost the highest education property taxes in Winnipeg and spends the least amount on education per child in Winnipeg. They are taking \$2 million of taxpayers' money and they are putting it into illegal land development. They took \$2 million to build fences, run electrical wire, put in sewers, pave the streets, dig ditches and even build houses.

Eventually, the minister relented and asked his deputy minister to investigate the issue. Of course, the investigation was set up in such a way as to protect this government and to protect the minister because it did not go as far as it should to look at the whole mess. The ministers were all in the mess, and nobody should be surprised at the report that came out. It is nothing more than a whitewash that ends up asking more questions than it does provide answers.

Of course, it did state that The Public Schools Act had been contravened, but we knew that already. It did not take an Einstein or a brain surgeon to be able to read the legislation and know that that was illegal activity. When the minister got that e-mail he should have known about it. What we did not know

though, and we still do not know, is the role that the minister played in this and whether or not he is responsible in any way for this mess. The minister does not want to get to the bottom of it. He basically passed off all of this on to the Public Schools Finance Board. That in itself begs a lot of questions considering that the report says that standard operating procedure was not followed at any step, none. The entire handling of the matter was, and I quote, "highly unusual."

I do give credit to the deputy minister for digging as much as he could in 30 days to put this report together but what this report needs is certainly somebody else that can spend much more time and get into all of the facts and get to the bottom of this. I think what the department did, with the short period of time they had, was probably the best that could be done in 30 days. They have pointed to some very, very serious concerns that need to be addressed.

Particularly, what needs to be addressed is the role of the Public Schools Finance Board in this. We know that the board is appointed by the government. We know that this board is made up of some very strong NDP supporters. We know that the majority of people on the board are big donors to the NDP party. This group, supposedly, considering what their role is should have known that what was happening was illegal, but they encouraged this every step of the way. They approved it every step of the way, as Mr. Brian O'Leary has indicated.

He said that Mr. Zaidman is the chair and Mr. Nicholls is the vice-chair and the others on the board knew and condoned what was going on in the Seven Oaks School Division. Well, what was going on in the Seven Oaks School Division was actually illegal. The Public Schools Finance Board even toured Swinford Park in 2004. How could they tour Swinford Park, know that illegal activity was going on, and they did nothing?

Now we have a Minister of Education (Mr. Bjornson) that is not prepared to do anything. This Minister of Education needs to take some responsibility for what is happening in that department instead of allowing all kinds of people around him to pull his strings and behave like a puppet. He needs to definitively do something that addresses the disregard that the Public Schools Finance Board had for the law, but also, the information that they withheld from the Minister of Education. By the time they

finally got information, there were months and months and months before they passed it on to the Minister of Education. Somebody here is not doing their job, and we have a Minister of Education that has not been willing to address this Public Schools Finance Board, who should be fired, Mr. Speaker.

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

## ORDERS OF THE DAY

### GOVERNMENT BUSINESS

**Hon. Steve Ashton (Deputy Government House Leader):** Mr. Speaker, could you please call the bills in order?

### CONCURRENCE AND THIRD READINGS

#### Bill 9—The Manitoba Centennial Centre Corporation Act

**Hon. Steve Ashton (Deputy Government House Leader):** Mr. Speaker, I move, seconded by the Minister of Advanced Education (Ms. McGifford), that Bill 9, The Manitoba Centennial Centre Corporation Act, reported from the Standing Committee on Legislative Affairs, be concurred in and be now read for a third time and passed.

*Motion presented.*

**Mr. Jack Reimer (Southdale):** Mr. Speaker, I just wanted to put a few comments on record in regards to the bill that we have before us now. I know we had a presentation at committee on it. One of the individuals from the board made a presentation and explained some of the concerns that he had in regards to trying to update and modernize the bill.

I think that, as pointed out, the existing bill that they are operating on came into effect back in, I believe it was 1967, Mr. Speaker, so it has been a long time. It does need some update, does need some revision. It needs more accountability as has been pointed out in the bill.

There was one thing that we did have a bit of an objection to, and that is the increase in the board up to 15. I believe the member that made presentation indicated that they are at 12. That seemed to be a working board at the time, or as it is now. Being



increased to 15 is an additional cost to the Treasury of the Manitoba as the board members will be paid a stipend for sitting now, so there is a cost involved with the increase in the board. Also, the fact that an MLA will now be sitting on the board, that was not part of the original act that they were operating under. Now there is an MLA that will be appointed to that board at a cost, also, to the taxpayers.

So, Mr. Speaker, those were part of the concerns we had with the bill, but with those short words we are willing to let the bill pass.

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I rise to indicate that we are prepared to support the bill, but we hope that, when the dust settles, the government will be very clear on whom the MLA reports to and where he reports and whom he represents on this board, because there clearly was a lot of confusion when it came to Crocus. I recall the Premier (Mr. Doer) indicating that we could not figure out whom our appointee reported to, so I hope that the government will make it very clear on how and when the reporting arrangements are in this case.

\* (15:50)

**Mr. John Loewen (Fort Whyte):** Mr. Speaker, I want to put a few words in follow up to the comments I made on this bill during second reading. I hope that the government will do the right thing when it comes to implementing this bill and ensure this board just does not become another political patronage board where they slide in their own members to give them a little plum and see that they get a little extra pocket money for sitting on this board.

It is a very, very serious situation with regard to the operation of the arts in this community. They are a very valuable asset to this community, and we must ensure that the Centennial Corporation is there to provide the support that it can to these organizations so that they can thrive and survive in our community. To that end, it would be important that the government make sure that in appointing individuals to this board that they look at the broad community, that they make sure the board not only represents the broad community but, in fact, has business expertise on it, has people who have had considerable experience with arts organizations and in nurturing arts organizations within the city, particularly those involved at the level of the symphony, the opera and

the ballet who are reliant on the Centennial Corporation to be their landlord. Not that they would put somebody who would be in a conflict of interest, but they would just make sure that on that board there are knowledgeable people who listen to what the tenants have to say and make sure that the Centennial Corporation is responsive in every possible way that it can.

I would hope that the government would instruct the board members that they do appoint to ensure that they understand that a primary responsibility in being on that board is ensuring that the Centennial Corporation does, in fact, show support to the three major arts organizations in this community that rely on the Centennial Corporation, particularly on the Concert Hall, as their home venue. Without that venue, it puts them at peril, and the government, hopefully, has learned their lesson the hard way about that and will, hopefully, instruct their board members to act appropriately when dealing with those matters. Thank you.

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

**Some Honourable Members:** Question.

**Mr. Speaker:** The question before the House is concurrence and third reading, Bill 9, The Manitoba Centennial Centre Corporation Act.

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

#### **Bill 11—The Provincial Court Amendment Act (Justices of the Peace)**

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** I move, seconded by the Minister of Culture, Heritage and Tourism (Mr. Robinson), that Bill 11, The Provincial Court Amendment Act (Justices of the Peace), as amended and reported from the Standing Committee on Legislative Affairs, be concurred in and be now read for a third time and passed.

*Motion presented.*

**Mr. Kelvin Goertzen (Steinbach):** Certainly, we have had the opportunity now at second reading and within committee to put a few words on the record regarding Bill 11. The Member for Fort Whyte (Mr. Loewen) was referencing the previous bill and noted

that he hoped that the corporation would not simply become kind of a home for NDP appointments. I think that it segues nicely into Bill 11 and with some of the concerns that were raised at committee and now regarding judicial justices and is specific to the judicial justice portion of this bill not be staffed with community justices.

I think the point needs to be made again for the minister. He did not heed our advice in the media or second reading or within committee about putting in a higher bar in terms of who would be qualified to take on the role of a judicial justice. Certainly, it was impressed upon the minister by me and by other members of our caucus and by members of the community that, in fact, these judicial justices would be doing a very high-end function within the justice system. They will be dealing with issues of liberty. They will be dealing with issues of search and seizure. They will be dealing with contested motions, a number of different things within the justice system that individuals look to somebody who is very judicial in nature and has the background and experience to apply and to arbitrate these issues fairly and judiciously and to ensure that they are done in a way that instils confidence through our justice system, Mr. Speaker.

Yet the qualifications that are put into this legislation are that a judicial justice just simply needs to be 18 years old and living in the province of Manitoba. The concern there is that the courts will become another resting stop, another place of retirement or rest for NDP supporters and friends, and that is really not what it is intended to be.

It was concerning last month when we heard issues raised about the niece of the deputy premier who was appointed to the judgeship. Those issues were raised in the national newspapers. *The Globe and Mail* wrote a story about that particular issue, about the concerns that were raised in terms of perception in the justice system. I think when national newspapers and others start to look at Manitoba and question and wonder about appointments, that does, certainly, bring disrepute to us as a province.

Those are the sort of things, I think, that the government has to look at in relation to Bill 11 and judicial justices. To realize that, in fact, these individuals need to be qualified so that they not only give the kinds of judgments that are in accordance with our laws in our country, but that also are

respected by those who appear before the courts and all those who might just simply be watching and observing what happens in our court system.

The other issue that was raised by myself and others in this Legislature was in regard to the appointment process of judicial justices. The minister has put forward a nominating committee that will consist of one, the chief justice or their designate, quite often probably the designate, and two other individuals who are appointed by the minister himself. That certainly raises concerns again about who it is that might be put into those particular positions. When the minister controls the nominating committee by having two out of the three individuals appointed to that committee as his direct appointment, and then the qualifications are so basic, so minimal for the judicial justice, that does raise concerns about the kinds of people who might be put in there, whether or not they would have the appropriate experience.

Other suggestions came forward. Certainly, we recognize that it might not be conducive to have every member of the judicial justice to be a lawyer. We do have confidence in other individuals with like experience or similar experience, or just other judicial experience that they themselves could make good contributions within those positions, Mr. Speaker.

So we did ask, in fact, that the minister look at other ways, perhaps making one of the qualifications a level of experience, or perhaps experience in the community justice or the staff justice position before graduating, as it were, into the judicial justice position. That would give the requisite level of experience for the individuals who are moving to that higher level role.

It would give confidence, I believe, Mr. Speaker, to all members of the public that, in fact, when they appear before a court and they see these individuals wearing the green lace sash, they would know that they have a breath of experience to deal with the matter that brings them before the court and that they were not simply wearing green because they were members of the NDP party. That is not what justices are intended to do. It is certainly not what people expect within our system.

So I know that the minister has not heeded our words of caution on this particular bill, either in

second reading or in committee, but I do hope that the minister in exercising the powers that are given to him within this bill will be very careful to ensure that it does not simply become a patronage appointment. I know that Manitobans will be watching. We certainly will be watching this bill, Mr. Speaker, and just with those words of caution, I would like to leave that with the Minister of Justice. Thank you.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is Bill 11, The Provincial Court Amendment Act, as amended.

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

\* (16:00)

#### **Bill 18—Le Collège de Saint-Boniface Incorporation Amendment Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Advanced Education (Ms. McGifford, that Bill 18, Le Collège de Saint-Boniface Incorporation Amendment Act, as amended and reported from the Standing Committee on Social and Economic Development, be concurred in and be now read for a third time and passed.

*Motion presented.*

#### **House Business**

**Mr. Mackintosh:** Mr. Speaker, would you please call Supply at 4:30 p.m., and we will go into concurrence at that time? I understand there may be agreement of the House if you canvass it.

**Mr. Speaker:** Is there agreement of the House that at 4:30 p.m. I will call Committee of Supply. Is there agreement? *[Agreed]*

At 4:30 p.m., I will call Committee of Supply.

**Mr. Leonard Derkach (Official Opposition House Leader):** By leave, I would request leave of the House that we bring the Minister of Family Services

(Ms. Melnick) forward today for concurrence at 4:30 p.m., if that is agreeable.

**Mr. Speaker:** Is there agreement by leave that the Minister of Family Services will come at 4:30 p.m. for concurrence? *[Agreed]*

\* \* \*

**Mr. Speaker:** Now, I have already moved Bill 18.

**Mrs. Leanne Rowat (Minnedosa):** I would like to just add a few words in third reading on Bill 18. Committee was shared a few nights ago, and there were, I believe, five or six presenters who had several comments and recommendations made to the committee. The general consensus was that a healthier document would have been more satisfactory. I think that is pretty much a statement quote from an individual who had presented.

I guess, in a sense, we can justify that comment that a healthier document would have been more satisfactory and that when this bill was in committee, this government and this minister actually introduced seven amendments on a bill that is actually six pages in length. I think that speaks for itself, in that it is flawed legislation. There are issues with the amount of time and effort that was put into preparing this, and with little consultation by the minister with the stakeholders on the proposed bill.

It is evident that there was a consensus by all stakeholders that Bill 18 had many shortcomings, language issues, issues of not being aware that committee was going to be taking place, that committee was occurring on short notice and disappointment that they were not able to prepare submissions.

We actually received correspondence after committee, I believe the next day, on Thursday, from an individual who is a staffperson at St. Boniface College who was quite concerned that he had only become aware of the committee meeting late in the afternoon of May 31 and was unable to prepare submission in time for that evening. I think this speaks of this government's inability to consult with stakeholders to ensure that all members of the public have an opportunity to share their views on bills that are being passed.

Bill 18 did little to improve the ability of the St. Boniface College to enter into collective agreements

with other French language institutions of higher learning in Canada and abroad, and actually, in many ways, failed to properly address the issue of French as the official working language of the college. Those are just two key pieces that I think were shared over and over again by individuals presenting on behalf of the college and, actually, the University of Manitoba as well.

In fact, Mr. Speaker, one of the presenters took the time and made the effort of presenting their own proposed replacement law and it was actually prepared jointly by the administration and faculty, so these groups actually worked in consultation to provide the minister with a document that they believe better addressed the issues of the francophone community and the St. Boniface College.

So, Mr. Speaker, it is with regret and very disturbing that Bill 18 has moved without obvious consultation with the community, and I would have to say that consultation is key in legislation that is being prepared, because it should reflect the interests of the stakeholders in the community and the individuals who would have to work with this type of legislation.

In closing, I would just like to, again, indicate to the House that I look forward to working with the Francophone community as well as St. Boniface College, on ways that we can ensure that their best interests are being heard, Mr. Speaker, and will continue to ensure that their interests are moved forward. Thank you.

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

**Some Honourable Members:** Question.

**Mr. Speaker:** The question before the House is Bill 18, Le Collège de Saint-Boniface Incorporation Amendment Act—

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, just prior to the question on Bill 18, I know that the Leader of the Manitoba Liberal Party wants to put some words on the record. I just want to acknowledge that I did get a chance to speak to it in second reading. All in all, I see this as a positive thing, but, having said that, I understand the leader does want to speak to it.

**Mr. Speaker:** Okay. I had not completed putting the question, so I will recognize the honourable Member for River Heights.

**Hon. Jon Gerrard (River Heights):** I want to speak on Bill 18. We had a number of presenters at Bill 18 who indicated very clearly that there was an opportunity here to make the sort of changes that are needed for this act, dealing with the Collège universitaire de Saint-Boniface, that would make the change to l'université de Saint-Boniface and make sure that the appropriate changes in terms of governance were put in place.

Instead of taking the advice of people who were around the table who had put a lot of work into preparing the bill and the options for the government, the government on this occasion has decided that they are not going to listen to many of the people who are from Collège universitaire de Saint-Boniface. Instead, the government is going to make these changes which provide some tinkering. They do address some of the concerns that were raised by the Auditor General, but they do not do the job that people were really asking for. So, as a result of only doing part of the job, the government will likely have to come back in the fall and will reopen this bill and, once more, go back to work because only part of the job was done.

When a minister has a bill, and is looking at a bill, ministers should do a proper job, and, you know, get all the concerns raised at once and make the changes, instead of doing part of the job, and then having to come back later on and do the rest of the job. I think it is a good illustration of how poorly organized this government is that, you know, they tinker and do part of the job and then are in a position that they must come back, we expect, next year, but nobody knows for sure, to do the rest of the job.

That is, basically, the point that I wanted to make. There was an opportunity for better organization that the government could have taken and missed. We will support this legislation, but we would have much preferred had the government given us the whole package instead of only part of it.

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

**Some Honourable Members:** Question.

**Mr. Speaker:** The question before the House is Bill 18, Le Collège de Saint-Boniface Incorporation Amendment Act, as amended.

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

**Bill 20—The Life Leases Amendment Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Education (Mr. Bjornson), that Bill 20, The Life Leases Amendment Act, as amended and reported from the Standing Committee on Legislative Affairs, be concurred in and be now read for a third time and passed.

*Motion presented.*

\*(16:10)

**Mr. David Faurshou (Portage la Prairie):** I appreciate the opportunity to participate in the debate of Bill 20, The Life Leases Amendment Act, as proposed to the Assembly. We have had opportunity to discuss this bill at length, and I will say that there are a number of concerns being addressed through this legislation to enhance the legislation that was put in place by the previous administration, which, in fact, was the first legislation in all of Canada that recognized this particular type of development that fills a void, providing housing for persons primarily 55 years of age and over.

Mr. Speaker, the concerns that have been addressed within this bill, I believe, are completely supported by the life lease association in Manitoba. With that consultation, I appreciate that the government has done so.

However, Mr. Speaker, I have put forward concerns regarding the establishment of dates in this amendment that require the landlord to put forward a refund of entrance fees within 60 days, which, in fact, are monies that landlords as well as not-for-profit, tenant-operated facilities have relied upon to repair apartments that are in need of repair that go above and beyond the natural use of a residence. There still is an allowance within the amendment to call upon these entrance fees to supplement towards the repair of the facilities that security deposits will not completely fund so that restoration can be complete.

This will now be done by application to the Residential Tenancies Branch to have a decision by

the director as to whether or not encumbrances can be made or should be made on the entrance fee for the repair of the residence. But I still have a concern that at many occasions, the Residential Tenancies Branch is extremely busy, and I wonder whether or not it is always going to be made available to the life lease developments, a rendering of a decision by the director, within these 60 days.

Now, I have the assurance of the minister at committee that this will be given top priority and that once a request has been made for a decision and an appraisal by the Residential Tenancies Branch, this will be done on a priority basis and there will be a decision prior to the lapsing of the 60 days, at which time the entrance fee must be refunded by this legislation's order.

It is a concern, as I say, because the last thing we want to see is not-for-profit organizations having to run after former tenants, perhaps at 63 or 65 days, for monies to repair a facility which was occupied because the monies had just been returned the week previous. So, Mr. Speaker, I have and remain with that concern.

This does, as I say, enhance some of the concerns that have been raised and does make allowances for rent increases by not-for-profit organizations with more than one occasion within the year to address situations that may develop that require resources and immediate attention. So I believe for the most part this act does address some of the concerns that have been raised, but I will say that this legislation does lead the nation and is, if you will, a work in progress and I trust that the line of communication between government and life lease organizations in the province will continue to be open so that amendments required will be brought forward at a later date.

So thank you very much, Mr. Speaker, and I believe we are ready for the question.

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

**Some Honourable Members:** Question.

**Mr. Speaker:** The question before the House is Bill 20, The Life Leases Amendment Act, as amended.

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

**Bill 24—The Consumer Protection Amendment Act (Cost of Credit Disclosure and Miscellaneous Amendments)**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Aboriginal and Northern Affairs (Mr. Lathlin), that Bill 24, The Consumer Protection Amendment Act (Cost of Credit Disclosure and Miscellaneous Amendments), as amended and reported from the Standing Committee on Legislative Affairs be concurred in, and be now read for a third time and passed.

*Motion presented.*

**Mr. Denis Rocan (Carman):** Mr. Speaker, once again, I would like to inform the House that we have had discussions on this particular piece of legislation, and we currently do not see any problems with supporting this particular bill as we move it through forward. Again, this particular piece of legislation, which, I believe, in attempting to harmonize consumer protection, was an agreement that was done by the federal government and several other provinces back in 1996.

Two provinces, I believe, are currently using this particular piece of legislation, that being Alberta and Ontario. British Columbia and New Brunswick, presently, as we have been notified, have passed this legislation, but have not enacted it as of yet, so Alberta and Ontario are basically the only two that have actually proclaimed it.

The providers are now required to disclose the cost of accessing this service to clients, that being consumer mortgages. We believe this to be good and, indeed, beneficial to the clients that they will be serving. The borrowers must be given access to details of fees and charges before they agree to obtain a credit from a particular lender. This disclosure of advance fees and these details will give a little bit more comfort to the individuals prior to signing.

The annual percentage rate calculation, which is value received and, indeed, the value given, these are fundamental concepts in the APR calculations. These are clearly defined, that being the value received as the cash value and associated optional services that a borrower receives when they are getting their credit.

The open loans will need to have their credit limits, required pay periods, minimum payments,

initial interest rates and compounding periods, administration and finance charges, brokerage fees and maximum liability clearly stated at the time of application.

Mr. Speaker, the other thing that they reference to in this particular piece of legislation is the fact where a borrower who is involved in a, I will call it a rent-to-own situation and agreement, if this particular lender individual would miss a particular payment on a specified date, but he would remedy the situation before the end of the agreement, the borrower will not be considered to have violated the agreement and will not have to forfeit his right to ownership of the item in question.

This, we believe, will sort of help individuals along because there are some unfortunate instances where an individual would have to miss a particular payment, for whatever reasons he or she might default on that particular month; but, if they were to play catch-up, if you will, they would be deemed to be in good standing.

The unfortunate penalties have increased substantially, and rightfully so. The fines under the act are increased from \$3,000 to \$10,000 for a first offence, and from \$10,000 to \$25,000 for subsequent offences for individuals. Corporations are increased from \$10,000 to \$25,000 for first, and then ramping it up from \$25,000 to \$100,000 for subsequent offences.

\* (16:20)

We, at this time, again, take pleasure in the fact that we can support this bill, and that we are pleased that this bill will proceed, and be proceeding in the House. We look forward to the implementation of this, which I believe will come sometime in 2006 after regulations will be set out. I believe there will be public consultations that will be held in the formation of these regulations.

So we look forward at this time to this particular bill moving forward. Thank you very much, Mr. Speaker.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is Bill 24, The Consumer Protection Amendment Act (Cost

of Credit Disclosure and Miscellaneous Amendments), as amended.

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

### **Bill 26—The Margarine Repeal Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Aboriginal and Northern Affairs (Mr. Lathlin), that Bill 26, The Margarine Repeal Act, reported from the Standing Committee on Social and Economic Development, be concurred in and be now read for a third time and passed.

#### ***Motion presented.***

**Mr. Ralph Eichler (Lakeside):** I just rise to put a few things on the record regarding the final reading for Bill 26, The Margarine Repeal Act of The Margarine Act. I know that this bill was brought forward as a result of the dairy producers of the province of Manitoba. I know there is lots of debate that has been put forward back and forth on this particular bill. We would like to see it move forward, and have the L-G come in and have the bill proclaimed.

Just having said those few words, Mr. Speaker, I would like to see it carried forward. Thank you.

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

**An Honourable Member:** Not yet.

**Mr. Jack Penner (Emerson):** Mr. Speaker, just to put a few words on the record on this bill. When you travel across this country and you look at how the various jurisdictions deal with this matter, and when you recognize how much of an importance some people actually put into such things as colouring their margarine, or colouring butter for that matter, or putting salt in, or adding salt to margarine or butter, you know, I was speaking to one person the other day, and I told him that we were going to do The Margarine Repeal Act. The first thing he said to me was "Whatever you do, do not dare colour my margarine. I like my margarine the way it is."

I think, Mr. Speaker, that is clearly an indication as to how important some things are to people that other people take for granted. I think we all

remember, we remember, well, when the colouring of margarine was only allowed if you did it at home and you did it yourself. You bought margarine and there were actually little packets of colour that were, I guess I am old enough to remember this, added to the margarine. You had to mix it up, stir it yourself and colour your own margarine. I honestly do not know what the content was of that colour, but it did add a nice aspect to it.

The one thing I think that is important to recognize about this bill is the dairy producers and the margarine producers have been at odds for many, many years on this matter. I know that the butter producers or butterfat producers in the province had a real concern initially about the colouration of margarine. They wanted to see the difference between butter and margarine, and the different colours demonstrated that clearly on the shelf.

I think it is absolutely imperative that we recognize that the dairy producers came to us and said that we would like you to support this bill. I think that demonstrates how far we have come in the debate on this matter. I think we all realize that there are certain people that prefer vegetable fat, such things as canola oil and other oils that are used to make margarine, manufacture margarine. Some people deem one product healthier than others. I know, for instance, my mother-in-law, if she comes down to visit, we have to have margarine for her because she eats margarine. She will not eat butter. I am just of the opposite. I have always said that the reason we are so healthy is because we eat nature's own product. I believe butter is one of the first and primary spreads that go back to biblical times. The Arabs, or whoever they were, would milk their cows and they would make butter and cheese and they would—*[interjection]* Yes, exactly, make butter and cheese.

**An Honourable Member:** Camels.

**Mr. Penner:** Yes, they even had camel's milk or goat's milk and all that sort of stuff, made wonderful cheeses out of them, but the fact of the matter was that butter has been around forever. The margarines, they used other fats and stuff like that to make the margarine, a more recent occurrence on the grocery store shelves. But I think it is important to note that the dairy producers have come along now and said, "We agree with this bill. Let's get on with life. Let's get with it." We, certainly, on this side of the House,

will support this bill in support of the dairy producers and everybody that eats butter and margarine.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is Bill 26, The Margarine Repeal Act.

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

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

**Hon. Gord Mackintosh (Government House Leader):** 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, reported from the Standing Committee on Social and Economic Development, be concurred in and be now read for a third time and passed.

*Motion presented.*

**Mr. Ralph Eichler (Lakeside):** Mr. Speaker, I just want to put a few things on the record in regard to Bill 27.

I know that it is a very important bill, and we on this side of the House want to make sure that this bill is proceeded with. I know that the other day in committee—*[interjection]* I know that they all want to hear what I have to say, Mr. Speaker. I know it is so important that each one of us make sure that these records are clear. We know that on this side of the House that this bill is important to the rural development. The people in rural Manitoba want to make sure that this bill is passed.

So, having said that, we will go on with proceeding with Bill 27.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is Bill 27, The Horse Racing Commission Amendment and Horse Racing Regulation Repeal Act.

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

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

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Aboriginal and Northern Affairs (Mr. Lathlin), that Bill 32, The Rural Municipality of Kelsey By-law No. 5/02 Validation Act, reported from the Standing Committee on Social and Economic Development, be concurred in and be now read for a third time and passed.

*Motion presented.*

\* (16:30)

**Mr. Gerald Hawranik (Lac du Bonnet):** Mr. Speaker, I will just put a few brief words on the record because I did put many words on the record during second reading. We support the bill, but my main concern about the bill is the fact that the minister himself has taken three years to propose this legislation in front of this House. I think it had taken much too long, considering the fact that the Rural Municipality of Kelsey did, in fact, pass this by-law in 2002, Mr. Speaker. Thank you.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is Bill 32, The Rural Municipality of Kelsey By-law No. 5/02 Validation Act.

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

The hour being 4:30, as previously agreed, the House will now resolve into Committee of Supply.

**COMMITTEE OF SUPPLY**

**Concurrence Motion**

**Mr. Chairperson (Conrad Santos):** The Committee of Supply has before it for our consideration the motion concurring in all Supply resolutions relating to the Estimates of Expenditure for the fiscal year ending March 31, 2006.



The floor is now open for questions.

**Mrs. Mavis Taillieu (Morris):** Mr. Chair, I want to thank the minister for providing the document in regard to the Aiyawin Corporation. Just a few questions there.

In reviewing the document provided, a number of recommendations appear to be on the agenda for an annual general meeting, which is slated for June 15.

Can the minister say whether that meeting is to take place on June 15?

**Hon. Christine Melnick (Minister of Family Services and Housing):** We have received no notice of an AGM meeting at Aiyawin on June 15, and certainly that is a concern.

**Mrs. Taillieu:** Well, Mr. Chair, it is apparent that none of the residents at the Aiyawin Housing Corporation received notice of an annual general meeting which was to be in the corporation time line. This was to go out in March of 2005 and that did not happen, is my understanding. If there is no meeting, then it appears that none of these concerns will be addressed. My question would be to the minister, if she is confident that the funding that has been forwarded to Aiyawin from January 1 until the present date, is she confident that that money is being appropriately spent.

**Ms. Melnick:** We have put a professional property manager in place in Aiyawin to monitor the financial dealings. She is not in a decision-making position, Mr. Speaker, but she has been monitoring on an ongoing basis and I have not been informed that there have been concerns about the decisions made around the use of the monies since the professional property manager has been put in place.

**Mrs. Taillieu:** So is the minister saying that she is confident that the money that has been allocated, funding for Aiyawin, is being appropriately spent over these last six months?

**Ms. Melnick:** Again, I have not been made aware of any concerns since we have had the property manager in in a monitoring capacity.

**Mrs. Taillieu:** Has the property manager been submitting reports to the minister?

**Ms. Melnick:** The property manager has been reporting to the ADM of Housing, and I have been kept up to date with concerns, with issues, at Aiyawin through the ADM and through the deputy, and no concerns, as the member is inquiring about, have been raised to me.

**Mrs. Taillieu:** There seem to still be a number of concerns at Aiyawin. I think that the minister will agree with that. I am wondering if there has been a service purchase agreement in place with Aiyawin.

**Ms. Melnick:** The agreements with the housing organizations, the urban native housing organizations, were negotiated throughout the mid-nineties when the federal government decided that they would no longer be involved in public housing, and there were negotiations ongoing with the provinces to take over the agreements for working with these organizations. They are self-managing. That happened during the mid-nineties and there are agreements which were signed by the previous administration, so those are the agreements that we work toward. It is not a service purchase agreement as might be seen in other areas of the department. These were inherited when the social housing agreement was negotiated. I believe it was basically the time frame of '93 to '95 and perhaps some of the agreements were also signed in '96.

\* (16:40)

**Mrs. Taillieu:** Mr. Chair, so after the concerns were raised at Aiyawin last November, the minister did an operational review, some recommendations were brought forward. Those do not appear to have been acted on. Funding has been ongoing. I am curious, though, with several other instances with agencies, such as Hydra House, when money went astray, I guess you might say. Is the minister confident that the service purchase agreement, or if it is not called a service purchase agreement, the funding arrangement, the funding agreement, is she confident that there is sufficient documentation in place to ensure the correct use of funding to the agency?

**Ms. Melnick:** Well, certainly, as I have mentioned a few moments ago, we have a professional property manager in there who is monitoring, not making decisions, and she has been apprising the ADM of Housing, who has been working and communicating with the deputy, and I have been kept apprised of activities at Aiyawin. I have not been made aware of

any concerns around financial expenditures since we had the professional property manager actually move in to be at Aiyawin on a daily basis.

**Mrs. Taillieu:** Is there a time frame, then, that the minister is looking for definitive answers from the Aiyawin Corporation?

**Ms. Melnick:** Definitive answers? I am not exactly sure what you are getting to there.

**Mrs. Taillieu:** Just to clarify, is there a time frame that the minister has given Aiyawin Corporation to provide assurances that the recommendations they put forward are acted upon? Is there a time frame for them to do that?

**Ms. Melnick:** The situation, as it developed, is we wrote late last year, in 2004, of our concerns to the Aiyawin Corporation. They came back with a plan which the member received last week. Within that plan there are several time frames as laid out by the various areas of concern, and there are dates to most, if not all, of those actions. So we have been monitoring the development by the corporation through that plan.

**Mrs. Taillieu:** There have been some concerns raised with some foster parents whose foster children are being transferred to other agencies under the devolution process. The concern is that their completed files are not being transferred, only file summaries. Is that correct?

**Ms. Melnick:** I, certainly, have not been made aware of any concerns in this area. I know that as we are working through the devolution that cases are being transferred in the Winnipeg area to the appropriate authorities as determined in the best interests of the child, but I have not been made aware of any specific concerns in this area. If the member has specific concerns, perhaps she could communicate those to me. Perhaps not in a public arena, but in a more confidential arena which would certainly respect the privacy of the individuals for whom the files pertain. I would be happy to have a look at them, and if there is some information that could be shared around that I would be happy to share it.

**Mrs. Taillieu:** Can the minister say if there is a policy that only file summaries are being transferred to the Aboriginal and Métis agencies and not the complete file on children in care? Some of these

children may have been in care for 17 years, so the files on them are quite large. Some of them I have been told are as thick as four or five inches, but these files are government files and will not be transferred to the agencies with the child.

**Ms. Melnick:** Certainly, I have not been made aware of any such policy. I know that there has been a lot of effort put forward around the preparation of files being transferred. I am not aware that any information that may be helpful for the care of a child is not being transferred over to any of the agencies.

**Mrs. Taillieu:** Mr. Chair, can the minister confirm today then that complete files of all children in care to whatever agency or authority they will be transferred to or from, that the file, the complete file will be transferred with the child?

**Ms. Melnick:** Again, Mr. Speaker, I know that case summaries are being prepared. Now whether or not the documentation in its entirety, at this point in time during the time of the devolution, is actually moving from one physical location to another, I am not sure, but I am very sure that information that may be pertinent to the care of any child in care, whether it be in a foster situation or not, whether it be the Métis authority or the general authority, I am very sure that any information would be made available to any individuals who were working with that child within any authority.

**Mrs. Taillieu:** Mr. Chair, I think there may be differences in however you choose your words here because being made available is different than actually the file being transferred with the child. Being made available means that it could be somewhere else and just be made available should someone have to go and seek it out.

My concern would be that some of these children that have been in care for a number of years and have very thick, extensive files, medical files, education files, social files, a number of things that if they are going to a new worker and a new authority and a new agency, I believe that information needs to be transferred with the child so that the child is not put at risk in any way of information not being available for that child, especially if it is things that require medical attention. So my concern is when the minister says they may be available, that they may be

available in another place, but not where the worker is and available to the worker.

Concerns have been raised to me that the files, the file summaries, two-to-three-page summary reports, are being transferred with the child but that the complete files, because they are government files and belong to the government, are going to be held by the government for three months and then put into archives. Can the minister confirm that?

**Ms. Melnick:** Again, I am not aware of any such policy, but I know that the guiding principle of the child and family services act, and, hence, the authorities act is always working within the best interests of the child. So I feel confident that if information were needed in any of the areas that the member is stating, whether it be health, whether it be educational, whether it be family history, any information, I am confident that that information would be freely shared among the appropriate individuals and that if there were any further questions deriving from the information that was being provided that certainly people would work co-operatively to get what information was required.

So I can say that I do know that there has been a very positive effort by many, many people to have this transition move smoothly, always putting the child first, and if information is needed, I am sure that that would be shared very quickly.

\* (16:50)

**Mrs. Taillieu:** Mr. Chair, the foster mom that has contacted me has been told by the Waverley office that the complete files will not be transferred to the Aboriginal and Métis authorities and agencies, and she is quite concerned about that. That was confirmed to her. She was told that, as a matter of fact, in three months those files will be put in the archives. They might be available in the archives, but they are certainly not accessible.

Can the minister confirm then that full files on all children will be transferred to their case worker, so that no kids are put at risk?

**Ms. Melnick:** Well, again, without getting into any specific situation in the House, if the member has a particular concern with a particular, individual child that she would like some information on, we could

talk about that in a place that was better respecting privacy.

Again, as I have stated, I am not aware of any policy that would not make available information that was needed in the care of the children. In fact, I feel confident in saying that any information that is needed would be made available for the child. So, without knowing the specifics of the situation the member is alluding to, I just will restate I feel very confident that information that is needed for the care of an individual child will be freely shared.

**Mrs. Taillieu:** I will just move on to a few other areas that I do want to ask some questions in.

Last year, the Children's Advocate put forward 12 recommendations regarding placement of children under 12 on the provincial Child Abuse Registry, and I am wondering if any of these recommendations have been considered and acted upon.

**Ms. Melnick:** Well, certainly, we have looked at the recommendations. I do not have the list in front of me, but I know that what we have been doing is going through recommendations that have been coming forward from the Children's Advocate. Where applicable, we have been taking actions on them, but I do not have the list in front of me. I cannot speak to specifics at this time.

**Mrs. Taillieu:** Well, does the minister believe that children under 12 should or should not be on the Child Abuse Registry?

**Ms. Melnick:** I think that the first concern has to be the protection of children at large. We always have to look at a decision that will be protecting the greatest number of children that there are. I know that there will also be times when decisions will be made by the courts as to—well, decisions are always made by the courts as to who would be placed on that registry. It, certainly, is the responsibility of the department to respect those decisions, and to recognize that decisions that are made through a court process are made in a very judicious way, and in a very focussed way. So I think that we cannot always look at the age of the child on the registry, or the age of an individual on a registry, but, rather, are we acting in the greater good to protect the other children, and are we respecting a decision that has gone through a judicial process which has been seen

to be an open and fair process. That is what we certainly are doing.

**Mrs. Taillieu:** Mr. Chair, can the minister tell me the funding arrangement with specialized services for children and youth? I think it is otherwise known as the SKY program.

**Ms. Melnick:** I do not have the information with me here, but I could undertake to get it to the member.

**Mrs. Taillieu:** I just have some information here that says it is a partnership initiated and negotiated in good faith among several departments and it also says the majority of partners are government-funded. I am just wondering about the funding for this program as I have received some letters questioning the funding being put into the building of a new building when the money could be going into services for children. It appears that there is a centralized service building going to be built. I am wondering if this is the case.

**Ms. Melnick:** Again, I have undertaken to get information for the member. Rather than guess, I would like to give her accurate information.

**Mrs. Taillieu:** Would it be the policy of this government, then to—it appears that there are some, at least, negotiations or discussions with special services for children and youth called the SKY program, in centralizing services. When the concern, I guess, that has been raised is the families that need the services do not want to have to drive long distances. They would like to have access centres in their communities. At least, these are some of the concerns raised.

I am sure that in other cases, people feel differently, but it is incumbent upon the minister to listen to all the parties and, certainly, undertake discussion with all parties for input before decisions are made. If the minister cannot answer those questions, I guess that she has had no discussions with anyone from special services for children and youth or any families concerned about centralized programming.

**Ms. Melnick:** I am aware that there is a group of service providers who are very interested in working very closely together to provide the best services that they have. I believe that is the location that the member from Morris is referring to.

This is not meant to diminish services directed to children. In fact, the purpose is to enhance services to make sure that we have very good co-ordination, to make sure that we are able to work together in a location that is dedicated to the services being provided. When the member talks about the access centre, certainly we can use the River East Access Centre as a very positive development in the services of people in the River East area in Winnipeg, in which there are social services provided. There are health services provided; there are child care services provided.

In fact, the feedback that I have got from that is meetings that used to take a couple of weeks just to organize can now be held within 10, 15 minutes because individuals are able to—

**An Honourable Member:** Were you done?

\* (17:00)

**Ms. Melnick:** No, I was—okay, it is back on. My microphone went off for a moment there.

Because individuals are able to walk down the hall and have discussions about services that would be appropriate for an individual or for a family, so that is the spirit in which we would be proceeding on the basis of the developments that the member is asking about. I think that we should be very clear in stating that, when there are buildings, capital expenses, those come from capital project funds, they are not taken from service funds.

**Mrs. Taillieu:** In speaking about capital projects taking away from services, I would like to ask a few questions about the Manitoba Development Centre. I recently received some information through Freedom of Information on all of the spending at Manitoba Development Corporation over the last five years. One of the things that jumped out at me was that over the last five years there has been \$1.3 million spent on fire alarms. I am just wondering if the minister can say, \$1.3 million on fire alarms, if that is an appropriate amount.

**Ms. Melnick:** It is a very good example for the member to have used, actually. One of our major concerns about the Manitoba Developmental Centre is health and safety issues. There are a range of concerns there. The buildings in which we currently have residents housed, a couple of those buildings

experienced—there was a fire there in the late 1970s and there were concerns, I believe it was the 1970s, there were concerns about the ability to evacuate individuals who were non-ambulatory, people who had mobility problems, to evacuate them in a timely way.

Certainly, when we came into power in 1999, this was an issue that we were very interested in, in looking at upgrading the smoke alarm systems, the fire alarm systems, as best we could within the existing structures. That is, in fact, what we have done. In fact, on one of the buildings, which is several stories, we have actually added a ramp onto the building, onto the side of the building, so that people who are non-ambulatory, whether they would be in a bed or whether they would be in a wheelchair, would be able to be moved out quicker with this ramp than with the existing service, which was one elevator which was used to not only carry all the supplies and food, et cetera, but also to transfer patients within the centre.

This was of grave concern because, of course, in the time of a fire, it would take a long time. There would also be the chance that the elevator would not be available to be working through the entire time of the emergency. So we put the ramp in to sort of meet what we thought were immediate needs of evacuation. So is the \$1.3 million, I think she asked, an appropriate sum? I think that we have to look at what was the best action to take to ensure that individuals would be able to be moved out as quickly as possible in the event of an emergency in that existing building. I know that there was a lot of time and effort and care spent with MDC and departments of this government to first figure out what would be the best way to do that and then to get to work and make sure that what had been decided on was implemented.

A lot of the buildings are not up to code, fire code of 2005, and that remains a concern. There are also concerns around health and safety in moving people who are in MDC throughout their home and, certainly, into the Aspen Centre, which is the recreational centre. So we were able to take some steps in the fire safety issue, but as we are redeveloping the centre, we will be able to make sure that the new accommodations, the new buildings, will be up to code, not only for fire and safety, but also to be moving individuals in a way that affords them dignity, to be using up-to-date lifts. So that

would be helpful for the staff who are working there, many of whom are performing real physical labour in their attempt to have the people in MDC going to various appointments, going to various events within their community. That, certainly, is the main push for us to be updating, upgrading and redeveloping MDC.

**Mrs. Taillieu:** The minister got a little sidetracked on my question because I certainly recognize the fact that it is very necessary to be able to move the residents of MDC in an event of a fire or even a false alarm. It is very important that they be protected in that way. A lot of the things that she mentioned would fall under redevelopment costs, structural costs, maintenance costs, equipment costs, capital costs, and certainly those things were outlined.

But my question, and it was specifically stated, this was not fire equipment, it was fire alarms. All of the things that the minister related, she mentioned ramps, she mentioned lifts, those are not fire alarms. The information that was provided to me, I just wanted to ask, \$1.3 million for fire alarms. Certainly, other things are listed there when she talks about structural changes and capital costs and those things. So, when it specifically says fire alarms, and mentions a fire alarm company, I am just wanting the minister to confirm that \$1.3 million was spent on fire alarms.

**Ms. Melnick:** Well, yes, there was an amount of money spent on the fire alarm upgrade. Now, I guess, the question is can I confirm that it was worth it. I know that there is a request for information, request for proposal process carried out, that there are government employees who are professional engineers who would be working through this process. There are people with expertise around what would be needed in Manitoba Developmental Centre. I think that these people carried out due diligence in assessing the proposals that came forward and assessing the needs of the centre and what could be accomplished within the current formation of the buildings. I believe that a good assessment would have been done and the best system that could have been provided within the current conditions would have been provided.

**Mrs. Taillieu:** Certainly, when work like this is undertaken, we do believe that there are experts in the field that would do estimates for the work and provide the service. I am wondering if the minister can say whether this work was tendered.

**Ms. Melnick:** I do not have the answer to that question. I know that there is a tendering process. I do not know specifically what was done around this. This would have been through Transportation and Government Services. Certainly, the bulk of the work, the request for information, request for proposal and then the selection would have been in a department other than mine. But I do believe that there is a process that would be gone through in that department, and perhaps those questions would be better placed to the Minister of Transportation and Government Services (Mr. Lemieux).

\* (17:10)

**Mrs. Taillieu:** I thank the minister for that, and I will redirect my question. Can the minister tell me if there are any homes that are owned or funded through agencies that would be funded by the province that contain Zonolite insulation?

**Ms. Melnick:** The question of Zonolite, we are looking at—Manitoba Housing Authority is doing a review. Our understanding is that Zonolite left undisturbed—I am taking information that I have been given by Health Canada on this—would not pose a threat.

**Mrs. Taillieu:** I think that if the minister had Zonolite in her home, whether it was undisturbed or not, she would like it not to be there because there have been some significant health problems that have arisen and have been identified as being associated with Zonolite. In fact, a friend of mine died of mesothelioma, which is the terrible disease that, in some cases, comes from asbestos particles, and one of the sources of the asbestos particles is Zonolite.

I would ask the minister, again, how many houses that are funded through the province have Zonolite insulation.

**Ms. Melnick:** I do not have a number for the member.

**Mrs. Taillieu:** Obviously, there are some. Are there any plans to remove it?

**Ms. Melnick:** Well, we are watching this situation as it develops. Again, we are relying on individuals with expertise, and that expertise is telling us, again through, I believe it is Health Canada, that Zonolite left undisturbed will not pose a threat but, certainly,

we are watching the situation as it is developing. If the member has any information on Zonolite that she would like me to have a look at, I would certainly be willing to have a look at that.

**Mrs. Taillieu:** I think watching as the situation develops is inaction and there is a family in this province that has been severely affected by this disease. It has been attributed to Zonolite in the housing, and I know that that particular case does fall under federal housing, but Zonolite is Zonolite. It does not really matter what house it is in, and if there is a health concern there, then just to monitor and watch and see what things develop, well, what could develop is that someone could develop a disease such as mesothelioma, which could take their life.

I am asking this minister if she is not concerned about that. Is she not concerned enough to look at the number of homes that have Zonolite and to take some action there?

**Ms. Melnick:** Certainly, I understand the concerns raised by the member. I have said that the Housing Authority is looking into the situation. We understand, as we work with other departments, that when there is risk we will look at the risk and assess that. We are also, as the member is doing, watching the federal government as they deal with situations that they have found where they are actually owning of homes that contain Zonolite.

I am aware of the particular instance, the particular family, that the member is referring to and, again, we will continue to work with other departments and the federal government to gain information and assess situations as they arise.

**Mrs. Taillieu:** Can the minister tell me the exact amount owed to the province by residents in Zelana Village in Portage la Prairie?

**Ms. Melnick:** I do not have that figure in front of me.

**Mrs. Taillieu:** Can the minister give me an approximation?

**Ms. Melnick:** I know that there has been a situation, from I believe the late nineties, that has developed in Zelana Village where there was—not a situation in Zelana Village but a situation in Waterhen where there was a considerable split in the community, and

as a result, certain individuals felt that they had to leave their community. I know that the government of the day took individuals to Zelana Village, and this was, I understand, a way of alleviating what was certainly a concerning situation. Unfortunately, the situation has developed in a way that is concerning. I know that I have spoken with the member from Portage about the situation. I know that there are concerns that he has raised and we are keeping him informed.

**Mrs. Taillieu:** The minister did not answer my question. The question was can she tell me approximately how much money is owed to the province by the residents of Zelana Village.

**Ms. Melnick:** Again, I do not have that exact number so rather than guess and perhaps misinform the member, I will undertake to get that.

**Mrs. Taillieu:** But I know that the minister knows the approximate value because she has discussed it with the member from Portage. I do not know why she is reluctant to put it on the record now. I know that she knows the answer to that question. I am simply asking her to provide it.

**Ms. Melnick:** Well, again, I would prefer not to misspeak or to put an improper number on the table, and I will undertake to get that information for the member.

**Mrs. Taillieu:** The member says she prefers not to answer my questions, but it is my right as an opposition member and as the critic to ask questions simply to get information and she just says, "I do not feel like answering your question."

This is just not acceptable, Mr. Chair. I would ask that the minister provide me with an approximation. I know it is an approximation. I know she knows.

**Ms. Melnick:** Well, again, Mr. Speaker, the Hansard will show that I have not said that I do not want to answer the question or anything even near what the member has just put on the record. What I have said is that, rather than misinform the member or misspeak, I would prefer to get the accurate information, and I will be providing that to the member.

**Mrs. Taillieu:** It is no wonder that we see this minister and her department in chaos under her

management because we see Hydra House. We see Aiyawin. We see Halderson House [*phonetic*]. We see Osborne House. We see the devolution of Child and Family Services where people come to us and they fear for the safety of their children because complete files are not going to be transferred. We see children committing suicide. We see children that are dying in care. We see court cases against this department. The minister is totally incompetent in managing this department.

I would just ask her then if she is not going to answer the question, where in the Estimates book would I find the amount owed. I guess it has to appear in here somewhere, the amount owed by Zelana Village.

**Ms. Melnick:** Would the member like me to take the time to find exactly the information she is looking for in the Estimates book, because I could go through the book and look for that?

**Mr. Chairperson:** The honourable Member for Morris, while the minister is looking.

\* (17:20)

**Mrs. Taillieu:** As she is looking, I will continue with my questions.

What plan is there to address the future of the residents in Zelana Village? Some of them are not happy to be there. Some of the community is not happy. I am just simply wondering. I know that there was a group that met, I believe, with the Minister of Northern Affairs (Mr. Lathlin) and the Minister of Culture, Heritage and Tourism (Mr. Robinson) and they are looking for a plan, a plan to address what is going to happen to them. I am simply asking the minister, they know we know they have been there a long time. What is the plan for them?

**Ms. Melnick:** The member, I am not sure if she wants me to be looking for the information from her previous question, or answering her current question, so I think I will answer her current question.

Certainly, we have been aware of the concerns. We have been meeting with the various departments. We have been meeting with the local RCMP detachment. We are aware that there are a lot of concerns there. We are working with the community around ways of alleviating the current concerns and

we have been focussing on ways of lowering the tension that currently exists. We also have been looking at the other individuals who are not part of the situation there, some of whom have requested to be moved. We have certainly accommodated that wherever possible and we are continuing to monitor the situation.

**Mrs. Taillieu:** I am wondering if the minister has any plans to meet with the people from Zelana that would like to meet with their concerns and address the future of their people there.

**Ms. Melnick:** Certainly, we have departmental staff who meet with individuals there. It is a situation that we have to be very, very careful with. We would prefer to work with the group that we have been working with in the past to look at ways of alleviating the current situation.

**Mrs. Taillieu:** We recognize that the minister does have a responsibility to look into this situation and not let it continue, for the sake of the people housed there, and for the sake of recovering monies owed to the taxpayers of Manitoba. She has had five years now and the situation is still ongoing. We recognize that it has been going on for longer than that, but, certainly, it is her responsibility as minister to look at this situation, have a plan in place to do something. I am asking her is there a plan in place.

**Ms. Melnick:** As I have mentioned, Family Services and Housing is not working on their own. They are working with other departments as well as the local community. We will continue to do that. It is a delicate situation. It is a situation where, to move in on something very quickly may, in fact, exacerbate the current situation. We are working with those groups to determine how, when and what would be the best actions to be taking.

**Mrs. Taillieu:** Again, the minister says things like "We are looking at the situation and monitoring the situation, looking at what appropriate action," and not just specifically to this question, but to many questions that I give her. She wants to just keep monitoring and looking at and coming up with appropriate plans, but nothing ever happens. That is the problem, and we see that time and time again.

Even today when I questioned her on what has she done since there was a death four months ago in Child and Family Services, where a child died

violently. Certainly, something has to be done to ensure that these things do not happen again. Now, four months later, we see it again. She still says, "Well, something has to be done. We have to look at it. We have to monitor. There is a process in place," and on and on and on. But nothing gets done. I am simply asking her to give me a time frame when something is going to get done here in regard to Zelana Village.

**Ms. Melnick:** I know that the member prefers to have simple, quick responses to very complicated and very serious situations. When we are talking about situations around certain children in care, the situation as in Zelana Village, which was started under the former administration, there are not always simple, quick answers. You have to work with various stakeholders through all of the issues in Family Services and Housing, and you have to do what is appropriate to try to lessen the chance of a death of a child. You have to look at the specific situations and work with the community around policies, around procedures, around care.

Those are not always quick fixes. When a child does die, it is a very sad and tragic event, and there are several procedures that do come into play within the department. There is a review within the authority, within the agency, within the Chief Medical Examiner's office, within the Winnipeg Police Service. You know, I too would like to snap my fingers and have everything put in place so that these situations do not occur. Unfortunately I know, as the minister, that just is not possible, that we have to work together to make things better, sometimes incrementally. Sometimes we can take what we believe are big leaps, such as the devolution of child welfare. Again, action was not taken for the first 10 years, but critical as the member from Morris is of the devolution, we believe we are taking a very big step with all Manitobans around the children of care and hopefully making things better for them.

In the situation in Zelana Village, again, it was a situation that developed not within Zelana Village itself but within Waterhen. There was deep division. I understand that some people may have been able to have gone back to Waterhen. Others have not. We know that it is a situation that is very delicate, that there are groups within groups. Rather than to say, you know, on this date we are going to do this, on that date we are going to do that, we have chosen to work and accept the consultation that we get from



the other stakeholders and to work in a way that will not put more people at risk or that will continue to put people at risk. That means that there is not an easy, quick way out. But certainly, we will continue to work with the groups, and we will continue to monitor the situation. As frustrating as that is to the member from Morris, when you are dealing with people who are in delicate situations, taking the time to work things through really is what does have to be done.

**Mrs. Taillieu:** Mr. Chair, I would like to correct the record. The minister has put misinformation on the record. I have never been critical of the devolution, in theory. I am critical of how the minister is conducting it. I am told by parents and by staff within her own department that they are worried about it. I am simply raising concerns to her that her own staff should be raising to her, and if they are not, they are probably afraid to do so.

I am very frustrated with this minister. Yes, I am frustrated because I ask questions and I get no answers; that is why I am frustrated. She is correct to

say that I am very frustrated. I know there are no simple answers and no simple solutions, but there are plans that need to be put in place. I am simply asking that, if there is a plan in place, then, please provide it.

It is just not right of this minister to say that I am critical of the devolution. I am critical of her and her management of this devolution process. She has put children at risk, and she has compromised her staff to the point where they are so upset and so angry that they contact the opposition critic, and some of them in tears sometimes about what are they to do. They do not even have any job security, and they are the ones raising concerns over the children in care. I am simply reiterating that to the minister.

**Mr. Chairperson:** The hour being 5:30 p.m., the Committee of Supply will rise. Call in the Speaker.

#### IN SESSION

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

# LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, June 7, 2005

## CONTENTS

|   |      |   |            |
|---|------|---|------------|
| <b>ROUTINE PROCEEDINGS</b>                        |      | Loewen; Selinger                              | 3356       |
|   |      | Lamoureux; Selinger                           | 3363       |
| <b>Petitions</b>                                  |      |   |            |
| Supported Living Program                          |      | Flooding                                      |            |
| Goertzen  | 3347 | Murray; Doer                                  | 3358       |
| Teachers' Pension Plan Pension Adjustment Account |      | Seven Oaks School Division                    |            |
| Eichler   | 3347 | Driedger; Bjornson                            | 3360       |
| Maguire   | 3348 | Children in Care                              |            |
| Ambulance Service                                 |      | Taillieu; Melnick                             | 3361       |
| Schuler   | 3347 | Physician Resources                           |            |
| Fort Garry Hotel                                  |      | Stefanson; Sale                               | 3362       |
| Reimer  | 3348 | Hydra House                                   |            |
| Education Support Levy and Special Levy           |      | Gerrard; Melnick                              | 3363       |
| Stefanson   | 3349 |   |            |
| Wuskwatim Project Development Agreement           |      | <b>Matters of Privilege</b>                   |            |
| Mitchelson  | 3349 | Gerrard                                       | 3364       |
| Crocus Investment Fund                            |      | Mackintosh                                    | 3367       |
| Lamoureux   | 3350 | Derkach                                       | 3367, 3370 |
|   |      | Penner  | 3368       |
|   |      | <b>Members' Statements</b>                    |            |
| <b>Committee Reports</b>                          |      | Weekend Events in the Constituency of Pembina |            |
| Standing Committee on Intergovernmental Affairs   |      | Dyck  | 3371       |
| Second Report                                     |      | Mrs. Helen Steinkopf                          |            |
| Brick   | 3350 | Sale  | 3371       |
| Standing Committee on Legislative Affairs         |      | Mr. Brad Bird                                 |            |
| Seventh Report                                    |      | Maguire                                       | 3372       |
| Reid  | 3351 | Cornish Library                               |            |
| Standing Committee on Human Resources             |      | Altemeyer                                     | 3372       |
| Second Report                                     |      | Committee Meetings                            |            |
| Brick   | 3353 | Lamoureux                                     | 3373       |
| <b>Oral Questions</b>                             |      |   |            |
| Crocus Investment Fund                            |      | <b>Grievances</b>                             |            |
| Hawranik; Doer                                    | 3355 | Driedger                                      | 3373       |
| Hawranik; Selinger                                | 3356 |   |            |

**ORDERS OF THE DAY**

**GOVERNMENT BUSINESS**

**Concurrence and Third Readings**

Bill 9—The Manitoba Centennial Centre Corporation Act

Reimer 3376  
Gerrard 3377  
Loewen 3377

Bill 11—The Provincial Court Amendment Act (Justices of the Peace)

Goertzen 3377

Bill 18—Le Collège de Saint-Boniface Incorporation Amendment Act

Rowat 3379  
Lamoureux 3380  
Gerrard 3380

Bill 20—The Life Leases Amendment Act

Faurschou 3381

Bill 24—The Consumer Protection Amendment Act (Cost of Credit Disclosure and Miscellaneous Amendments)

Rocan 3382

Bill 26—The Margarine Repeal Act

Eichler 3383  
Penner 3383

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

Eichler 3384

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

Hawranik 3384

**Committee of Supply**

Concurrence Motion 3384

The Legislative Assembly of Manitoba Debates and Proceedings  
are also available on the Internet at the following address:

**<http://www.gov.mb.ca/legislature/hansard/index.html>**