



Third Session - Thirty-Seventh Legislature

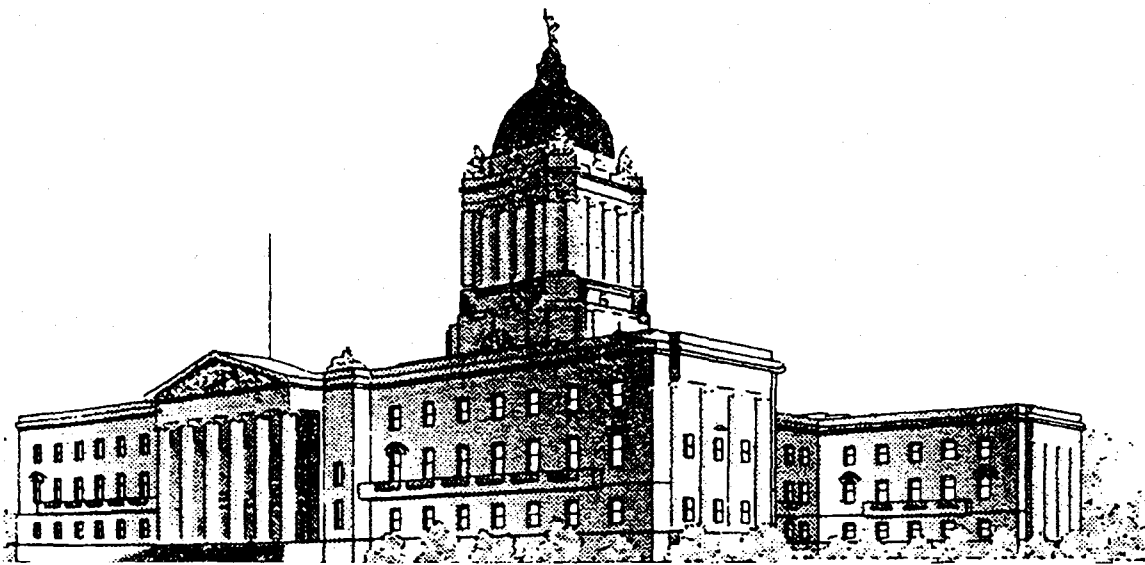
of the

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

**Official Report  
(Hansard)**

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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Seventh Legislature**

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
AGLUGUB, Cris	The Maples	N.D.P.
ALLAN, Nancy	St. Vital	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
ASPER, Linda	Riel	N.D.P.
BARRETT, Becky, Hon.	Inkster	N.D.P.
CALDWELL, Drew, Hon.	Brandon East	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CUMMINGS, Glen	Ste. Rose	P.C.
DACQUAY, Louise	Seine River	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.
ENNS, Harry	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
FRIESEN, Jean, Hon.	Wolseley	N.D.P.
GERRARD, Jon, Hon.	River Heights	Lib.
GILLESHAMMER, Harold	Minnedosa	P.C.
HAWRANIK, Gerald	Lac du Bonnet	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LATHLIN, Oscar, Hon.	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
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.
MIHYCHUK, MaryAnn, Hon.	Minto	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
MURRAY, Stuart	Kirkfield Park	P.C.
NEVAKSHONOFF, Tom	Interlake	N.D.P.
PENNER, Jack	Emerson	P.C.
PENNER, Jim	Steinbach	P.C.
PITURA, Frank	Morris	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	Assiniboia	N.D.P.
SALE, Tim, Hon.	Fort Rouge	N.D.P.
SANTOS, Conrad	Wellington	N.D.P.
SHELLENBERG, Harry	Rossmere	N.D.P.
SCHULER, Ron	Springfield	P.C.
SELINGER, Greg, Hon.	St. Boniface	N.D.P.
SMITH, Joy	Fort Garry	P.C.
SMITH, Scott, Hon.	Brandon West	N.D.P.
STEFANSON, Heather	Tuxedo	P.C.
STRUTHERS, Stan	Dauphin-Roblin	N.D.P.
TWEED, Mervin	Turtle Mountain	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

## LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, May 28, 2002

The House met at 1:30 p.m.

### PRAYERS

### ROUTINE PROCEEDINGS

#### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

##### Standing Committee on Public Accounts Third Report

**Mr. Edward Helwer (Chairperson):** Mr. Speaker, I beg to present the Third Report of the Committee on Public Accounts.

**Madam Clerk (Patricia Chaychuk):** Your Standing Committee on Public Accounts presents the following as its Third Report.

**Mr. Speaker:** Dispense?

**Some Honourable Members:** Dispense.

**Some Honourable Members:** Read it.

**Mr. Speaker:** Read it? They want it read.

**Madam Clerk:**

#### Meetings:

Your committee met on Monday, May 27, 2002, at 10 a.m. in Room 255 of the Legislative Building.

#### Matters Under Consideration:

Provincial Auditor's Report on Value-for-Money Audits for the period ending June 2000  
Provincial Auditor's Report on the Operations of the Office of the Provincial Auditor for the year ended March 31, 2000

Public Accounts Volume 4 for the year ended March 31, 1999

Public Accounts Volume 1 for the year ended March 31, 2000

Public Accounts Volume 2 for the year ended March 31, 2000

Public Accounts Volume 3 for the year ended March 31, 2000

Public Accounts Volume 4 for the year ended March 31, 2000

#### Committee Membership:

Your committee elected Mr. Dewar as the Vice-Chairperson.

Substitutions received prior to commencement of meeting:

Mr. Dewar for Mr. Maloway

#### Officials Speaking on Record:

Mr. Jon Singleton, Auditor General of Manitoba

#### Reports Considered but not Adopted:

Your committee commenced consideration of Public Accounts Volume 4 for the year ended March 31, 2000, but did not adopt the report.

#### Reports Considered and Adopted:

Your committee considered:

Provincial Auditor's Report on Value-for-Money Audits for the period ended June 2000

Provincial Auditor's Report on the Operations of the Office of the Provincial Auditor for the year ended March 31, 2000

Public Accounts Volume 4 for the year ended March 31, 1999

Public Accounts Volume 1 for the year ended March 31, 2000

Public Accounts Volume 2 for the year ended March 31, 2000

Public Accounts Volume 3 for the year ended March 31, 2000

and has adopted the same as presented.

**Mr. Helwer:** Mr. Speaker, I move, seconded by the honourable Member for Southdale (Mr. Reimer), that the report of the committee be received.

*Motion agreed to.*

## MINISTERIAL STATEMENTS

### Forest Fire (Powell)

**Hon. Steve Ashton (Minister of Transportation and Government Services):** I have a statement, Mr. Speaker.

As Minister responsible for Emergency Measures, I rise today to provide an update on a serious fire that is threatening the community of Powell in the constituency of the honourable Member for Swan River (Ms. Wowchuk).

Mr. Speaker, on the afternoon of May 27, contact was made by Manitoba Emergency Measures to report a fire that started in the late hours of May 26, between Barrows and Red Deer Lake. The fire, which is still under investigation to determine its cause, has resulted in the evacuation of 25 residents from Powell to the nearby community of Barrows. At the present time the fire is not under control and a change in conditions could threaten Barrows. Contingency plans are in place to relocate the residents of Barrows, as well as the people of Powell who are presently accommodated in Barrows.

\* (13:35)

Manitoba Emergency Measures Organization is leading a co-ordinated response by the provincial government. Also involved is the Office of the Fire Commissioner, the Department of Conservation, Communications Services Manitoba, the Department of Family Services and Housing and the Department of Aboriginal and Northern Affairs. We are taking whatever steps are possible to help the residents of Powell and Barrows during what is obviously a very difficult period and will continue working to protect these communities.

Mr. Speaker, I am sure I speak for all members of the House in expressing our concern to the people who have been affected by this event and also to those who are working very diligently to contain this fire.

**Mr. Harry Enns (Lakeside):** Mr. Speaker, I appreciate the statement the minister has provided and certainly hope on behalf of this

side of the House, along with all members in the House that the fire will soon be contained. It is on occasions like this that we do realize the combination of a number of agencies brought together by Emergency Measures organizations do provide the kind of support our citizens have come to expect and deserve from government.

I wish to take this occasion to express my appreciation, the appreciation of all of us, to those on the front lines fighting a fire. We just have dealt in this Chamber with the matter concerning firefighters. It is a reminder to the Government that, in many instances, we have situations in rural Manitoba which expose a whole host of people to fires and some very toxic conditions that could have some long-term effects.

**Hon. Jon Gerrard (River Heights):** I ask for leave to speak on the minister's statement.

**Mr. Speaker:** Does the honourable member have leave?

**Some Honourable Members:** No.

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

### Climate Change/Kyoto Protocol

**Hon. Oscar Lathlin (Minister of Conservation):** I have a statement to make to the Legislature.

Mr. Speaker, I am pleased today to report back to members and all Manitobans on the progress made last week at national discussions that I co-chaired on May 21, in Charlottetown, on climate change and the Kyoto Protocol.

As all members know, we are facing serious risks of a warming climate and increased variability in our weather. Not even the President of the United States or the Premier of Alberta argues with the serious problems we face from climate change. Here in Manitoba we are already seeing the impacts of a warmer climate in the North as our winter roads are less viable due to early thaw. Studies are showing ill effects in our polar bear population as they are going hungry due to a lack of ice available for hunting in Hudson Bay. We also know that an

increased risk of drought and more severe summer storms may threaten our already stressed agricultural economy.

Manitobans spoke out clearly last year when our Climate Change Task Force held public meetings on these matters. Our citizens spoke out in favour of strong local action in support of global efforts that are needed to reduce our air pollution and slow the increasing effects of global warming.

Consistent with the recommendation of the task force, Manitoba continues to play a constructive role by encouraging action in Canada that will allow our participation in the Kyoto Protocol and bring rewards through clean energy credits to our economy. Manitoba has a rich endowment of clean and renewable energy that will continue to increase in value in North American markets as governments move toward reducing harmful air pollution that results from use of coal and oil.

The Premier (Mr. Doer) has clearly stated Manitoba's approach to these national discussions, and I took our clean energy strategy to our national meetings. Manitoba proposes a national strategy based upon the full cost of energy options that supports Manitoba in hydro-electric and wind power generation and transmission infrastructure, ethanol production, research and development of hydro energy, carbon sinks and on-farm greenhouse gas management techniques.

The recently released federal discussion paper on climate change acknowledges the important role the Manitoba clean energy strategy can plan in the national effort, and we will be pursuing this plan with Ottawa and our colleagues in neighbouring provinces.

\* (13:40)

I advised our national colleagues last week that any national climate change plan must provide incentives for truly clean and renewable energy and not penalize clean energy provinces like Manitoba by providing even more federal incentives for fossil fuel development in Alberta. For Manitoba such a national energy could amount to billions of dollars in new investment

providing employment and a legacy of clean energy to power our children's and our grandchildren's future in this province.

I am also pleased that, with the exception of Alberta, all other governments in Canada have agreed to continue our national process of consultation and co-operatively work to determine the most beneficial path for Canada to implement the Kyoto Protocol.

Manitoba has been very active in this national capacity and intends to continue this work. I am also hopeful that, through an ongoing dialogue with Alberta, we can find common ground for regional co-operation such as is in place with research on impacts and adaptation.

A national consultative effort on the federal Kyoto discussion paper will hold meetings in Winnipeg on June 19, and I encourage all interested citizens to participate. Information is available through my department's Web site. Thank you.

**Mr. Glen Cummings (Ste. Rose):** Mr. Speaker, I appreciate the statement from the minister. Obviously the national meeting of ministers that recently occurred is a significant turning point in how Canada may respond to the Kyoto Protocol.

The one thing that I would caution, however, in terms of Manitoba's response is that, while we do have a large and significant supply and future possibility of hydro-electric development, we need to remember that all of these responses to climate change need, first of all, to be based on environmental needs and environmental protection. Secondly, they need to be tied to a strong business plan that then allows the affected jurisdiction to truly deal in a businesslike and appropriate manner in both the protection of the environment and the sustainability of the economy.

In questioning the Premier (Mr. Doer) of this province, he has not yet been able to indicate to us any solid sales for future hydro-electric development. Until the Province can demonstrate that it indeed has a market for hydro-electric development, I am not so sure that the theory of "if we build it they will come" will necessarily reap rewards for this province. *[interjection]*

Mr. Speaker, I hear some back-peddalling across the way. I am providing the Government the opportunity to respond positively and to support their own initiative which says that Manitoba has a significant role to play in response to climate change initiatives; but it cannot be done without an appropriate business plan, and as yet we have not seen that from the current Government. Frankly, if it is not based on a practical business plan—I can give an example from the minister's own statement where he references ethanol production. If he is truly worried about environmental protection and does a full environmental assessment, ethanol production can reduce some of the emissions from automobiles. But the amount of diesel fuel and the amount of subsidy that may be required to support the agricultural initiative has to be balanced out against the opportunity for the saving and the long-term opportunity that is associated with it.

\* (13:45)

So, Mr. Speaker, on this side of the House I want to assure you and everyone in the public that climate change is important. Climate change is here and now and we need to be able to deal with it, but we need also to see responses from the Government that have a positive business aspect to them so that our economy and our climate can both benefit.

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I ask leave to speak to the minister's statement.

**Mr. Speaker:** Does the honourable member have leave?

**An Honourable Member:** No.

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

#### TABLING OF REPORTS

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** Mr. Speaker, I table the Report and Recommendations of the Judicial Compensation Committee, 2002.

#### INTRODUCTION OF BILLS

##### Bill 30—The Architects Amendment Act

**Hon. Becky Barrett (Minister of Labour and Immigration):** Mr. Speaker, I move, seconded

by the Minister of Industry, Trade and Mines (Ms. Mihychuk), that leave be given to introduce Bill 30, The Architects Amendment Act; Loi modifiant la Loi sur les architectes, and that the same be now received and read a first time.

#### *Motion presented.*

**Ms. Barrett:** Mr. Speaker, Bill 30 introduces amendments that will update the regulation of the practice of architecture and ensure the effective enforcement of its provisions.

#### *Motion agreed to.*

#### Introduction of Guests

**Mr. Speaker:** Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have with us from Prairie View School 18 Grades 7 to 9 students under the direction of Mrs. Geraldine Rempel. This school is located in the constituency of the honourable Member for Morris (Mr. Pitura).

Also in the public gallery we have from the General Wolfe School 75 Grades 7 to 9 students under the direction of Ms. Frances Davies. This school is located in the constituency of the honourable Minister of Industry, Trade and Mines (Ms. Mihychuk).

Also in the public gallery we have from Warren Collegiate 46 Grade 11 students under the direction of Mr. Jake Wiebe and Mr. John Smith. This school is located in the constituency of the honourable Member for Lakeside (Mr. Enns).

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

#### ORAL QUESTION PERIOD

##### Manitoba Medical Association Job Action—Contingency Plan

**Mr. Mervin Tweed (Turtle Mountain):** Mr. Speaker, yesterday this side of the House pointed out that the Government was not negotiating with doctors until Friday of this week, the eleventh hour in negotiations, and that the minister, later yesterday, called a hastily called meeting to meet with the doctors this

morning. Less than 24 hours ago the minister stated he was unaware of any contingency plans should the doctors withdraw services on June 1.

My question for the minister is: Can he advise Manitobans today if he is still unaware of any contingency plan in light of the doctors withdrawing services?

\* (13:50)

**Hon. Dave Chomiak (Minister of Health):** Mr. Speaker, as I have indicated on many occasions in the media over the past week to 10 days, there are contingency plans in place. The reference the member made with respect to the comments were part of a larger context with respect to dealing with the whole issue of contingencies.

I just want to quote from the Brandon RHA chief of staff who said, and I quote: It would probably be fair to say that if there is a major withdrawal of services along the lines the MMA is seeking and the physicians appear to be supporting it may well be that any contingency plan would not necessarily guarantee complete patient safety.

The point is and the point I was making yesterday is that it is unlike the nurses' situation. In Doctor Campbell's letter that he initially provided, publicly and otherwise, there was reference to life and limb and there was absence of essential services.

**Mr. Tweed:** Mr. Speaker, it was the minister's own words that stated he was unaware of any contingency plan. I ask the minister if he now has a plan, would he be prepared to share it with the House?

**Mr. Chomiak:** Mr. Speaker, we have covered and are looking at every possible contingency that may occur as a result of any labour dispute.

**Mr. Tweed:** Obviously the contingency plan, like the meeting yesterday with the doctors, was in his head at the time and obviously he is unaware of it today.

My question is: Has the minister already struck a deal and he is waiting and putting people and patients of Manitoba in jeopardy so

he can come in at the eleventh hour on his white horse and solve the situation?

**Mr. Chomiak:** Mr. Speaker, just to correct the misinformation put on the record by the Member for Turtle Mountain, we met with the MMA last Thursday. We provided them with written documentation requiring response, which occurred yesterday. After the response received in writing from the MMA yesterday, we set up another negotiating meeting for today, and there will be another negotiating meeting tomorrow with respect to the MMA.

Mr. Speaker, as I indicated earlier, there are no essential services with respect to doctors as a result of any legislation brought in previously. We are discussing arbitration with the MMA. The No. 1 priority for the Government and, I know, for the doctors is ensuring patient safety.

#### **Nursing Profession Full-Time Employment Opportunities**

**Mrs. Myrna Driedger (Charleswood):** Mr. Speaker, accordingly to a May 2002 letter from the WRHA to nurses, they indicated that only 10 of 24 jobs they offered to new grads were full-time jobs.

I would like to ask the Minister of Health: Can he explain why he failed to keep his election promise to offer nurses, and I quote: job security and full-time work, especially after he told a radio host on April 4, part of better managing is getting less people part time and more people full time? There is no question about that. Well, why has he not managed better and offered more new grads full-time work?

**Hon. Dave Chomiak (Minister of Health):** Mr. Speaker, the member goes back to an old trusted and true question the members ask over and over again with respect to this issue. I might add that it was members opposite who complained about the nurses' arrangement. We were able to conclude a collective agreement with the nurses. Within the context of that collective agreement is a joint council that looks at the issues and works with the nurses, something members opposite perhaps could take a page from in terms of their dealings in dealing with the full-time, part-time issue specifically.

**Mrs. Driedger:** Mr. Speaker, I would like to table something for the Minister of Health to remind him that in the election they promised Today's NDP will offer nurses job security and full-time work. It is their own news release from the election.

I would like to ask the Minister of Health if he can explain why he failed to keep that promise to hire more full-time nurses when his Premier (Mr. Doer) said during the election that the lack of full-time work was the problem at the heart of the nursing shortage, a shortage which, by the way, has doubled under this NDP government.

**Mr. Chomiak:** Mr. Speaker, as I have said on many occasions in this House, I do not think members on this side of the House have to take lessons in labour relations concerning nurses from members opposite, whose record of dealing with nurses was simply awful. They cancelled the diploma program, nurses were laid off at the institutions. During negotiations with the nurses, 600 nurses had to come down to this Chamber to try to demand a settlement.

We have moved, bringing back the diploma program that they opposed. We provided more jobs for nurses across the system than any other time in history, and they opposed that. We have a collective agreement. For the first time in years, the nurses feel secure. I do not know if they are against it or for it. They have gone back and forth. It all depends what time of the day it is, I guess.

\* (13:55)

**Mrs. Driedger:** Mr. Speaker, well, I would like to ask this Minister of Health if he expects us to believe that hiring 10 grads only from a class of 57 is his solution to the problem of hiring full-time nurses in Manitoba to solve the problem. Is 10 nurses his answer?

**Mr. Chomiak:** Mr. Speaker, the last time that I looked at statistics with respect to the hiring of nurses was a report done that I said had indicated the vast majority of nurses were offered positions. I will table that report later on, which was provided. Now, with respect to nurses, let us contrast—

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

**Mr. Speaker:** Order.

#### Point of Order

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

**Mr. Marcel Laurendeau (Official Opposition House Leader):** Mr. Speaker, *Beauchesne* 417: Answers to questions should be as brief as possible, deal with the matter raised and not provoke debate.

Mr. Speaker, the question was simply: Is the minister satisfied with 10 new positions?

**Mr. Speaker:** The honourable Minister of Health, on the same point of order.

**Mr. Chomiak:** Mr. Speaker, on the same point of order. I believe the member had a very long preamble which was inaccurate with respect to the question she placed. I was attempting to clarify the position vis-à-vis the member's usual record of inaccuracies in terms of statements.

**Mr. Speaker:** On the point of order raised by the honourable Official Opposition House Leader, I would like to take this opportunity to remind all honourable ministers *Beauchesne* 417: Answers to questions should deal with the matter raised.

\* \* \*

**Mr. Speaker:** The honourable Minister of Health, to conclude his comments.

**Mr. Chomiak:** Mr. Speaker, I fail to understand how members opposite, who slashed the number of nurses graduating and opposed—

**Mr. Speaker:** Order.

#### Point of Order

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

**Mr. Laurendeau:** Mr. Speaker, *Beauchesne* 417, I do believe you have already ruled on it once. I do not believe I have to read it on the record, but provoking debate, the honourable



minister should not be standing up and talking about slashing. We have seen the slashing.

**Mr. Speaker:** The honourable Minister of Health, on the same point or order.

**Mr. Chomiak:** Mr. Speaker, I was only pointing out that we have doubled the number of nurses in education in Manitoba, in this province, as a result of policies that we have put in place.

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

\* (14:00)

**Mr. Mervin Tweed (Turtle Mountain):** Yes, Mr. Speaker. I just want to clarify for the Minister of Health that this is the Winnipeg Regional Health Authority's document, dated May 2000, that states—[interjection] 2002—they have offered 10 full-time positions to graduating nurses. The minister cannot deny those numbers. They are his own board's numbers. So, if he would speak to the numbers, then we could have some clarity.

**Mr. Speaker:** I have already recognized the honourable Minister of Health once on a point of order. Before I recognize any other member, I would just like to remind all honourable members before making the ruling: All honourable members, when rising on a point of order, it is to point out to the Speaker a breach of a rule or the departure of a practice of the House. Points of order are not to be used for debate.

On the point of order raised by the honourable Official Opposition House Leader, he does have a point of order. *Beauchesne* 417 states: Answers to questions should be brief as possible, deal with the matter raised, and to not provoke debate. I would ask the co-operation of the honourable minister, please.

\* \* \*

**Mr. Chomiak:** Thank you, Mr. Speaker. The graduating classes of nurses are going to have the opportunity for 300 full-time positions across the province of Manitoba that are open for

nurses. They are open because we have not slashed and cut nurses' positions as occurred during the 1990s, and the nurses that we are graduating have opportunities to apply for those positions.

**Mr. Speaker:** Order. Before recognizing the honourable Member for River East, I would just like to remind all the guests in the public gallery there is to be no participation whatsoever from the guests that are in the public gallery. I would ask for your full co-operation, please.

### **Nursing Profession Full-time Employment Opportunities**

**Mrs. Bonnie Mitchelson (River East):** Mr. Speaker, during the last election campaign, Today's NDP stated, and I quote: In order to rescue health care, we need to recruit full-time nurses for Manitoba hospitals. Today's NDP will immediately implement our nurses first program, and will begin to hire permanent full-time nurses to fulfil our pledge to end hallway medicine within six months.

Mr. Speaker, that was the leader of Today's NDP. Today we see the nursing shortage has doubled. Out of the 57 graduates that are graduating from the nursing program, 10 have been offered full-time positions. Is that fulfilment of this election promise two and a half years later?

**Hon. Dave Chomiak (Minister of Health):** Mr. Speaker, I will attempt to answer above the shouts of the Member for Springfield (Mr. Schuler), who, I do not think, is interested in any answers.

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

**Mr. Speaker:** Order.

**Mr. Chomiak:** Thank you, Mr. Speaker. As members opposite know and as the member referenced in her question, during the period of Conservative rule so many nurses lost their jobs and the hallway situation was so bad that we said when we would come into office, as the member indicated in her preamble, that we would put in place programs. We put in place the Nursing Worklife Task Force. We made a number of

recommendations. We put LPNs back into acute care facilities, something the members opposite had slashed. We increased the number of full-time jobs. There are 300 full-time jobs.

**Mrs. Mitchelson:** Mr. Speaker, Manitobans want answers, not arrogance, from their Minister of Health.

Mr. Speaker, can the Minister of Health explain to Manitobans why doubling the nursing shortage in Manitoba and hiring only 10 full-time nurses, how that squares with their election promises and their election commitments?

**Mr. Chomiak:** Mr. Speaker, RHAs are reporting 600 more permanent nursing positions in 2001 than 2000. That reflects an expansion of programming, an expansion of health care, an opening of beds and all of the things that deal with the dark ages of the 1990s that occurred when the members slashed and cut. As the president of the Manitoba Medical Association said, the dark ages of the 1990s.

**Mrs. Mitchelson:** Can the minister explain to Manitobans rather than the rhetoric and the ranting and the raving that he does in his answers, can he explain to Manitobans what is happening—

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

**Mr. Speaker:** Order.

**Mrs. Mitchelson:** Thank you, Mr. Speaker. Can the Minister of Health explain to Manitobans what is happening to the 47 nurses that have not been offered full-time jobs, and why only 10 nurses out of the graduating class of 57 have been offered full-time jobs right here in Manitoba under his watch?

**Mr. Chomiak:** Mr. Speaker, in the last report of the graduating class that I have by the Manitoba Nursing Research Institute, of the 2001 graduates in May, 86 percent were offered positions at the time of the survey.

Now, Mr. Speaker, as members opposite know—

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

**Mr. Speaker:** Order.

### Point of Order

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

**Mrs. Myrna Driedger (Charleswood):** The minister may want to clarify whether the graduating class was in May or March. I do not believe there was one in May.

**Mr. Speaker:** Order. The honourable Minister of Health, on the same point of order.

**Mr. Chomiak:** Mr. Speaker, I suggest that members opposite do not have a point of order. It is not even a dispute over the facts. In fact, the members have gotten statements so inaccurate, so wrong, even as recently as yesterday the member is quoted in the *Canadian Press* as not being sure whether or not there was a doctors' strike or when she was re-elected or when she was elected.

**Mr. Speaker:** Order. Before making a ruling, I would like to once again remind all honourable members a point of order is to be raised to draw to the attention of the Speaker of a breaking of the rule or a breach of a rule or breaking from tradition of the House and not to be used for debates.

So the honourable member does not have a point of order.

\* \* \*

**Mr. Speaker:** The honourable Minister of Health, to conclude his comments.

**Mr. Chomiak:** As I indicated, 86 percent were offered positions. Only one graduate left Manitoba to work in another province. The remaining four graduates could not identify a location. This was a study undertaken by the Manitoba Nursing Research Institute of May 2001 nurses. It was done in a review. Eighty-six percent of those nurses were offered positions in Manitoba and, as I indicated, there are 300 full-time positions. That is why we set up a task force to work with the nurses to identify positions.

### **Manitoba Hydro Profits**

**Mr. John Loewen (Fort Whyte):** Mr. Speaker, on the one hand, we have the Minister of Finance stripping \$288 million from Manitoba Hydro to cover his operating deficits. On the other hand, we have the Premier (Mr. Doer) of the province making statements that Hydro will have to invest \$8 billion to reap the rewards should the Kyoto agreement be signed.

I would like to ask the Minister of Finance if he forgot to inform the Premier that Hydro is already out of cash and, in fact, will have to borrow money to pay the \$150 million dividend, let alone have any cash to make investments.

**Hon. Greg Selinger (Minister of Finance):** I would like to thank the Member for Fort Whyte for giving the member from Seven Oaks a break here so we can answer the question.

Once again, between the years 1997 and 2001, the actual profits of Manitoba Hydro were \$734 million, \$371 million more than forecast. It is out of those excess profits that we will have a dividend for the people of Manitoba as originally envisioned when we built the Limestone project.

### **Capital Requirements**

**Mr. John Loewen (Fort Whyte):** Those profits have already been spent on capital expenditures.

I would like to ask the minister why he is completely ignoring the advice he has received from the Business Council of Manitoba who has told him he should only take dividends as long as strict attention is paid to current and future capital requirements. Why is he totally ignoring that advice?

**Hon. Greg Selinger (Minister of Finance):** First of all, I would like to thank the member from Fort Whyte for confirming the fact that the Business Council of Manitoba agrees in principle with the notion of having a dividend for Manitoba Hydro for the people of Manitoba. Their policy is certainly more enlightened than the policy of the members opposite. Of course, we will continue to do due diligence to make sure Manitoba is one of the best-run corporations in Manitoba.

**Mr. Loewen:** Do I have to remind the minister that he did all this without even consulting management?

\* (14:10)

### **Public Utilities Board Review**

**Mr. John Loewen (Fort Whyte):** My supplementary to the minister is simply this: Given that his own Finance Department, on May 10, issued an economic update which indicated that Hydro's export sales for January and February were down 41 percent from the previous year, a 41% decline in export sales, will the minister review that policy he has made, for which he has no legislative authority to take the \$150 million? Will he review that policy, take it to the Public Utilities Board, so we can have a full public scrutiny to determine what effects stripping Manitoba Hydro of \$288 million will have on the ratepayers of this province?

**Hon. Greg Selinger (Minister charged with the administration of The Manitoba Hydro Act):** Mr. Speaker, to be absolutely clear, for the record, in the year 2001, Manitoba Hydro forecast profits of \$116 million. The actual profits were \$270 million; \$270 million versus \$116 million.

Out of those excess profits we are going to take a dividend of \$150 million, certainly a responsible policy at a time when record profits are being made through export sales because we had the foresight to build the Hydro project when we were last in government.

### **Manitoba Hydro Export Sales**

**Mrs. Bonnie Mitchelson (River East):** The Minister of Finance has admitted that he did not consult with the management of Manitoba Hydro prior to demanding that they turn over \$288 million from Manitoba Hydro coffers to pay for the Doer government's spending spree and operating deficits.

My question for the Minister of Finance is: Was he aware that Manitoba Hydro's export sales for January and February of this year were down 41 percent from the previous year before he decided to strip Manitoba Hydro of \$288 million?

**Hon. Greg Selinger (Minister charged with the administration of The Manitoba Hydro Act):** Mr. Speaker, there are several inaccurate statements made by the member opposite. First of all, the per capita expenditure in Manitoba is the third lowest in the country, so there is no excess spending going on here. Spending is going towards priorities.

As I indicated to the Member for Fort Whyte (Mr. Loewen), the \$150 million is out of last year's profits which were more than double than was forecast.

**Mrs. Mitchelson:** Can the Minister of Hydro and the Minister of Finance advise Manitobans what effect a dramatic reduction in the export sales will have on electricity rates in Manitoba?

**Mr. Selinger:** Mr. Speaker, one of the things you must know is that Manitoba Hydro, since we have come into office, has put additional capacity in place to support firm Hydro sales into the American market. This spring, we will have two gas turbines come online in Brandon, Manitoba, which will provide significant additional capacity for Manitoba Hydro.

In addition, we have converted the coal plant in Selkirk, Manitoba, to a gas combustion plant, as well. This plant will not only allow Manitoba Hydro to meet its Kyoto commitments but will provide additional capacity for Manitoba Hydro to meet export sales.

**Mrs. Mitchelson:** Well—

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

**Mr. Speaker:** Order. The honourable Member for River East has the floor.

**Mrs. Mitchelson:** Thanks very much, Mr. Speaker. Since the Minister of Finance boasts all these wonderful things, can he guarantee Manitobans that their hydro rates will not go up?

**Mr. Selinger:** First of all, I am glad the Member for River East has acknowledged that we have, with Manitoba Hydro's recommendations, put additional capacity in place. What we have said is that Manitoba Hydro rates will remain the lowest in North America, and we stand by that commitment.

### **Teachers Retirement Allowances Fund Maternity Leave Buyback**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, my question to the Minister of Finance on a matter of fiscal and pension policy.

Presently, teachers who are continuing to be teachers, who had a maternity leave in the past, are able to buy back the contribution for their pension and to have a pension that fully reflects the time they were on maternity leave; but a teacher who retired early, who moved on to another job, who may be of the same age and in the same graduating class as one who can do this, is not able to do this because she is considered a retired teacher.

I would ask the Minister of Finance when he is going to make the changes that are needed to provide equity under these conditions to all teachers.

**Hon. Greg Selinger (Minister of Finance):** Well, first of all, the member from River Heights I think has just publicly acknowledged that it was this Government that allowed teachers who are presently practising as teachers in Manitoba to buy back time that they had while they were on maternity leave, which will give them stronger pensions. I think that was an appropriate policy.

The issue of whether somebody who has left the teaching profession has the right to buy back that time, I will take under advisement and see what the status of that situation is.

**Mr. Gerrard:** My supplementary to the Minister of Finance is: I understand that some of the roadblocks to doing this, both the changes in federal legislation and looking at what is possible—

**Mr. Speaker:** Order.

### **Point of Order**

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

**Mr. Marcel Laurendeau (Official Opposition House Leader):** *Beauchesne* 417: Preambles to questions should be brief, and supplementary questions should require no preamble.

**Mr. Speaker:** The honourable Member for River Heights, on the same point of order.

**Mr. Gerrard:** Mr. Speaker, I was just getting to the question.

**Mr. Speaker:** On the point of order raised by the honourable Official—[*interjection*] Order.

On the point of order raised by the honourable Official Opposition House Leader, he does have a point of order. *Beauchesne* Citation 409(2) advises that a supplementary question should not require a preamble. I would ask the honourable member to please put his question.

\* \* \*

**Mr. Gerrard:** My supplementary to the Minister of Finance. I ask that this matter be given prompt attention and that the Minister of Finance provide a report as soon as possible, together with the Minister of Education (Mr. Caldwell).

**Mr. Selinger:** I would like to thank the member from St. Norbert for providing us with leadership on how the rules should be interpreted in the House.

As I indicated earlier, I will take the matter under advisement. I do want to re-emphasize that within the first few years of us coming into Government, we changed the legislation to allow teachers who are practising teachers to buy back time for time that they spent on maternity leave in order to have a more adequate pension.

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

**Mr. Speaker:** Order.

#### Point of Order

**Mr. Laurendeau:** On a point of order, Mr. Speaker. The minister knows all too well once he has taken a question under advisement there is no need to put an answer after it.

**Mr. Speaker:** On the point of order raised, a supplementary question should be asked to clarify from the first question. If the honourable member has taken the question under

advisement, there is no supplementary question to that question, except—[*interjection*]

Order. To clarify for all members, when a question is asked and a member, a minister takes it under advisement, the only way a supplementary question can be asked is to clarify part of the question that was asked that the minister had taken under advisement. [*interjection*]

\* (14:20)

On the point of order raised by the honourable Official Opposition House Leader, when a minister takes a question under advisement, the only way a question can be asked is if the member is seeking information from the minister and it could be a different question to seek different information. That is what the member was doing.

\* \* \*

**Mr. Speaker:** The honourable Minister of Finance, have you concluded your comment? Okay.

#### Hydro Plant (Selkirk) Conversion

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, my second supplementary on the fiscal management by the Minister of Finance. I would ask the Minister of Finance to tell this Legislature whether he has communicated at all with his colleague, who has just negotiated on the Kyoto, his plans to very considerably increase the burning of fossil fuels by revving up the plants in Brandon and Selkirk and creating greenhouse gases.

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, I do not pretend to be an expert on the rules, but that did seem like a new question. Nonetheless, I will attempt to answer it.

When you convert a coal plant to gas, you significantly reduce the amount of noxious emissions in the environment. That is what we have done at Selkirk. These plants are backup, if and when needed, to provide cleaner sources of energy to the American marketplace.

### North American Indigenous Games Volunteer Recruitment

**Mr. Stan Struthers (Dauphin-Roblin):** My question is to the Minister of Culture, Heritage, Tourism and Sport. It concerns the North American—

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

**Mr. Speaker:** Order.

**Mr. Struthers:** It concerns the North American Indigenous Games. There has been concern expressed in the media a short time ago about whether or not the North American Indigenous Games would meet its volunteer targets. Can the minister tell us how the recruitment is going for these games?

**Hon. Ron Lemieux (Minister responsible for Sport):** I thank the Member for Dauphin-Roblin for the question. This is really an important question, Mr. Speaker, because the North American Indigenous Games that are going to be held here this summer are going to be the largest North American Indigenous Games ever held in its history; twice the size of any other previous games.

Mr. Speaker, the question with regard to the volunteers: there are going to be over 6500 athletes, volunteers and families going to be attending this. We need close to about 4500 volunteers. We have over 4000 right now. As the date gets closer, certainly more and more volunteers will be coming on board.

So I would like to say that not only this Government and people on this side of the House, I am sure, are wanting these games to be most successful. I know members opposite, who worked very hard on the Pan American Games to make them successful, would wish that more volunteers come forward. We need as many volunteers as possible to make these the most successful games, and, once again, show that Manitoba is the elite when holding any kind of games in Canada.

### Online Crime Cyber Tip Line

**Mrs. Joy Smith (Fort Garry):** Mr. Speaker, in a press release last May the Minister of Justice

announced, and I quote from the minister's release: "New cyber tip line to protect children on the Internet."

It has now been 371 days since the Minister of Justice made his announcement, and again I quote: He wants to bridge the gap between those who wish to report online crimes and the law enforcement agencies that require the information.

Can the minister provide to Manitobans the phone number or Internet address for his cyber tip line promised 371 days ago?

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** Mr. Speaker, I am very proud of the work that is unfolding with the cyber tip line. The member opposite should know, and I look forward to getting into this in more detail in Estimates, the work that has taken place to date and the targeted date for the official launch of this.

This is work that has been proudly done as a result of a partnership effort led by Child Find Manitoba, as well as the Winnipeg Police Service, the RCMP, the telecommunications policy branch in Ottawa, as well as MTS, Prosecutions, Education and Training, Beyond Borders, representatives from the University of Manitoba. This is expected to be a pilot for a federal—a national cyber tip line, and I am glad we are able to provide that leadership, in partnership with these other agencies.

**Mrs. Smith:** On a new question, Mr. Speaker. In the minister's press release he referred to the cyber tip line as, and again I quote the minister's release: An important public safety issue.

Can the minister provide to this House how many child pornography and Internet luring instances have been reported through this cyber tip line since his announcement 371 days ago?

**Mr. Mackintosh:** Unfortunately, the member is wrong in her question. The announcement made last May was to establish the Children Online Protection Committee, which had, as its first piece of work, the establishment of a cyber tip line. Members opposite know that full well.

Mr. Speaker, I just remind members opposite that we are not talking about some

rinky-dinky little phone line here like their so-called gang hotline that they did not even answer for up to five months at a time. This is serious work. We intend to provide a new way for children to be protected, not like their cold line.

**Mr. Speaker:** Order. Before recognizing the honourable Member for Fort Garry who is up on a supplementary or a question, I would like to remind all honourable members, once you state that you are up on a new question, please give me the opportunity to respond back so that it is clear to all the members of the House that it is a new question.

**Mrs. Smith:** On a new question.

**Mr. Speaker:** The honourable Member for Fort Garry, on a new question.

**Mrs. Smith:** Mr. Speaker, in the minister's press release 371 days ago, he stated that his Government, and I quote: can do more at the provincial level to prevent the exploitation of children through the Internet.

Can the minister advise how many successful criminal prosecutions of child pornographers and those who lure children on the Internet have occurred as a direct result of his cyber line announced 371 days ago?

**Mr. Mackintosh:** Mr. Speaker, I guess if you do not have the facts to rely on you simply just come up with something, because that is what the question has in its preamble. Last May we were very proud to announce the Children Online Protection Committee, and I think—

#### Point of Order

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

**Mr. Marcel Laurendeau (Official Opposition House Leader):** Mr. Speaker, *Beauchesne* 417: Answers to questions should be as brief as possible, deal with the matter raised and not provoke debate.

It was clear that the member was asking for the phone number. Seven numbers.

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

**Mr. Mackintosh:** Mr. Speaker, I was simply responding to the question that was raised. There was false information in the question.

**Mr. Speaker:** On the point of order raised by the honourable Official Opposition House Leader, the honourable minister had not stated enough words for me to determine if he was responding to the question and using the words to respond to the question or if he was provoking debate or avoiding the question.

\* \* \*

**Mr. Speaker:** So the honourable Attorney General, to conclude your answer.

**Mr. Mackintosh:** Yes, Mr. Speaker. Last May we announced the Children Online Protection Committee partnership initiative. It is unfortunate the members opposite are trying to politicize a body comprised of representatives that have a real stake and are trying to make a difference in Manitoba and across this country, including Beyond Borders and Child Find. The committee is beyond reproach.

As the members opposite also know, and it has been reported in *Maclean's* just a couple of weeks ago about some of the challenges in establishing the child cyber tip line, members opposite should also know that this is an online reporting mechanism. It is an Internet site that will be established and will be announced in the coming weeks.

I should also say that the Online Protection Committee was asked as a matter of priority to do the partnership work for cyber tip line, and we gave them the funding to do that and we are very close, Mr. Speaker, to the unveiling of that wonderful partnership initiative.

**Mrs. Smith:** Mr. Speaker, on a new question.

**Mr. Speaker:** The honourable Member for Fort Garry, on a new question.

\* (14:30)

**Mrs. Smith:** It has now been 371 days since the Minister of Justice made his announcement, and again I quote and remind the members opposite the minister wanted to bridge the gap between those who wished to report online crimes and the law enforcement agencies that require the information.

My question to the minister: When will this line be up and running? It has already been 371 days.

**Mr. Mackintosh:** Mr. Speaker, when the cyber tip line is unveiled, it will not be a line that is not answered for up to five months at a time, as the members opposite put in place for gangs in this province.

The Children Online Protection Committee has been working since its establishment last May to establish a Canadian first. What the member unfortunately is doing is reflecting on the hard work, particularly of Child Find Manitoba, in putting this line in place. I regret that because the work has been fantastic, the partnership has been unbelievable. We are not only providing a cyber tip line for Manitobans, but it is expected that this will be a national tip line, something that I think, quite frankly, is due Canadian children.

#### **Feed Grain and Barley Interprovincial Trade Barriers**

**Mr. Jack Penner (Emerson):** Mr. Speaker, farmers in this province have, over the last two weeks, been hit with a third major impact. The Winnipeg Commodity Exchange has de-listed the 2003 contract for feed wheat and barley. The Alberta government is looking at restricting fusarium-infected feed and seed grain shipments from Manitoba unless the grain can be certified as fusarium free.

Can the Minister of Agriculture outline what discussions her Government has had with the Alberta government about this negative trade action?

**Hon. Rosann Wowchuk (Minister of Agriculture and Food):** Mr. Speaker, I can tell the member that I have had discussions with the Commodity Exchange on this decision that they have had to remove this offering, but we have also had discussion with the Alberta government to try to get information where they are going on this issue. It is a very serious issue because if we start to put up borders between provinces to trade, then that sends a real signal to the U.S. that, when we argue with them, they should not be putting up borders.

Mr. Speaker, this is quite serious. We also know that there is fusarium in Alberta right now, and we are very concerned that Alberta is taking this action to try to stop the flow of barley from Manitoba into Alberta. Yes, we are working very closely with them, but we also want to see the results of the study that they are doing with this right now as well.

**Mr. Jack Penner:** Mr. Speaker, I appreciate the minister's answer, but I would like the minister to tell this House what specific action she is contemplating on taking in order to bring this issue to the attention of the authorities that are in place here to ensure that Manitoba's feed grain will in fact be in such condition that it is marketable in western Canada and indeed to the livestock herd in this province.

**Ms. Wowchuk:** Mr. Speaker, the issue of livestock grain and movement of livestock grain out of this province into Alberta is very important. What we are doing is awaiting the outcomes of the study that the Alberta group is taking on right now. They have not put in place the barriers yet. They are talking about taking a move that would be very protectionist on the part of the Alberta government. We want to await that study to see what steps they are going to be taking, but we are very concerned about it and we want to ensure that feed grains continue to be a viable commodity in this province and can reach the markets where they are needed.

**Mr. Jack Penner:** On a new question.

**Mr. Speaker:** The honourable Member for Emerson, on a new question.

**Mr. Jack Penner:** The minister fully realizes the impact of American corn coming into this province and indeed into western Canada. There are no restrictions whatsoever on American feed grains coming into Canada. There are, however, now restrictions by provincial governments being put into place that will affect the movement of Canadian grain to Canadian markets.

Will this minister tell this House what action she will be taking to ensure those limitations will not be put in place and that she will talk to the Alberta government and indeed her Canadian counterparts, which she said she would have better relationships with than the previous



government, to ensure we will have a free market system in this province?

**Ms. Wowchuk:** I guess the member was not listening to the last two answers I gave him. I said that this was very serious. I said we have been in contact with the Alberta government and we have raised the issue that we do not want to see trade barriers between provinces because that sends a very bad signal to other countries that we trade with. We want to ensure this is not being used as a trade barrier and look at scientific evidence to see what they are talking about, because we do not believe that, by feeding this grain through livestock, this is an opportunity to spread fusarium. We want the Alberta government to recognize that they do have fusarium in their own province right now, and we believe this is being used, this study is being done or this plan of action is being taken so that Alberta grains would be going to Alberta feed cattle, not grains from other provinces.

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

## MEMBERS' STATEMENTS

### Carman Grandstand Fire

**Mr. Denis Rocan (Carman):** Only a few days have passed since I rose in this House to discuss the tragic destruction of the 99-year-old Ryall Hotel in Carman by fire. Sadly, another Carman landmark, its beloved grandstand, has experienced the same fate.

When a massive fire broke out at the Carman fairgrounds early Monday morning, the 3000-seat, 83-year-old grandstand was completely destroyed. The blaze spread to the nearby free stage, the dining hall and the pari-mutuel betting booths. Damage is estimated at \$1 million. The cause of the fire is being investigated by the RCMP and the Fire Commissioner's office.

The grandstand was designated a municipal heritage site in 1992. The application for designation stated that it was the last standing wooden grandstand of its kind. The events held at the grandstand were varied, everything from tractor pulls to harness racing to the opening ceremonies of the town's fair. The fairgrounds

are the anticipated home of the Carman Country Fair which is held July 11 to 13, but the grandstand will have to be temporarily replaced by portable bleachers. For those who attend this event annually it will not be the same.

\* (14:40)

Mr. Speaker, I would like to offer my condolences to all those who are feeling the loss of the Carman grandstand and surrounding structures. I especially want to mention the Dufferin Agricultural Society who owned this property and have put a lot of money and effort into fixing up the grandstand and associated facilities.

I would also like, Mr. Speaker, to recognize Ed Vandersluis, deputy chief of the Carman Dufferin volunteer fire department, and all the other firefighters who gave their best efforts in attempting to extinguish the fire.

Finally, Mr. Speaker, I extend condolences to Carman mayor, Murray Rinn, and Reeve Bill Ross in the R.M. of Dufferin and all the residents of the Carman area as they are left to cope with this tragic loss.

### Mines Rescue Competition

**Mr. Gerard Jennissen (Flin Flon):** Mr. Speaker, last Saturday I was privileged to join the Minister of Industry, Trade and Mines (Ms. Mihychuk), the Minister of Labour and Immigration (Ms. Barrett) and some of their staff at the 42nd annual Manitoba Provincial Mine Rescue Competition at the New Britannia Gold Mine in Snow Lake.

We were very impressed with the professionalism of the underground mine rescue teams. We know that the mining sector has a billion-dollar impact on the province of Manitoba. Mine safety is important to this vital sector. Each year there is stiff competition among a number of Manitoba mine rescue teams. This year was no different. The teams that competed this year were HBM&S, Ruttan Mine, Leaf Rapids; HBM&S, Flin Flon; AECL, Pinawa; Inco, Thompson; Tanco, Lac du Bonnet; and New Britannia Mine, Snow Lake.

The winner of the competition was AECL. The winning team consisted of Dwayne Onagi, Glen Karklin, Richard Suski, Kevin Clarke,

Dean Randell, Jason Martino, Terry Reimer and Shawn Keith. Congratulations.

The runner-up team was HBM&S, Ruttan Mine, Leaf Rapids. The Ruttan team was also the winner last year at Creighton, Saskatchewan. It was especially significant that the Ruttan team won again because the members likely will only be together for a little while because the Ruttan Mine will close at the end of June, but what a fitting ending for Ruttan. Well done, Ruttan team. The team consisted of Terry Hollett, Gerry Sullivan, Shawn Gale, Paul Rogers, Sean Fortin, Ron Sullivan and Bruce Gulliford.

That evening the teams were honoured at a banquet at the town hall. The formal portion of the banquet was ably chaired by Mike Kelly, general manager of New Britannia. Mike was a most genial host. All participants at the banquet had an enjoyable evening.

Thank you, Snow Lake, and New Britannia Mine, for your superb hospitality. As well, thank you all participants, organizers, volunteers and sponsors who have made the 42nd Mine Rescue Competition in Snow Lake such a success.

### **Agricultural Hall of Fame**

**Mr. Jack Penner (Emerson):** On April 18, the Manitoba Agricultural Hall of Fame held their annual general meeting. It was here that the names of eight people to be inducted into the Hall of Fame this July were announced.

I extend congratulations to Albert Chapman of Brandon, Elva Cochrane of Hamiota, Clare and Dorothy Geddes of Pilot Mound, Archie Londry of Rapid City, James McCutcheon of Carman, Albert Vielfaure of La Broquerie and the late Lorne Parker of Ste. Agathe.

The Agricultural Hall of Fame was established in 1976 to recognize those individuals who have made outstanding contributions to the betterment of agriculture and rural living in the province. This year's candidates have proven most deserving of this honour. Some of their individual accomplishments include owning/operating the Chapman Museum; serving as a councillor and reeve, doing the tireless community work;

introducing Charolais cattle into the province; showing cattle at the provincial exhibition for 68 consecutive years; pioneering the development of zero tillage nationally and internationally; serving as an MLA; and sitting on a variety of different provincial, national and international agricultural boards.

Mr. Speaker, it is individuals such as these who help maintain the prosperity of agriculture and rural life that continues to be the backbone of the provincial economy and helps to form a significant part of its heritage. The legacy these people have created will last in the hearts of Manitobans for years to come.

Being a farmer myself, I find it encouraging that such organizations exist in our province to recognize members of the agricultural and rural communities for their accomplishments. I know first-hand how hard such individuals have to work, and they deserve every bit of recognition for it.

Mr. Speaker, on behalf of the Legislative Assembly of Manitoba, I congratulate the inductees into the Manitoba Agricultural Hall of Fame for 2002, and wish them all the best in the future.

### **Credit Unions**

**Mr. Doug Martindale (Burrows):** Mr. Speaker, I rise today to speak about the vital role that credit unions play in our province. Credit unions are committed to Manitobans and that commitment has translated into growth.

At the end of 2001, there were 172 credit unions in Manitoba, up by two from the year before; 2001's memberships grew by a very significant 22 000 members, bringing its total to 451 000. Also, assets, loans, deposits and patronage dividends were all up. Some of these increases represent the highest increases in at least a decade.

Credit unions are very important in 61 Manitoba communities since a credit union is the only financial institution available to consumers and businesses. Credit unions are also a great source of employment for Manitobans. The total system payroll in 2001 was \$79.6 million, which is an increase by \$7.5 million over 2000. Credit

unions are useful because members reap the rewards of membership. Last year hundreds of thousands of members shared in the profits of \$26 million.

I especially congratulate North Winnipeg Credit Union, which had an excellent year in 2001. Their membership was up by 13.2 percent, loans were up 14.8 percent, and assets increased by 12.9 percent. The board of directors declared a patronage refund of \$60,000, subject to year end. Credit unions are a very important part of Manitoba's economic and social fabric. Their services benefit thousands of Manitobans. In return the credit unions themselves benefit from Manitoba's strong economic growth and potential.

#### **Timothy Eaton Statue**

**Mrs. Louise Dacquay (Seine River):** I rise today to express how pleased we are that the renowned statue of Timothy Eaton will remain in Winnipeg. This 1100 kilogram statue was a gift from Eaton's employees to the company on its 50th anniversary in 1919. It remained on the main floor of the Portage Avenue store until the store closed 80 years later. It currently resides outside the Eatons Polo Park store. However, when Sears announced it would be closing this store it became evident that a new home would have to be found for the bronze likeness of Eaton.

In April, descendants of Timothy Eaton announced the statue would be leaving Winnipeg for St. Mary's, Ontario, 200 kilometres southwest of Toronto. It was here and in the neighbouring town of Kirkton, Ontario, where Timothy Eaton opened his first two stores in 1860. However, an outcry of disappointed Manitobans caused members of the Eaton family to reconsider. They soon realized what a significant part of the province's heritage this statue holds. Many of us think fondly of this landmark as a place to regroup after the shopping is done. Some even treat it as a lucky charm. Rubbing Timothy Eaton's boot is said to bring good luck.

The statue's next anticipated home is the True North Entertainment Complex. Here it will form part of an Eaton's display designed to commemorate the almost century-old building

soon to be replaced by this new recreational complex.

Mr. Speaker, I would like to take this opportunity to thank the Eaton family and all those who contributed in keeping the Timothy Eaton statue in Winnipeg. It is because of numerous efforts that a piece of our local heritage has been preserved for future generations.

### **ORDERS OF THE DAY**

#### **GOVERNMENT BUSINESS**

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, would you please call Bill 14.

#### **DEBATE ON SECOND READINGS**

#### **Bill 14—The Public Schools Modernization Act (Public Schools Act Amended)**

**Mr. Speaker:** Resumed debate on second reading of Bill 14, The Public Schools Modernization Act (Public Schools Act Amended), standing in the name of the honourable Member for Minnedosa (Mr. Gilleshammer).

Is it the will of the House for the bill to remain standing in the name of the honourable Member for Minnedosa? *[Agreed]* Any other speakers? No.

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, I move, seconded by the Minister of Consumer and Corporate Affairs (Mr. Smith), that the House resolve into the Committee of Supply.

*Motion agreed to.*

#### **COMMITTEE OF SUPPLY (Concurrent Sections)**

#### **CONSERVATION**

\* (14:50)

**Mr. Chairperson (Harry Schellenberg):** Good afternoon. Will the Committee of Supply please come to order. This afternoon this section of the Committee of Supply meeting in Room 254 will

resume consideration of the Estimates of the Department of Conservation.

We are on line 4. Conservation Programs (f) Fisheries (2) Fish Culture (a) Salaries and Employee Benefits \$661,300 on page 49 of the main Estimates book. When the committee last met, there had been agreement to skip ahead and ask questions on 4. Conservation Programs (f) Fisheries (4) Sport and Commercial Fishing Management. Is that still the will of the committee?

**Mr. Glen Cummings (Ste. Rose):** I was asking the minister about any remedial action planned or already undertaken in Lake Dauphin or Lake of the Prairies or any other of the—

**Mr. Chairperson:** Order. Is it the will of the committee to continue with 4. Conservation Programs (f) Fisheries (4) Sport and Commercial Fishing Management? Is it the will of the committee? *[Agreed]*

**Mr. Cummings:** Mr. Chairman, I was interested in what plans the minister has or what actions may already be underway to do some remedial stocking in particularly the two lakes that have received all the attention, but I believe there are others. There are ongoing stocking programs, of course, that we asked about earlier. So today I would appreciate it if he would indicate any particular action that he has undertaken in Lake of the Prairies or Lake Dauphin.

**Hon. Oscar Lathlin (Minister of Conservation):** In response to the member's question, I can indicate to him that both fisheries have sufficient natural spawning stock to allow the walleye stock to recover and sustain good fishing without significant stocking. Research conducted by the Department of Fisheries and Oceans on Lake Dauphin concluded that major stocking programs on large multispecies lakes such as this provide few returns compared to production from natural spawning. That is the question that I asked myself on occasion.

The department's efforts have focussed on protecting spawning-size fish and the protection and the enhancement of spawning habitat to improve natural spawning success. Recently, Conservation provided Intermountain Sport Fishing Enhancement with \$10,000 from the

Fisheries Enhancement Initiative to purchase a generator for filling the Methley Beach walleye rearing ponds on Dauphin Lake and will be providing 200 000 fry, those of half inch, to stock the ponds for growing the fish to fingerling sizes, 3 to 4 inch, for release later this year.

On Lake of the Prairies, Conservation has been experimentally stocking walleye fry in streams in an attempt to create spawning runs and maybe having some success in the Shell River area. The department plans to stock 300 000 walleye fry in the Shell River again this spring. The excellent fishery on Lake of the Prairies has resulted from management efforts aimed at protecting spawning habitat and spawning-size fish, and that will continue to be our priority.

\* (15:00)

**Mr. Cummings:** It seems to me to be a rather tepid response to what was acknowledged, I think, by everybody. It was some pretty dramatic increase in pressure on these lakes and to refer to Lake Dauphin as a multispecies lake is, I would suggest, a matter of degree of interpretation because, when Lake Dauphin was not producing, the commercial fishermen were encouraged, and, if memory serves me right, they may have even been asked to, and received some reimbursement to take some of the jacks out of lake so that the pickerel population could be enhanced and that there would be a better opportunity for the life cycle of the pickerel fingerling.

You know, people have an obvious preference for natural reproduction of fish stocks as opposed to stocking. Unless I am quite mistaken, and I guess I reference a letter that the minister put in the newspapers in that region when he referred to the alleged overfishing. Alleged overfishing, well, frankly, it borders on being an insulting comment when you consider the amount of fish that was taken out of there. I think it would be without any particular stretching of imagination to know that the number of fish taken out of Lake Dauphin exceeded the sustainable limits by a considerable amount. The department itself would acknowledge that the limits had been reached long before. When I say the department, I am talking about reports that people in the community have brought forward after discussions with knowledgeable people about what is the

productive capacity or what is the sustainable capacity of the lake and then calculating how much has actually been taken out.

This is not so much a shot at the department as it is, as the minister full well knows, a flash point which I would suggest he would be very well advised to increase some resources to helping with a restocking. I again believe there was published in the *Dauphin Herald* comments from myself which I believe to be true and were supported by local sports fishing enthusiasts that, yes, the fishing may be good in 2002, fishing might not even be too bad in 2003, but eventually the year classes that have been fished out, which were predominately the larger ones at the current netting that occurred, the year of production that is being lost this year to a large extent, and, frankly, just plain bad luck that the weather is not co-operating in terms of spawning around Lake Dauphin in particular, and Lake of the Prairies I believe would be in a similar situation, the amount of spawn that is going to survive is, by all indications, pretty low.

I am sure the minister may be able to find examples of where spawning is occurring successfully, but, nevertheless, if the minister would take this as friendly advice, he would certainly make a lot of people who are very much tied to the welfare of those lakes feel better if there was an additional and a very determined effort made to do some stock enhancement.

If he would remind me, he said that he indicated that some money had been allocated towards enhancement and that some fry were going to be grown. Can he restate the number that he expects to see in a stocking program, particularly in Lake Dauphin?

**Mr. Lathlin:** Two hundred thousand fry.

**Mr. Cummings:** Well, with the greatest of respect, I would suggest that that is not enough. It is important that the second leg of that, which is the supply and the fish enhancement opportunities that may be going by the way, will there by any—

**An Honourable Member:** No catfish for the Red River at all.

**Mr. Cummings:** Right. If Lake Dauphin gets lower, we are going to have to have catfish, yes.

I mean lower in water levels, especially the ones that have a blue tag, right?

The concern I have, Mr. Minister, is that when we first started meeting in this Committee of Supply there were concerns raised about whether or not there was going to be enough money available for fish enhancement groups to in fact do some trucking. It was understood that they may have to raise money to pay for trucking to move fry into place.

Have there been any added grants or supports go into the area to provide fish habitat enhancement and/or support the local groups to truck in stocks, in other words, fry of whatever size, better yet, fingerlings. The minister referenced the fact there were going to be some fry that would be grown out to fingerling size before they are released. That is certainly positive but if there is just the business as usual approach to this, I would suggest that we are all going to be in for a very unhappy surprise, not just because of the fishing pressure but compounded by the impact of local weather. Give me some assurance that people will be given assistance to move the fry and fingerlings into place, or will this be a departmental undertaking?

\* (15:10)

**Mr. Lathlin:** Mr. Chairperson, I believe the member will be aware because it has only been two and a half years since he has been out of office. He was there for a long time. I have been there two and a half years and I am mindful or I am aware that just about every year there are grant monies given to sports fishermen groups around that area. As I stated earlier, just this spring, we have allocated some \$10,000 to that area.

The total budget of the sports fish enhancement program is about \$350,000 a year and that gets allocated. We are trying to allocate it to cover all of Manitoba and not just directed at a particular area. I made it known to our staff that this money is to be spread around and for this year, for example, we have not yet fully allocated the fish enhancement money. So we will be looking at other areas though to fund. In response to the member's other question or statement and that is, is 200 000 fry enough, you know, he seems to dispute that.

I would just like to say, and I am sure he did too when he was minister of the Crown, right now I am following the advice of professional people, the fisheries biologists. This is where I am getting my advice from. Our decisions on stocking of lakes are not political decisions. We would certainly be stocking Lake Dauphin if that was the advice that I was given by the professional people.

Similarly we take the advice of those experts when it comes to sustainability of Lake Dauphin. If it can be shown that restocking or stock enhancement can be useful, well, then, that is where we would want to go.

**Mr. Cummings:** So, then, is the minister going to use the commercial fishing licences as a buffer by removing them from all activity?

**Mr. Lathlin:** I can indicate to the member that the commercial net fishery on Lake Dauphin has been suspended and this closure affects anglers and treaty domestic net fishing. The limits of fishing during the spawning period up to, in this case it was May 11, has been extended to the end of October 2002. It also limits taking of spawning size walleye for the rest of the year.

**Mr. Cummings:** How many pounds of commercial fishery have been eliminated?

**Mr. Lathlin:** I can say to the member that for the winter fishery we believe that 50 000 pounds would probably have been eliminated. Of course, there is no summer fishery. I am not a hundred percent certain of that 50 000 pounds, but I am just going to double-check and then advise the member again as we go along.

**Mr. Cummings:** While the minister is confirming the number of 50 000 being the potential commercial catch that would be removed from that lake annually, then he has moved to protect the fishery, as he sees it evolving for the future, at the loss of the commercial fishermen. That may not be something that he intended, but it seems to be abundantly clear that if their quota is now eliminated, then there are 50 000 pounds of unused catch that are being protected for the benefit of the lake.

The problem that I think the minister has created, inadvertently or otherwise, has he developed any plan for dealing with the concerns

of these commercial fishermen? The majority of my riding on the east side, combined ranching and commercial fishery operations are pretty much the common as opposed to the rare.

I understand that a dozen or 15 commercial fishermen or 20 of them who may have quotas plus or minus a thousand to two or three thousand, depending on what numbers the minister can confirm here. They traditionally have been able to pass on that quota the same as if I chose to I would pass on my farm to one of my family.

Is the minister aware of the difficulties that the commercial fishermen may have as a result of his decision, and does he have a plan to address their concerns?

**Mr. Lathlin:** I can indicate to the member that for commercial fishing in that area each quota is very small, as he has alluded to or suggested. These are not what we typically call commercial fishermen who depend on the fishing for their living. As the member knows, the primary source of income would probably be in the area of agriculture.

This coming winter's fishery will be decided after our indexed netting is completed this fall. We cannot eliminate the quota. It can be sold, it can be passed on, et cetera, as he suggests. If Government wants to retire the quota, then, again, the member has been around here longer than I have. Then it is obligated to compensate.

**Mr. Cummings:** So that I understand, is the minister saying that he is not interfering in the quota system as it has currently been practised? I understand and they may well understand that he has grounds to eliminate the catch for this upcoming winter. Has he given any indication on whether or not he will interfere in the continuation of these quotas? I am interested to hear him say, and I give him credit for saying that if the thought was to take the quotas and eliminate them from the lake that compensation might well be involved. That raises the question of whether or not he intends to make any offer to these fishermen. Will he suspend the ability of them to catch and let it sit for a while?

\* (15:20)

**Mr. Lathlin:** I am not sure what the member means. I think a couple of times he said

interfere. I do not know what that means. If we retired the quota with compensation it would be voluntary only. We have looked at the possibility of such a program, as I think the previous government may have done as well, but I have not proceeded with anything thus far.

**Mr. Cummings:** Well, the minister is correct that over the years these quotas have been arbitrarily shrunk, the amount that can be harvested, but they are shrunk to the point where people would feel similarly to what the minister said. That is, well, this is not your sole source of income. Therefore it is not as important to you as it once was. That argument, of course, can be made several ways. Very often off-farm income is what buys the groceries in some operations as well. I speak from knowledge of a lot of part-time fishermen on Lake Manitoba.

My concern is that if the minister and the ministry want to remove 50 000 pounds of fishing pressure from the lake, are they going to do it by attrition, which means that the lake is under pressure today and it will need the break. I think most people would come close to acknowledging that even if it was them who holds the quota. They know that there needs to be some action taken. But they fear that the next step is that they will not be able to pass their quotas on, as they have been accustomed to, to other members of their family when they choose to become inactive, and, therefore, by attrition they will be eliminated. That is what I mean when I talked about interfering with the normal process that has occurred over a period of decades on the lake.

Did I understand the minister correctly to say that if he was going to disallow commercial fishery that there would be compensation or, let me put a hypothesis forward, is the minister interested in buying these quotas and then redistributing them as a result of negotiations on his co-management program, negotiations that have been undertaken? I am not telling tales out of school or pointing fingers so much as I know full well. People from time to time have asked me about whether or not the co-management agreement would in fact embrace some of the Aboriginal community being able to pick up commercial fishing capacity on that lake. I think all the present commercial fish licence holders

would like is some clarity and some direction so that they can either defend themselves or plan their lives accordingly.

**Mr. Lathlin:** Mr. Chairperson, I want to advise the member that the amount of fish to be taken in the commercial fishery will be, as I said earlier, determined by our index netting. We are not arbitrarily eliminating anyone's quota. It is not our intention to do that. We were told earlier that West Region Tribal Council was not interested in a buyback and redistribution of the quota. I would again say to the member that this is an issue that lends itself to having all the interests around the table working towards the same goals in managing the fishery in that area.

\* (15:30)

**Mr. Cummings:** Well, I am pleased to hear the minister say that because that is the very thing that several of us on our side of the House have been hammering on, and that is that there are groups who feel that they have not been heard or have not been embraced in bringing a plan into place. I do not have to plow that ground again. But I have some degree of unease about the way the minister is answering the question about the commercial fishery. To say that the decision will not be made until fall, I think, from my own perspective, is only delaying the inevitable. Now, if the minister and the department truly believe that there is possibility for commercial fishing this fall, that would be a very promising announcement to be made.

Could the minister tell me if it is true that the commercial fishermen have already had indicated to them that, unless the ban on net fishing that is in the lake today is lifted, they are out of business? Is that what the minister means by a decision will be made this fall, or would there be perhaps a complete rearrangement of the regulatory regime on the lake at the time of a fall assessment? Is there an honest-to-goodness possibility? It does not have to be any better than 50-50. I understand that none of us can stick our heads down there and count the number of fish. There will have to be careful assessment and spot netting and so on occur to make a decision.

All of the indicators at this point from people that I have confidence in do not support the fact that this fishery is undamaged. The commercial fishermen believe today that they

will not have an opportunity to fish this coming winter and that they will not have an opportunity to pass on their quota if they decide that they are getting too old for the business and do not intend to maintain their quota. Can the minister confirm that (1) their ability to pass on their quota remains unchanged, and (2) that there is at least a 50-50 possibility of a winter fishery, given the positive results that he believes he is finding in the current state of the lake?

**Mr. Lathlin:** I want to say to the member that I believe that is always the way the commercial catch has been decided, by the indexed netting. We can get a firm statement from our biologists concerning the prognosis of the winter fishery, but as always, the winter fishery numbers will await whatever numbers we get from our indexed netting.

I want to, again, say we have no intention to, arbitrarily or without compensation, eliminate the quota or even the ability to pass it along to other family members.

**Mr. Cummings:** I thank the minister for that. I think you will probably reduce the level of concern in that particular group of people, because I am pretty sure that they felt that they were at some considerable risk. We will have to await the readings this fall, but I will believe one statement on the record, and I would like to turn the opportunity to question the minister over to my colleagues.

In environment, everybody talks about the precautionary principle, in other words, take action even if it is not entirely provable that there is a problem, and I would suspect the minister, through the policies that he inherited through the department and probably through his own consideration, accepts the fact that from the environmental perspective a fair bit of respect for the precautionary principle will save you a lot of grief. That is why I believe very strongly that he can say what he likes about spreading around the money in terms of fish enhancement, stocking programs, special grants that he may have available. He could take the opportunity to arbitrarily decide that he wants to put a bit of emphasis in these areas because he knows there has been some new pressure on the lakes. He knows that there are a lot of people who have

concern about the level of fishing that has occurred, and it might go a long way toward preserving the reputation.

This is not about me and the minister or the Member for Dauphin (Mr. Struthers). This is about a lot of good people in that area, some who are in my riding, many who are in the Member for Dauphin's riding, many around the Russell-Roblin area, who do receive a significant amount of income because of the reputation of those two lakes. They are good pickerel fishing lakes.

Lake Dauphin has recovered once already. It has become a first-class North American lake that has a reputation everywhere, according to all of the tourist information. Lake of the Prairies is equally as good. But Lake Dauphin sticks out because it was a lake that has been severely damaged. It has environmental issues because it is flat and because of the erosion problems, silting problems. There have been literally thousands of people who have put their best thoughts toward protecting this lake and enhancing this lake, and it has gained a reputation from which there are considerable spinoffs which I cannot calculate and I suspect anybody else who says they can calculate is going to have to do some creative thinking. But it goes without thinking that there are hundreds of thousands of dollars worth of benefit to the area aside from the recreational aspects and enjoyment that comes from people who live nearby and use that lake and benefit from it.

So, from this side of the House, both my colleague the Member for Lakeside (Mr. Enns) and I were deeply involved in establishing the Lake Dauphin Advisory Committee, which in the early going was seen to be doing some of the most imaginative and creative thinking and planning in terms of protecting that lake. They never got enough money to work with. We would acknowledge that and they would too, but the changes that have occurred in the last decade in that lake, not because of what we did so much but by what the people in the area did to benefit a resource that they are very proud of is just enormous.

I just want to leave the minister with that consideration, that from this side of the House, we see an opportunity for him to take the initiative and do something. If I simply wanted



to make politics out of this, I would not be saying that. I would not give them the opportunity to have the benefit of going into these organizations and saying—or I would not be suggesting that he take the benefit politically, and go in and do something to seek some remedial support in those areas.

But the Lake Dauphin Advisory Committee and all of the other organizations that are so concerned about this need some demonstration not only of good faith around the negotiations but of good faith about maintaining and enhancing the resource.

I know the concerns that are raised about stocking, but, in the end, if we do not make an effort, then we know that Mother Nature can sometimes be very forgiving or not, and this generation of politicians will wear the horns if Lake Dauphin does not recover pretty quickly because the people around the communities will not be so forgiving.

With that, I do not necessarily expect the minister to respond. I just leave him with a little bit of free advice.

\* (15:40)

**Mr. Lathlin:** Well, I, of course, thank the member for the member's wise counsel. I would like to also tell him, however, that I think that he and I are not even apart on this goal of protecting the environment, conserving the resources, that there be sustainability.

I want to advise him that we do have to talk about other areas of the province. I am quite mindful of the situation in Lake Dauphin and Lake of the Prairies, but I am also mindful of the situation at Cedar Lake, the Saskatchewan River, Moose Lake.

Like the member, some of that area and some of those fishermen—well, most of those fishermen live in my riding, and I see them every weekend when I go home.

They tell me about the problems they are having at Moose Lake. They tell me about the problems they are having at Saskatchewan, and the people from Chemahawin tell me that the fishing situation in Cedar Lake seems to be coming up, but they are really afraid that when they start fishing again it might go back to the same situation as before.

While I accept the member's advice to pay particular attention to Lake Dauphin and Lake of the Prairies, I also want to say that I do not think he would advise me to overlook these other areas, you know, if indeed we are talking about sustainability.

**Mr. Gerald Hawranik (Lac du Bonnet):** Mr. Chairperson, I believe that the restocking program is a very important part of the Fisheries budget. I think the minister would agree with that statement. He should agree with that statement because it speaks to the sustainability of the resource, of the fishing resources that we have in the province.

My concern is one that was given to me by one of my constituents. He mentioned that the Fisheries budget has been reduced in the fish hatchery at West Hawk Lake by up to 20 percent. Can the minister tell me whether that is correct, and, if not, how much was it reduced by?

**Mr. Lathlin:** Mr. Chairperson, I want to apologize to the member that the numbers that we have here are the overall Budget numbers. I do not have numbers, you know, to reflect hatchery-by-hatchery activity. What I will do is I will make a commitment to the member that as soon as I am able to I can get those numbers for him.

**Mr. Hawranik:** I have another question voiced to me by one of my constituents in Lac du Bonnet. It is not with regard to fishing, it is with regard to the hunting farms that about a year ago were, as I understand it, were—

**Mr. Chairperson:** Order, please. We have a difficult time hearing you. Would you pull the mike up closer?

**Mr. Hawranik:** Yes, I have another question, not relating to fisheries, but certainly relating to hunting farms, which I understand that about a year ago have been legislated out of existence. I have a constituent in Lac du Bonnet that in fact was producing deer for hunting purposes. His concern is whether or not, and I understand there is no program, there are discussions about whether there will be compensation available to those farms that are put out of business by that legislation?

**Mr. Lathlin:** Mr. Chairperson, I can indicate to the member that the legislation I believe he is

referring to is one having to do with penned hunting. We have allowed a phase-out period of two years. Right now, there are no plans for any compensation program. I also want to advise the member that, in addition to the two-year phase-out period, there was about one year advance warning prior to the bill being proclaimed. The number of inquiries from farm operators and public concerning the transition provisions and the effective dates of closure are continuing to decline. So I think we are at a point now where the transition might almost be completed with the exception of maybe a few people.

\* (15:50)

**Mr. Hawranik:** I understand that there was a two-year phase-out period, but that is with respect, I believe, to in fact getting rid of the stock that they have, the inventory that they have. My concern is not necessarily with the inventory but with the substantial capital investment that each of these people made in terms of fencing, in terms of land inventory and feeding systems, watering systems and so on.

I am wondering whether the department is even considering whether or not to compensate these people for the loss of business, because there certainly is a loss of a business opportunity that was out there, and I believe they should be compensated. Are there any plans at all to look at that issue again and to perhaps compensate them for that loss of business?

**Mr. Lathlin:** I want to advise the member that currently there are no plans being considered for compensation. I also know that, during the lead-up to this legislation, during public hearings, it was made very clear at that time, as well, that the compensation program would not be likely. I understand that the Department of Agriculture and Food is prepared to work with operators to develop alternate uses for their facilities.

Again, I want to say to the member, currently, there are no plans. We are not considering anything right now to compensate those operators.

**Mr. Hawranik:** I would like just to emphasize that I think that what the Government has done in terms of their actions with these farms is really expropriation without compensation, and I think that you may be leaving the Province open

to perhaps these farm operators taking the Government to court and looking for compensation. I am wondering whether the minister would at least reconsider his position with respect to compensation for loss of business, whether he would even consider something like that.

**Mr. Lathlin:** Again, I would have to indicate to the member that we are not contemplating compensation at this time. We will continue to work with our legal counsel, the Department of Justice, which we have been doing for some time now. Unless they advise otherwise, we are going to have to stick to the position that we started out with.

**Mr. Harry Enns (Lakeside):** I appreciate the minister allowing my colleague to ask a few questions not related to the Fisheries item. He has other committees to attend as well. We will pass this Fisheries section shortly, Mr. Chairman, but, in response to my colleague, the Member for River Heights (Mr. Gerrard), the minister and the department gave some fishing stats on the various lakes emitted from the stats on Lake Manitoba, which is the fishes that I am particularly interested in. Many of my constituents are fishing on Lake Manitoba. You gave us the stats for the sauger catch and the walleye, but I believe there is a fairly significant perch, a small fish catch, on that lake. Just for my record keeping, would that information be available? If not, I would accept your commitment to maybe provide it to me.

**Mr. Lathlin:** Mr. Chairperson, I want to indicate to the member that, during the winter of 2001-2002, perch production was at 444 300 kilograms. I am told this was an 81% increase.

*Mr. Stan Struthers, Acting Chairperson, in the Chair*

**Mr. Enns:** Mr. Acting Chairman, that is why I raised the issue, because my reports, although the catch on some of the other species was down, the reports that I received is that they had an excellent year in the perch fisheries, and you are confirming that. Thank you.

During that discussion with the Member for River Heights (Mr. Gerrard), if I recall, the

minister had pointed out that we continue to have difficulties up at Lake Winnipegosis. That lake, regrettably, as those of us who have watched it for the past number of years, decades, has had its ups and downs and continues to be, I understand, a problem with respect to commercial fishing. Can the minister give us any indication about what specific departmental activity is taking place on Lake Winnipegosis?

We have done different things. We have brought back commercial licensing. We have reduced the catch over the years. Different governments have done this. There are, in the minds of some of the fishermen, ongoing problems with the cormorant populations there that at times created quite a scene that attracted international attention when fishermen took matters into their own hands, so to speak. Are cormorants still part of the problem up at Lake Winnipegosis?

**Mr. Lathlin:** I thank the member for that question. Lake Winnipegosis commercial fishery, I understand that, upon the recommendations of an independent consultant that had done the work, the department is considering implementing a broad stakeholder board to advise on management of Lake Winnipegosis to rehabilitate the walleye population.

Once this advisory board is fully appointed, because I am told that we have approached some people already, we will ask that particular board to look at five key areas, and that is to look at harvest reduction, to look at the spring spawning protection. Also, we are going to ask them to look at the cormorant issue, how it can be effectively controlled. Walleye stocking, they are going to look at, and also they are going to look at the habitat enhancement protection to see what could be done in that area.

An advisory board would facilitate the fisher management decisions on such contentious issues as winter perch fishing, spring mullet fishing and walleye harvest reductions.

\* (16:00)

**Mr. Enns:** I thank the minister for that information. Lake Winnipegosis is one of our

big, beautiful bodies of water that deserve the attention of the department and of the Government. I am pleased to hear the steps that he has taken.

Earlier on, the minister indicated that, on many of these fishing matters, he relies on the expert advice of his professional staff people. I want to be the first to acknowledge that the department has excellent staff people, excellent professionals, but there are cases where you have to be a little careful, Mr. Minister, about what kind of advice they give you, like the advice that I can recall that just about got me in trouble from some of these same professionals in dealing with the cormorant problem. We knew we had to do something because people were taking matters into their own hands. They were indiscriminately shooting and burning nests and so forth. So one of those very brilliant biologists got this idea that, well, Enns, all you have to do is hire a bunch of students. We will take all the eggs out of the nests as the cormorants are laying their eggs and replace them with wooden eggs. They look the same, coloured the same. It would actually make a little make-work project for somebody making these cormorant eggs in the right quantities and shape.

The reason why it was not just good enough to take the eggs out and smash the eggs, the female cormorant would keep on laying eggs, but if you replaced them with wooden eggs, that kind of confuses her. It is only after well past the normal gestation period for incubation for eggs to hatch that she catches and she has passed her egg-laying stage. She is by this time well stressed and traumatized because there are no little baby cormorants coming under her wings. That way you can, seriously, I was told by my experts, reduce the cormorant population in a kind of Vicki Burns acceptable, humane way, Mr. Minister.

I thought it over and I could see the headlines: Enns taking the eggs out from underneath the cormorant hens and replacing them with wooden eggs. I mean, they would start talking about wooden-nickel Enns and stuff like that if I would have tried that stunt. So on occasion you have to weigh the advice that you get from your experts. I am sure the minister is doing that.

**Mr. Lathlin:** Mr. Acting Chairperson, well, I can appreciate the member's advice. I agree with him. Sometimes good technical advice is not necessarily good political advice or vice versa.

*Mr. Chairperson in the Chair*

**Mr. Chairperson:** 12.4. Conservation Programs (f) Fisheries (2) Fish Culture (a) Salaries and Employee Benefits \$661,300—pass; (b) Other Expenditures \$227,400—pass.

(3) Fisheries Habitat Management (a) Salaries and Employee Benefits \$448,100—pass; (b) Other Expenditures \$51,500—pass.

(4) Sport and Commercial Fishing Management (a) Salaries and Employee Benefits \$630,700—pass; (b) Other Expenditures \$59,200—pass.

(5) Northern Fishermen's Freight Assistance \$410,000.

**Mr. Enns:** Just a question, how does this figure relate to the immediate—it indicates no change. Is this assistance remaining roughly at this level for the last several years? I am asking, is it up or down?

**Mr. Lathlin:** Mr. Chairperson, this is a program that at one time I guess the total budget was \$410,000. Then, because of budget consideration, it was reduced to \$250,000. Then a year ago I guess, a couple of years ago, we added another \$160,000 to bring it back up to \$410,000 again.

**Mr. Chairperson:** 4. Conservation Programs (f) Fisheries (5) Northern Fishermen's Freight Assistance \$410,000—pass.

4.(f)(6) Fisheries Enhancement Initiative \$350,000—pass.

4.(g) Wildlife and Ecosystem Protection (1) Administration (a) Salaries and Employee Benefits \$464,300. Shall the item pass?

**Mr. Enns:** Mr. Chairman, not to necessarily prolong the consideration here, but if we can kind of deal with wildlife matters in total here, a few generalized questions. I wonder if the

minister can give us an indication about the health of the wild fur industry. We hear reports, certainly I have noticed that fur has regained some of its fashion appeal in the fashion houses around the world, I am told. I do not have many trappers that are my constituents, although the minister would be surprised at the number of trappers even in the relatively rural area close to an urban centre like Winnipeg that are engaged in trapping, but that there has generally been, not in all species, a recovery both in the prices and in the opportunities for our trappers.

What is the state of health of our trapping industry? What do the people like the Manitoba Trappers Association tell the minister these days about their industry?

**Mr. Chairperson:** I would like to ask the committee here if they would like a global discussion on 4.(g) because it seems like we are skipping ahead. We are doing different sections. Is there agreement to go ahead and ask questions on a global concept here?

**Mr. Enns:** Well, Mr. Chairman, actually we were getting on pretty good when your buddy was in the chair. You seem to be determined to find ways to confuse us.

**Mr. Chairperson:** Agreed? Okay, it is agreed. We will continue as we are. Thank you.

**Mr. Lathlin:** Mr. Chairperson, I was about to say that the information I am getting is that the industry seems to be more or less stable. There have not been any dramatic increases, however. I know from my own personal experience, and that experience is based on talking to trappers, the beaver seems to be doing fairly well. There has been a slight increase. As far as the muskrat pelt is concerned, there does not seem to be much growth there at all, given the price of the muskrat pelts. So overall, I think, again, talking to our people and talking to some trappers, not many trappers but some trappers, it would seem to me that the industry is somewhat stable.

\* (16:10)

**Mr. Enns:** Mr. Chairman, I note that in this division the minister has seen fit to make some senior management changes, one Mr. Brian

Gillespie, who has been up to now the Wildlife director has been moved to the regions, I understand. I am not exactly sure. I had occasion to meet your new Wildlife director. Mr. Dubois, I believe, Jack Dubois, is no stranger to any of us. He has been active in various quasi-government appointments both for the past government and now, obviously, for this Government.

I take this occasion because these are relatively senior staffing changes. What was the rationale behind the reorganization of these directorships? I am referring to both the Parks directorship, which I understand has disappeared, or has it disappeared? I do not know. The Wildlife change, is it just a matter of personnel changes that the minister wished to introduce, or is this part of an overall reorganizational plan within the department?

**Mr. Lathlin:** Well, Mr. Chairperson, I can indicate to the member that Mr. Gillespie—in fact, I met with him not that long ago. I was in the Ashern office. We had lunch with staff there, and then we visited a couple of farms that had fencing to prevent elk from coming in. So I spent the better part of a day with Mr. Gillespie, who is now the regional director in the Interlake Region.

Being a regional director, of course, is a promotion. It is a bigger job than director of Wildlife. Mr. Gillespie ended up in the Interlake because a retirement had occurred and there was a void that had to be filled there. He applied for the position and was successful.

**Mr. Enns:** Mr. Chairman, I am trying to recall, who was the retired director in the Interlake Region?

**Mr. Lathlin:** Worth Hayden.

**Mr. Enns:** Pass.

**Mr. Chairperson:** 12.4.(g) Wildlife and Ecosystem Protection (1) Administration (a) Salaries and Employee Benefits \$464,300—pass; (b) Other Expenditures \$370,400—pass; (c) Grant Assistance \$207,000—pass.

4.(g)(2) Game and Fur Management (a) Salaries and Employee Benefits \$621,800—pass;

(b) Other Expenditures \$388,900—pass; Grant Assistance \$89,900—pass.

4.(g)(3) Habitat Management and Ecosystem Monitoring (a) Salaries and Employee Benefits \$907,500.

**Mr. Enns:** In the area of habitat protection, I have a few questions that I would like to put on the record.

One of the vehicles for habitat protection was the creation of the Manitoba Habitat Heritage Corporation. Of course, the other major program that was a program of some tenure, I believe 10 or 15 years when it was my privilege to initiate it back in the early nineties, is the North American Waterfowl Management Plan, which co-operated with a number of other agencies as well as the federal government, and, most importantly, brought to the table, brought to the habitat programs here in Manitoba some American money, significant American money to help us improve, in this instance, habitat principally for our migratory game birds, for our duck populations, and, rightly or wrongly, the pothole section of southern Manitoba was kind of designated as a specific region where these programs were applicable.

There were a host of programs, programs that supported the private farmer, the private landowner in carrying out different programs on his landscape that were beneficial to the waterfowl habitat. In some instances, it was monies to maintain cover, grass cover for longer periods of time; in some instances it was the total dedication of certain acreage around potholes not to be disturbed, and so forth. Can the minister indicate to me, is that program still running? Or has that program concluded? If so, can he give us some indication of the funding arrangements and the level of funding that is currently being applied to the North American Waterfowl Management program.

**Mr. Lathlin:** Mr. Chair, yes, I can indicate to the member that the North American Waterfowl Management Plan still exists. We are still part of the management plan. There is a grand payment of \$645,000 that is budgeted for the Manitoba Habitat Heritage Corporation to provide operating funds for that particular group. It is still

very much alive, and I think it is a worthwhile program.

**Mr. Enns:** Mr. Chairman, so that does refresh my memory. The Manitoba Habitat Heritage Corporation is the vehicle being used by the department, by the Government to finance the commitments under the North American Waterfowl Management program.

**Mr. Lathlin:** Yes.

**Mr. Enns:** Can the minister indicate whether or not a long-time federal and provincial public servant by the name of Mr. Ted Poyser was the chairman of that program of the Habitat Heritage Corporation? Is he still with the organization, or has he retired? If so, who have you replaced him with?

**Mr. Lathlin:** Mr. Chair, yes, that Ted Poyser is still there. He is still chair.

\* (16:20)

**Mr. Enns:** Mr. Chairman, I just want to encourage the minister. In the area of wildlife management, in the area of conservation and in the area of co-operation between various levels of government, a lot of individual stakeholders, and in this case, it is an international agreement that involves the United States and Mexico, as the minister is fully aware, it is, in my humble opinion, really a program and a success story that we can all be reasonably proud of despite a serious ravaging of their habitat, despite natural problems that any species cope with from time to time, drought, disease, et cetera, and despite the fact that it is probably the most popular hunting sport that is engaged in by mankind in all three countries.

We are looking at the overall hunting numbers going down, but bird hunting is still very attractive to many people in Canada and throughout the United States. Despite all of this, the health and sustainability of our migratory game birds, in most instances, has been remarkably successful. I attribute that to the dedicated professionals both within your department and in the private sector, in our province, in the country, in the United States, in Mexico, that have made this possible. I always felt very privileged to be representing Manitoba

in some of these international meetings that involve the migratory game bird convention that we are signatory to. I commend the minister to keep this in mind when he addresses issues that come up from time to time in this area of his department.

**Mr. Lathlin:** Mr. Chairperson, I just want to add further to advise the member that this Manitoba Habitat Heritage Corporation is a very useful vehicle, even though it gets the \$645,000. Well, to me it is a lot of money, but when you look at the, you know, what it has to do, perhaps \$645,000 may not be a big number.

What it does is it levers funds from other non-Manitoba sources. For example, so far it has been able to get written commitments of some \$3.3 million from non-Manitoba sources over a three-year period. So it does a lot of good work. Since I have been here I have met with the board and staff I guess twice. Each time they come in and do a report. I enjoy those meetings, you know, especially when they tell us all this good work that they are doing.

**Mr. Enns:** Well, Mr. Chairman, the minister makes the very point that this is the uniqueness of these programs. Money is money, where a provincial dollar generates, or, as he says, leverages five, six, seven, eight other dollars from other sources.

I would submit, Mr. Chairman, your Wildlife boys could teach your colleague the Minister of Health (Mr. Chomiak) a few lessons in how to leverage money out of the federal government or other sources to help our struggling health industry. If the Health people came anywhere close in matching the leverage that you are accomplishing in this program, we would not have a problem in our health care system.

What I always got a kick out of, he would get some money out of those Yankees that, you know, as a rule, do not like to spend their money unless they have total control over everything. It is a great program. Keep it up, Mr. Minister.

**Mr. Chairperson:** 4. Conservation Programs (g) Wildlife and Ecosystem Protection (3) Habitat Management and Ecosystem Monitoring (a) Salaries and Employee Benefits \$907,500—pass;

(b) Other Expenditures \$113,300—pass; (c) Grant Assistance \$645,000—pass.

4.(g)(4) Biodiversity Conservation (a) Salaries and Employee Benefits \$347,100—pass; (b) Other Expenditures \$80,300—pass.

4.(g)(5) Canada-Manitoba Waterfowl Damage Prevention Agreement \$350,400—pass.

4.(g)(6) Wildlife Habitat Enhancement Initiative \$225,000—pass.

4.(h) Special Conservation and Endangered Species Fund \$432,100.

**Mr. Enns:** Is this all provincial dollars, or does this generate, you know, some additional dollars from other sources as well?

**Mr. Lathlin:** Mr. Chairperson, yes, this fund here is all government money, but it is used to, again, lever by way of partnerships other organizations.

**Mr. Enns:** What exactly do you do with this money?

**Mr. Lathlin:** This Special Conservation and Endangered Species Fund provides funding to non-profit, community-based organizations to undertake projects which will enhance the natural resources of the province. The fund allows these organizations to develop local projects and help them to develop a better understanding of natural resources issues and the environment that they live in. It is provided to mostly conservation-oriented organizations, conservation projects promoting the principles of sustainable development.

\* (16:30)

**Mr. Enns:** Do the conservation districts receive any of these dollars?

**Mr. Lathlin:** Last year, apparently, two applied, but only one got funding, and that was the Pembina Valley Conservation District.

**Mr. Chairperson:** Line 4. Conservation Programs (h) Special Conservation and Endangered Species Fund \$432, 100—pass.

4.(j) Pollution Prevention (1) Salaries and Employee Benefits \$614,500—pass; (2) Other Expenditures \$76,800—pass.

4.(k) Lands (1) Crown Lands Operations (a) Salaries and Employee Benefits \$814,300. Shall the line pass?

**Mr. Enns:** Mr. Chairman, just a few questions on the Crown Lands Operations. This is still being operated out of the community of Minnedosa?

**Mr. Lathlin:** It is actually out of Neepawa, I am advised.

**Mr. Enns:** Can the minister indicate who is the current director for Crown Lands?

**Mr. Lathlin:** Mr. Harley Jonasson.

**Mr. Enns:** Thank you.

**Mr. Chairperson:** We will read 4. Conservation Programs (k) Lands (1) Crown Lands Operations (a) Salary and Employee Benefits \$814,300—pass; (b) Other Expenditures, \$1,306,300—pass.

4.(k)(2) Crown Land Registry (a) Salaries and Employee Benefits \$237,900—pass; (b) Other Expenditures \$161,300—pass.

4.(k)(3) Remote Sensing (a) Salaries and Employee Benefits \$551,300. Shall the line pass?

**Mr. Enns:** Is this the group that provides us with a host of satellite imagery? I believe it used to provide information for our Forestry Branch in terms of their inventory work, in terms of fire potential, fire surveillance. I understand that it also does some work that has some international customers in the grains trade, did some co-operative work with the Canadian Wheat Board in mapping, remote sensing, remote mapping of the different crop-producing areas of the world that would provide market information to organizations like the Wheat Board. Is this the group that does all of those things?

**Mr. Lathlin:** Yes. I can advise the member that this is the section that deals with, for example, this year the plans are to start the forest land cover mapping using satellite data in conjunction with our Forestry Branch to meet the core forest information of the Kyoto Protocol; updating the 1994 land use land cover to the year 2000 for the agri-Manitoba region; and also update the Manitoba land initiative database compiling 24 satellite image composites for the crop information program of the Wheat Board, what

the member is referring to; then compiling 20 Canada-wide satellite image composites for the GeoComp program through the Canadian global change image processing; then co-ordinates all the projects that are under the Manitoba RADARSAT announcement of opportunity; and then compiling some digital topographic data of the Cross Lake for Lands Branch under the Northern Flood Agreements zone. Typically that is the activity that is involved.

**Mr. Enns:** What is the vacancy situation in this division?

**Mr. Lathlin:** The vacancy rate for this section is one out of eleven.

**Mr. Enns:** What was that vacancy rate again?

**Mr. Lathlin:** One vacancy out of eleven positions.

**Mr. Enns:** We are making good progress here. I am prepared to continue making good progress. I wonder if the minister would permit my colleague to refer back to some of the fishery items that are of particular concern to him, understandably, Lake of the Prairies. At this time, as you recall, the minister was about to answer his questions the last time, but we rang the bells instead. Go ahead. Fire away.

**Mr. Chairperson:** Is there leave for the Member for Russell to revert back to other lines that have already been passed? [*Agreed*]

\* (16:40)

**Mr. Leonard Derkach (Russell):** Thank you very much, Mr. Chair. I thank the minister for allowing for some questions with respect to Fisheries. I know that many of the questions may have been asked by either the member from Ste. Rose or the member from Lakeside, but, nevertheless, netting, and I call it the illegal netting of fishing, has caused a significant impact on the fisheries in the west side of the province. I have a particular interest in that and a responsibility, I think, to the citizens of those areas to get a better understanding from the minister as to what the long-term plans are for sustaining the fishery and also for ensuring that we never again witness what we witnessed last winter on the lakes.

By way of just refreshing the minister's mind, last winter we saw just an enormous

number of nets being placed in the lakes, not for sustenance purposes, as the treaty calls for, but this was a commercial style operation. You know, Mr. Minister, I do not know if I have talked to an individual out there who would have said no to Aboriginal people taking fish for sustenance purposes. As a matter of fact, most people there agreed that if an individual wanted to take home a bag of fish every day that would not bother them, for his family.

More importantly, I have to tell the minister that I spoke with lots of Aboriginal people, lots of First Nations people, who told me that what was going on at the lake was ludicrous. They did not support it at all, and they would have encouraged the minister to take some action against these individuals.

Now, the situation got so out of hand that we saw natural resources officers actually escorting these individuals onto the lake to set their nets and take them out, and the general public stood by and watched. Yes, there was harassment of individuals, verbal harassment, and that is everybody's right, to get out on the lake and if you do not like what somebody is doing to register your protest. In a country where we believe in freedom of speech, that is still allowed.

Then we witnessed even further abuse of the privileges by people actually leaving nets in the lake for weeks. Report it to the department of natural resources, and natural resources officers were given instructions to leave those nets there. I am witness to that. Those nets stayed there for weeks. At the end, natural resources officers pulled the nets, but they shielded the operation from view, but some individuals did get in to view it. Actually, the rotted fish and the nets were put into tubs and taken away. Now, to stave off embarrassment, that was shielded, if you like, from the public's view. This spring, just a week ago, we saw more nets pulled out of the lake with rotten fish. Nets that had sunk to the bottom, across the mouths of streams, were pulled out of the lake with rotting fish in them.

Now, Mr. Minister and Mr. Chair, through you to the minister, I cannot blame the minister for the actions of those people at all, but I want the minister to take action against such unconscionable and irresponsible activities, regardless of the colour of the skin of the



individual or what treaty that person belongs to, because that is an abuse of privileges and it is an abuse of the resource. The minister knows this. Those individuals can say, well, we are doing it under the terms of the treaty, but they are not because no one is allowed to conduct activities that are illegal, because you cannot set a net and just leave it there forever and a day.

So I want to ask the minister whether or not any penalties were levied against the individuals who left their nets there unattended for weeks because their names and treaty numbers were on the nets.

**Mr. Lathlin:** I want to answer that question by firstly saying that when I started to answer the questions here with respect to this section, I related to the members who were present here that my experience as a rookie minister and also given my experience as the chief of OCN and working for Aboriginal organizations pretty well all my life and then working for government the other time, I posed the challenge here at the time for somebody to convince me that, although things were progressing in terms of Aboriginal-government relations, that, in fact, from where I was sitting, especially with respect to resources, it was not that harmonious, this relationship.

Just when I was becoming minister, the Burnt Church issue erupted. In fact, as this issue developed at Lake of the Prairies, Lake Dauphin, people often referred to the Burnt Church incident.

So, when I came here, I wondered to myself what is the best way to work with First Nations people when it comes to resources. I am aware of the treaty rights. I mean, I said earlier that when you are chief of a First Nation, the prerequisite is you have to know the treaty. You have to know how that treaty is protected. You have to know the Canadian Constitution. In fact, I attended, not as a direct participant but as an observer and adviser to First Nations government, a couple of First Ministers' meetings with respect to the Constitution, the protection of treaty rights.

So, when I came along, I tried to find out or I tried to determine why are we forever confronting or why is that relationship not harmonious. Some of the things that I came up with were if we could somehow—let me go back

a little bit. I am sure other ministers have gone through this. When you first become minister, of course, you go through orientation, briefing, not just from the department that you are minister of but other organizations as well. In my case, I found out that indeed there were numerous advisory groups, bodies. Some were there on Order-in-Council. Some are just appointed by the minister as advisors to the minister on environment, resources and so forth.

In fact, I made the comment I believe to staff, like, how many of these advisory groups do we have, because it seemed to me that the briefings were endless, group after group, three or four groups a day coming in to tell me about what their organization is all about and what their mandate is and so forth. There must have been at least 30, maybe 35, and these groups have ready access to the Government through the minister, and in my estimation, I thought these people had a lot of influence as to how government decides on policy.

\* (16:50)

But the one group that I never saw sitting around the table were Aboriginal people, First Nations people, and that is how I got started. There is one thing missing here, and that is I should have an advisory council here that is made up of Aboriginal people. Why did I think that way? Because I thought that that would be one way to ease or to improve the relations by bringing Aboriginal groups into the circle. So I proceeded to appoint an Aboriginal Resource Council. It is there now. There are two elders, and these are not political people that I have appointed to the resource council. They are really First Nations technical people who have experience in resource management and environmental protection.

So when we do not involve a certain group in the decision making, of course there is going to be acrimony and there is going to be confrontation, and so on and so forth.

They will not buy into the process because they do not have a sense of ownership. They were not involved right from day one. So that is what I have been trying to do.

In fact, when we were working with the West Region Tribal Council on this co-

management initiative, Lake Dauphin erupted and then Lake of the Prairies. So the discussions on co-management in Dauphin West Region were set back a bit, not much because now the West Region Tribal Council chiefs had to focus on what was going on on Lake Dauphin and Lake of the Prairies. That is why when this issue erupted in, maybe it was December or early January, there were many meetings held between the tribal council and the chiefs, and our staff. Then I ended up attending, actually, several meetings with the chiefs. Then I attended some meetings with the sports fishermen groups in Dauphin. I believe I had two meetings with the Lake of the Prairies representatives.

The point I want to make here though is in order for us to work better with Aboriginal people we needed a vehicle by which we could bring them into the process, into the circle. That is what we have been trying to do.

Also, at the same time, I realized that the general public, and I might even say most of our members of the Legislative Assembly, were not all that versed on the inner workings of the treaties and the relationship with the Constitution, the bilateral relationship between First Nations and the federal government. I knew all that. I knew that I would have a difficult time getting things done, especially if I wanted to bring First Nations people in.

That is exactly how it turned out in Dauphin, Lake of the Prairies. People just did not know what the treaty rights were all about, what it meant to Aboriginal people, what section 35 of the Canadian Constitution meant, what case law was all about and why Aboriginal people were so bound and determined to make decisions based on whatever case law was available. I knew it would be difficult, but we went ahead anyway.

In fact, I saw a presentation that was made by the West Region Tribal Council in Dauphin outlining, giving a bit of a history to the treaty process and then the Canadian government relationship with Aboriginal people up to the present day, also the fact that they were very much interested in conservation. In fact they were quite disappointed—I guess I use that word "disappointed"—in the way things turned out, that their own people ended up going to Lake

Dauphin and Lake of the Prairies. There were a lot of discussions that took place as a result of that, but in the end they managed to convince most of their people to refrain from net fishing during spawning season, to have respect for conservation, and they had community meetings throughout the West Region Tribal Council area.

So that is where I came from with respect to Lake Dauphin and Lake of the Prairies. Like everyone else around this table, of course, I am concerned that we do not deplete the fish stocks at Lake Dauphin and Lake of the Prairies, but I think probably the best way we can resolve that issue is to have everyone come to the table, talk about it. We may not be able to resolve it at the first meeting but, as time goes by, look, Lake of the Prairies people, I met with them the first time and it was kind of a difficult meeting, but by the time we met the second time we started to understand each other a little bit better. That is how that initiative got started. I understand that so far it is working well.

I also wanted to say that we just did not stand back and watch while all this was going on, as some members would like to suggest, because I was involved through telephone contact right from the start, and then eventually I became involved in meetings with the West Region Tribal Council and with Lake of the Prairies, the sports fishermen groups. Then, as time went on, charges were laid. Now we have the closure going on. We did not even have to force the closure on the West Region Tribal Council. They agreed to it. In fact, they were very much in agreement that we should have closure.

Now, if we had gone the other way where we were not trying to bring them in, I do not think we would have ever had an agreement with the West Region Tribal Council to impose the closure, but we do. In fact when the closure expired on May 11 they agreed further that there should be an extension till October of 2002.

**An Honourable Member:** This is on Lake Dauphin.

**Mr. Lathlin:** Lake Dauphin, yes. That is what we have been doing. The only way we have been able to do that thus far is by working with these people.

Now of course there are--

**Mr. Chairperson:** Order, please. The hour being 5 p.m., committee rise.

## AGRICULTURE AND FOOD

\* (15:00)

**The Acting Chairperson (Mr. Jim Rondeau):** Will the Committee of Supply please come to order. This section of the Committee of Supply will now be considering the Estimates of the Department of Agriculture and Food. Does the honourable minister have an opening statement?

**Hon. Rosann Wowchuk (Minister of Agriculture and Food):** Yes, I do.

Mr. Acting Chairman, I am very pleased to be able to introduce the 2002-03 Estimates for the Department of Agriculture and Food. In doing so, I would first like to pay tribute to our many partners within the industry, especially the many farm families throughout rural Manitoba.

In developing agriculture policy, as Minister of Agriculture and Food, I want you to know that I place great emphasis on openness, consultation and working together with our partners. We in Agriculture and Food are committed to working closely with them to maximize our province's economical strength and natural advantages in the support of a stronger rural and farming community.

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

On this occasion, I would also like to express my thanks and appreciation to the hard work and dedication of departmental staff distributed across the province. Our employees have continually demonstrated their pride and commitment in serving farm families, the rural community and the industry as a whole.

I would like to briefly comment on the state of agriculture in Manitoba. It is important to stress that farmers and the industry have made significant strides in adapting to change over the past 10 years. Low grain prices, higher transportation costs have put tremendous

pressure on our farm families. However, our farmers have been innovative and have diversified into many new crops and are adding value to product in many ways. The value of semi-processed and processed exports have increased greatly. We have witnessed a trend for increased livestock production to make use of Manitoba-grown grains and forages. Manitoba's farm cash receipts in 2001 were estimated to be 49.7 percent for livestock and 40.1 percent for crop production, a near reversal of what it was in 1990.

Since 1997, hogs have surpassed wheat, which had the highest production value of all commodities by a large margin prior to that year. Manitoba producers reached records or near record levels for production of hogs, cattle, all dry beans, dry peas and potatoes in 2001. The province has become the largest producer of beans, sunflowers, buckwheat in Canada, and is the nation's second-largest exporter of pork. Manitoba's pork production is likely to exceed seven million head this year, coming close to challenging Ontario and Québec as the top producer.

Exports of Manitoba's agriculture food products were valued at \$2.8 billion in 2001, the second-highest level ever. The province exported more processed agriculture products than in the past, mainly due to increased sales of pork and frozen potato products. Processed foods produced about 26 percent of the total agri-food exports last year. This export data does not include non-food products made from Manitoba products, agriculture commodities such as pharmaceuticals, nutraceuticals, ethanol for fuel and strawboard.

I am optimistic about the long-term future of agriculture in this province. Manitoba's best asset for the future is our farm families. I am very proud to say that they are among the best in the world in education, in productivity, innovation and in keeping up to date both technically and in their farm business and management practices. As foreign markets increase the demand for import products, there is a reason to expect Manitoba's agriculture and food sector will expand over the next decade. Many farmers will continue to position themselves to take advantage of consumer trends and sales opportunities in the global market.

As I have previously stated, the agriculture and food industry is very dependent on exports. Manitoba ships agriculture and food products to about 120 countries around the world. Consequently, I have placed a high priority on securing our export markets for agriculture products and keeping these markets open and accessible while dealing with trade challenges to the industry. Our most important trading partner is the United States. Agriculture exports to the United States were worth almost \$1.5 billion in 2001. Despite trade disputes with the United States, we must remain committed to working with our U.S. counterparts to ensure the free flow of goods between our countries. For example, provincial ministers of agriculture meet with our U.S. counterparts twice a year at the National Association of State Departments of Agriculture or NASDA annual meeting in Washington and at the Tri-National Accord, where we also meet with our Mexican counterparts. During these meetings, we discuss current issues in an effort to resolve them before they become international trade disputes. This group establishes priority working plans and provides advice to Canadian and U.S. federal governments on trade issues of mutual concern. Moreover, I am a firm believer in trade relations discussions at cross-border, producer level.

Last year, in November, I was pleased to host a second Northern Plains Producers Conference attended by agriculture producers from Manitoba, Saskatchewan, Minnesota, North Dakota and South Dakota. At this event, producers on both sides of the border found common ground in a variety of agriculture issues. More than 100 producers participated in this three-day event. The conference entitled "On Common Ground" focussed on harmonization of animal health and pesticide regulations, genetically modified organisms and federal agriculture policies. It is best to prevent trade barriers before they arise by keeping the lines of communication open with our neighbours to the south. As Minister of Agriculture and Food, I am committed to pursuing a proactive approach.

As well, just last week, we had the Legislators' Forum, which was held in Minnesota, where, again, we had representatives from North Dakota, South Dakota, Minnesota and Manitoba and all-party representation from this province, where we again had the

opportunity to talk about agriculture issues, particularly the harmonization of pesticides again and a very good discussion on animal health issues.

I would like to also take this opportunity to comment on our Government's new energy development initiative involving ethanol in gasoline. Our Government is committed to public consultations in our goal towards using 10% ethanol in all gas sold in the future and promote the use and production of ethanol. In months to come, we will actively seek public advice for determining the most effective way for reaching this goal and the maximum benefits to Manitobans. A 10% ethanol requirement in gasoline will help reduce greenhouse gas emissions in the transportation sector. It will strengthen and diversify Manitoba's economy in the rural areas.

The major reason for this initiative is rural economic development. The 10% ethanol mandate will boost our value-added processing in Manitoba. I believe there are benefits associated with introducing a 10% ethanol mandate in Manitoba. Minnesota has already mandated a 10% blend to all gasoline sold in the state. Our Government is convinced that a similar mandate is both desirable and achievable in Manitoba.

\* (15:10)

I would now like to comment on a few areas within the 2002-03 Estimates for Manitoba Agriculture and Food. Our new Budget reflects our Government's determination to support the long-term viability and prosperity of the province's farm families and the Agriculture and Food sector. Our total budget for the year is approximately \$121 million. Within this amount, we have allocated \$74.4 million for safety net programs to aid farmers. This \$74.4 million is over 61 percent of the total budget.

Within the area of safety net programming, we are planning to spend more than the last fiscal year for crop insurance and for the Net Income Stabilization program, more commonly known as NISA. Spending increases for crop insurance and NISA amount to over \$3.5 million based on the forecasts in rising crop prices. In other safety net areas such as Canadian Farm

Income Program, known as CFIP, we plan to spend less for the same reason; namely, the forecast increases in crop prices.

This year's Estimates provide for the continuing strength of the role of the Food Development Centre in increasing food processing in Manitoba. In this regard, we are providing for an additional amount of \$443,000 within the centre's budget. This increase is primarily allocated for equipment and infrastructure improvement.

On April 26, I announced in partnership with the federal government, the City of Portage la Prairie and the R.M. of Portage la Prairie, an \$11-million investment to expand and re-equip the centre to provide a leading edge in support for Manitoba's food processors. The renovated facility will qualify for CFA approval and will allow clients to develop, process and package products on-site for sale in the interprovincial and international market. This venture is expected to create approximately 335 jobs in the private sector over the next five years. The redeveloped facility will provide space for the Great Plains Aseptic Processors, a new Manitoba company that will use tetra pack technology to operate a commercial liquid food processing and packaging facility for the province's food industry.

As well, our Estimates now include over half a million dollars for the Bridging Generations Initiative. I was pleased to announce the five-year pilot project in January at Ag Days in Brandon. Bridging Generations is targeted at facilitating the transfer of family farms from one generation to the next. This initiative is designed to assist the older generation's needs for a retirement income, while making it affordable for young farmers to take over the farm. This new undertaking represents the financial component of Project 2000 and is administered by the Manitoba Agricultural Credit Corporation.

Bridging Generations became available on April 1, 2002, and it includes options such as guaranteed income for retiring farmers and ways for young producers to reduce financial costs. As part of Project 2000, as well, management training will also be delivered by this de-

partment. The new program offers loans, loan guarantees, combining options and other features to ensure young and beginning farmers get a good start in the business. I have to say that although the program is very new, there has been a tremendous amount of interest and many families are looking at this program.

In conclusion, I want to say that I have chosen to just outline a few areas within the department and want to say that this is an industry that faces many challenges, but I want to commend the staff in the department for the work that they have done and commend farmers in this province for the way they have taken up the challenge when new opportunities arise but also when new challenges come that may take away some opportunities.

Our farmers have been very innovative. Certainly, we have a new challenge ahead of us, which is the U.S. farm bill, which has taken a lot of my time in the last little while and the department's. It is one that we will continue to work on because, when you look at the impacts of this bill on Manitoba producers and producers across Canada, there are going to be some very serious challenges.

With that, Madam Chairperson, I conclude my remarks and look forward to hearing the remarks of my critic.

**Madam Chairperson (Bonnie Korzeniowski):** We thank the minister for those comments. Does the Official Opposition critic, the honourable Member for Emerson (Mr. Jack Penner), have any opening comments?

**Mr. Jack Penner (Emerson):** Well, thank you very much, Madam Chairperson. It is with some trepidation, I guess, that I sit here as critic for the Department of Agriculture. "Critic" is really a word that we should talk about defining sometime and maybe changing somewhat, because I am not sure that "critic" is the right terminology of what one would want to be when one looks at and is responsible for taking an overview of the departmental operations.

Having said that, I want to take the opportunity to congratulate the farm community in this province for operating in an adverse

climate, the likes of which, I think, they have never had to face before. I want to also congratulate the minister and her department for having to work within that adverse climate because it is not of their making, that much of what we are facing in agriculture today is something that the farm community in general has to deal with.

Never before in the history of this province have farmers had to face alone the impact of world leader actions and a desire by other countries in the world to ensure that their food security would not be jeopardized.

I believe that 9-11 has had a much, much greater impact on the American desire to ensure their farm community security of income, to ensure that the Americans will in fact have a secure food supply, than any other reason, although the rhetoric that we have heard nationally and internationally is simply that the Americans are positioning themselves to fight another negotiated battle under the WTO which will happen over the next five years.

I happen to believe part of that being true, but in essence, the real reason why I think the American people have moved the way they have to ensure their farmers' livelihood is the fear of not having any food at all. I think the demonstration that we saw when those two planes hit those two large towers and the damage that they caused and the fear that they instilled in people around the world was a clear demonstration of why some of the countries are doing what they are doing.

That does not resolve our dilemma. I find it absolutely unbelievable and incomprehensible that our federal government will sit idly by and watch the desecration of the farm communities in western Canada, the likes of which we have never seen before. I am quite frankly shocked and amazed at how lackadaisically our ministers of Agriculture in western Canada, including ours in Manitoba, and our premiers have sat by and dragged their feet on this whole matter since the American farm bill was introduced. I know the minister will say she and her Premier have met with the western premiers, and they have met with other ministers, but all we have done so far is talk. There has been no action. I think the day

has come when we have to give our farmers a measure of security that will ensure their ability to produce food for Canadians.

\* (15:20)

I just think back to the one, single decision that was lacking, not under this Government's tenure but under the previous Tory government tenure, when we lost the sugar industry in this province. It was a simple matter of making a policy decision in Ottawa. It would not have taken a great deal of money. As a matter of fact, I think the revenues would have far exceeded any expenditures that governments would have had to maintain an industry that served Manitobans well. We would have had 500, 600 more people working in this city had we been able to retain a sugar refinery in this province.

Is there enough market for sugar in the world to maintain another refinery? Absolutely. What we have done instead in Canada is we have opened our borders to cheap, dumped sugar from the Latin American countries, including Cuba, to be brought into this country. The way those countries deal with sugar is they harvest it—they do not refine it; they just harvest it—and extract the raw sugar from the cane plants, dump it into boats and put it out to bids on the high seas. If they cannot get a bid, then a country like Canada, which has no agreement on sugar trade, is able to buy it for whatever they choose to make an offer for, as low as two cents a pound for that sugar, bring it into Canada, refine it, manufacture it into cake mixes and cookies and all those kinds of things and sell it to the Americans, sell it to the American market. The American market has 17-cents-a-pound tariffs on raw sugar coming into their country, but there are no agreements, or at least there are very few agreements, restricting sweetener products coming into their country.

I raise that issue because we might well be faced with similar kinds of actions if our federal government and our provincial governments cannot come to terms on how we are going to address the dilemma of facing agriculture trade issues because of the action that the Americans have taken. The U.S. has said we will not hesitate to spend \$190 billion over the next 10 years. Well, let me say this to this committee:

That is probably what you read in the press, and that is probably what you see on television. However, the effects of that action alone will probably increase the cost of securing an agricultural industry in the United States to some \$427 billion to the U.S. Treasury, cost to the U.S. consumers. Those are not my numbers. Those are numbers that are published and well recognized as probably being right. That is the amount of money that the U.S. Treasury is willing to spend to secure a food supply to its American consumer.

Are we in Canada even looking at coming anywhere near to that? No. We are not. So what are we witnessing instead? We are witnessing instead headlines like this: Fewer farmers, bigger farms. We are witnessing issues like this: Residents prepared to fight hog barn, because we have now determined we will have competitive freight rates across the country. We have done away with the Crow. That relegates us as the highest grain shipping cost in all of Canada, and which relegates us to a lower cost feed grain to the producer of livestock in this country than anywhere else in Canada. In other words, we can be more competitive producing livestock if we choose to. Yet, when people in this province asked this new Government, this NDP government, what are you going to do to ensure that livestock production can occur in an orderly fashion, what did we do? We put out a committee and asked them to travel the province and ask the people. Then we wrote a report, and then we put the report on shelf and have done nothing else with it.

I think Mr. Tyrchniewicz, who was the chair of the committee who traveled the province and wrote the report, must be somewhat dismayed that all of the work he and his committee went through has gone through for naught.

I think another issue that is before us that needs dealing with and is receiving similar kind of reaction—we are going to set up committees, we are going to have discussions, we are going to write reports and we are going to put them on the shelf—is our cattle industry and the threat they face from the tuberculosis infection in Riding Mountain. This is not a scare tactic, this is real. This threatens a whole multi-billion-dollar industry in this province, and I

cannot believe our Minister of Agriculture (Ms. Wowchuk) will sit idly by and sit on her thumbs and not take action to ensure the eradication of that disease from within the boundaries of her province. Regardless of what rights and regardless of what jurisdiction, whether it is federal or not, is being exercised in that Riding Mountain National Park, I think it is time this Province put its foot down and said we are going to move in and we are going to get rid of TB in that Riding Mountain Park. It is fairly simple to do on farms. Ladies and gentlemen, do not believe that it is not just as simple to do it to wildlife. But it will take some stamina. It will take some decision making. I implore upon this minister to take a stand and make decisions to ensure that our farmers and our livestock industry will be protected.

The minister made mention of the fact that we just came back from Minneapolis. Yes, we did. The minister and I have been part of a planning committee that planned the conference that was held in Minneapolis. What were the main issues that were in discussion over there? Tourism. We made some major strides, I believe, in tourism. What were the other ones? It was hydro-electricity, transmission lines and alternate energies. Have we an opportunity to expand energies? Yes, we do. We raise tremendous commodities of agricultural products that could be used to develop the ethanol industry. Yet what have we heard from a policy perspective from this Government? Nothing more than platitudes, nothing more than indications that we are interested, but that is all we are. Nobody is making the decisions to get us down the road, producing and ensuring the investors that the security they need in the marketplace will be there and will be implemented by this Government. Nothing is happening.

The pesticide and herbicide issue was a main issue of discussion at that forum. The American farmers today realize what it means to have cheaper commodity on the Canadian side because of the low Canadian dollar value and our ability to develop products that are good crop protection products, such as are used in Canola, and many of the other products that we use to protect our crops. They want part of that. They know it is much cheaper here, and now

they want access to it. We agreed that we should try and encourage the federal governments on both sides of the border to put in place a reciprocal kind of arrangement that would recognize a registration. If it was done in North Dakota and it applied to North Dakota, then it should be allowed in Manitoba and vice versa. I believe that those can be achieved if there is enough effort put into it. I just hope that this minister will come back here and encourage her department to take some strong action in that regard, to make a strong case in Ottawa that we need those kinds of agreements.

\* (15:30)

The other one was the livestock and food health issues that we debated and agreed upon; again, agreeing that there should be a regional approach taken to the initiation of actions if and when a severe outbreak of illness occurred in our livestock herds. Quite frankly, I think in Manitoba we are right there now, and I believe it is imperative that we do this on a regional basis, confine the infection, eliminate, eradicate the infection and get on with producing livestock in this province in a healthy, disease-free manner.

I would be very shocked and surprised if we had another few cases of the outbreak of TB in this province that the American government would not decide to close the border on us. I would be very surprised if they did not do that, because they have every right to, and we should be taking every action possible to ensure the elimination of that TB outbreak in the park. That is all I am going to say to that at the moment, Madam Chairperson.

However, we have tremendous opportunity in our cattle industry to expand that, to set up and build processing industries in this province for our cattle industry, to expand and build further our hog industry in this province. However, we need to do away with some of the legislative and regulatory impediments that are being brought before this Legislature today and that are being imposed upon farmers day in and day out by this Government.

This Government is catering to a very small group of people that is largely headed up and directed by PETA, and PETA would like to eradicate all livestock production in this province. Hog Watch is a puppet of the PETA

organization, and they are the ones that will kill, if anything, the livestock industry in this province.

I believe this minister, instead of funding those organizations through the Environmental Innovations Fund, I would suggest that she curtail their activities at every opportunity she can, because these people are not interested in building an economy based on a livestock industry, and that is our main opportunity in the future for economic development in this province.

I think we have seen significant advances in sheep production and goat production and other small group livestock production. Again, I say to the minister, make sure you create an environment for these investors that will encourage them and enhance their ability to produce. We have a very strong supply management sector in this province, and people sometimes question whether I support supply management. I say this to them. I am probably one of the strongest proponents of supply management. I believe John Deere Corporation is one of the best supply-managed companies in the world. They will not produce any more than what they can sell.

I think farmers in this province are trying to position themselves so that they will not produce again or overproduce commodities to an extent that they cannot market in an economical market and competitive marketplace, and that is where we need to be. But that means that we have to devise trade strategies with our American friends, with our friends in the EEC.

That means that Canada and the Province of Manitoba will have to take a strong position to the next round of negotiations, which have already, by the way, started. I believe that we have a tremendous opportunity to play a major role in reducing the support mechanisms and in bringing a competitive structure back into world trade again. Then and only then will we be able to give our farmers the assurance that the investments they make will actually have some future to them.

Most of our farmers today, you know, we used to think that farming in this province was



made up of little families, and it was. They all had barns, many of them in my ethnic group had barns attached to the house. Did we ever think that was an environmental impediment? No. It smelled a bit differently in the house at times. But did it cause any health problems? Not that I ever knew. Does it cause a great deal of health problems when you can smell a livestock operation a mile down the road or two miles down the road? I do not think so.

What I find most interesting, I drove into a town not too long ago, and the smell was almost unbearable in this town. I said: What is this? Well, we have a processing plant here. I said: Do you guys not smell this? What? Smell what? You see, these people had been born and raised into that environment. Did they smell it? No. But strangers coming from another part of the world smell it because it smells different.

Drive along Osborne here some early morning or live at Seven Evergreen, where I lived, right over the Osborne Street bridge. Wake up at six or seven in the morning some days and smell the diesel smoke coming right at you five storeys high. Listen to the huge noise, the environmental impact of the huge noise. I could not sleep. I was born and raised on a quiet, little farm in rural Manitoba. There was no noise at night. On Sunday morning when all the tractors were shut down you could actually sit out in the backyard and listen to the birds sing and hear them, totally different environment. Did we worry that our cows did something that smelled at times? Not really. Did we worry when we walked into the barn that we stepped into stuff that normally we would not want to step into? Not really. That was farm life.

Why are we so horribly apprehensive about allowing livestock production in this province now? Why are we putting every impediment in the road that we can dream up to cause the small farmers to disappear? Look at the headlines, fewer farmers, bigger farms.

Every time, Madam Minister, you put another law in place and you put another regulation in place, you will drive small families from the farm. She says never. Well, what has she done in the last three years? Fewer farmers, bigger farms. That is what happens when you do

those kinds of things, Madam Minister. Free up the farms. Allow them to operate. Allow them to function. Allow them to use their manure as fertilizer.

There was a time not 10 years ago when there were quite a few organic farmers in my area. You know what they used for fertilizer? Manure. Today we are not going to allow organic farmers to allow manure as fertilization. Why not?

Then the other thing that I simply cannot understand from this minister, that we will allow the Winnipeg Humane Society, the dogcatchers of this province, to be the certification agency for organically produced foods or humanely produced foods. How silly can we get? How silly can society become? That our minister, who was born and raised in rural Manitoba, is going to allow this to happen, I think, is nothing more than incomprehensible. I honestly could not believe my ears when I heard that the Winnipeg Humane Society would be the certifying agent for food in this province. It totally makes one wonder where this province is headed with its agricultural industry.

Grain and Canola, are we going to do away with all grain and Canola oilseed production in this province? I do not think so. When you see what the Americans have done this last year with their wheat acreage, I understand the winter wheat acreage sowed in the United States this year was down to a low, going back to 1907, was its lowest level since 1907. I think that is an indication of what happens when the kind of programs that the Americans are putting in place are allowed to function and that becomes the main reason people farm.

It is very true that the American farmer today farms the mailbox. There is no question about that. There is no clear trail, no better road in the farm community than to the mailbox in the United States. The American farmers agree to that. Many of the politicians agree that it is the wrong approach, but I believe the American government is positioning itself to go into a strong position of negotiations at the next WTO round.

We import a tremendous volume of corn feed grain into this province of Manitoba. The

corn growers a few years ago initiated a countervail, won the countervail, and the livestock industry were upset by the countervail. So was I, quite frankly. I am a corn producer and I did not agree that countervails should be put in place, because I do not believe countervails solve anything.

\* (15:40)

I believe our provincial governments and our federal government should have got their heads together and said: We will support our corn producers to the same level the American corn producers are supported and we will allow American corn to come freely into this country. It does now flow freely into this country, but it does cause a reduction in our prices that we have to sell for. There is no question. I have to sell my corn for what the LDP target price is in the States. The farmer in the United States is allowed to sell way below the LDP price, if he chooses to, his corn into Manitoba. That is the competition we face, unless our governments recognize that during this interim period of trade disagreements they have to support the agricultural community.

I saw the minister's release of \$103 billion which would be required to offset the agreement. I would suggest to the minister that if the ministers of Agriculture would have charged their department with calculating properly what the actual hurt would be on that new U.S. farm bill, I think you would have seen that the hurt was way, way beyond \$103 billion. I would suspect you could quadruple that amount and still not be at the level that the Americans are supporting their farmers. I think that is where we have to be if we want to retain some of our small farms in this province.

I think our specialty crops have a great future in this province. We have the climatic conditions that we can grow specialty crops. They need the support, the agronomic support to encourage farmers to make the transition into many of the specialty crops. They deserve the attention because the markets are there. However, I am gravely concerned that lentils, peas and chickpeas have, this year, also been brought under the U.S. farm bill. That will cause a significant amount of difficulty. Not this year

so much, because the Americans were virtually done seeding by the time the U.S. president got around to signing the U.S. farm bill, but do not be too surprised that next year you will see a complete change around, because parts of the American farm bill now include pre-'96 provision of set-asides that can be utilized, and the provisions of the 78% calculation and the 93% calculation to give them the base of the set-aside, I think, is something that we should seriously take a hard look at and see how that will affect their production.

Some of the advisors in agriculture that I talked to in the United States have told their farmers to, next year, get ready to plant, fence row to fence row, peas and take their corn and wheat right out of production. I think that is what we have to be careful of, and that is what we need to aggressively approach the American government on. If they will not change their minds, then I think there is no question that the federal government, with the support of the provincial governments, must come to the aid of the farm community.

We need a safe food supply, yes, but some of the rhetoric that I have heard coming out of our Government and regulations that are being proposed by our Government lead me to think that we are telling people that we have not been safe food producers until now, that we must make vast changes in our food production technologies and techniques. Well, I take exception to that. I am offended by that, as a farmer. My very life depends on how safely I deal with either pesticides, herbicides or fungicides or any other products that I apply on my land, or ensure that I do not contaminate my water, or my wells, or contaminate the land. I think it is an offence to farmers, this day and age, to put in place the kind of regulations and legislation that would lead others to believe that our farmers are not safe farmers. I think the minister really seriously needs to rethink some of the things that she is proposing to bring forward.

Safe food supply, everybody wants a safe food supply. Have we delivered it over the last decade or two? You bet, farmers have. They have delivered a more than safe food supply. They have delivered a secure food supply at way

under cost of production in many years. I think we do not give proper recognition to the farm community in that regard. I think we should take our hats off to farmers and farm families in this province for taking those kinds of actions.

**Madam Chairperson:** Excuse the interruption, but the speaker's time has expired. It is 30 minutes.

**Mr. Jack Penner:** It is only 30 minutes? Oh, I thought we had three hours. What could I ask for? Just a few more minutes to wind up.

**Madam Chairperson:** Is there leave of the committee?

**An Honourable Member:** If it is just a few minutes to wind up.

**Mr. Jack Penner:** It will not take more than 30 minutes.

**An Honourable Member:** No, no.

**Mr. Jack Penner:** I am not serious. It will just take but a few.

**An Honourable Member:** You have two. Let us just wind it up.

**Mr. Jack Penner:** I want to say to the minister that I encourage her to utilize the expertise in her department. She has some excellent, excellent staff in her department. There are some wonderful people in that department that, given the right opportunities, given the right direction, will do everything in their power to ensure the longevity and the liability of our agricultural community.

I believe that the food production technology that we have today—and I want to put this on the record for the minister. I was totally taken aback this past Friday when I came home to my farm. There was a big tractor on tracks sitting in the field just off my yard. I was asked to jump into that tractor. This person that was riding the tractor started the tractor, and he said, Jack, put it to where you want it and leave the steering wheel alone. That tractor tracked that 70 degrees across that field as straight as an arrow. We had a 40-foot cultivator. He said, now, I will

set it to leave out 40 feet and then come back along that same line again, at 70 degrees, perfectly. We did this a few times leaving out, and then we came back the other way and finished up the strips that we had left.

The technology out there is absolutely astounding, and it is exciting. It is exciting to see this kind of technology. It is called Star Trek technology. We can take the disk out of the combine, put it into our fertilizer applications. That varies the application and the technology is immense that is coming. They told us two years from now they will be developing a guidance system that would even turn the tractors around at the end of the field and there would be no person required in this tractor. That is the kind of technology agriculture is looking forward to today.

I think the minister would do well if she apprised herself of this kind of information. I know she is in a hurry but I think it is important that this be put on the record, because I did not hear her expound on any of these new virtues that are coming. I would suggest to her that she encourage her department to work with farmers to encourage them to get into the new technology era and get into food production and a food production cycle that will be second to none in the world.

**Madam Chairperson:** We thank the critic for his comments.

Under Manitoba practice, debate on the Minister's Salary is traditionally the last item considered for a department in the Committee of Supply. Accordingly, we shall now defer consideration of line item 3—

**Hon. Jon Gerrard (River Heights):** I would like to ask the minister a question, if I may, which, I think, falls under the Minister's Salary area.

**An Honourable Member:** We are not doing the Minister's Salary now.

\* (15:50)

**Mr. Gerrard:** What are we on?

**An Honourable Member:** Salary is set aside till the end.

**Mr. Gerrard:** Oh, okay.

**Madam Chairperson:** Accordingly, we shall now defer consideration of line item 3.1.(a) and proceed with consideration of the remaining items referenced in Resolution 3.1.

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

**Ms. Wowchuk:** As the staff makes their way to the table, I would like to ask the member opposite or people at the table if we might proceed to Manitoba Crop Insurance. It has been a practice in the past that we deal with the parts of the department that are out of town. We have the Crop Insurance staff here today, and then we will be having the staff from the Manitoba Agricultural Credit Corporation. I would like to deal with those two sections of the Estimates first and then follow the process that we have had before which is then moving to the Executive Support and then follow through to the various departments, but I would like to seek agreement to deal with the Manitoba Crop Insurance Corporation first of all.

**Mr. Jack Penner:** I respect what the minister's request is. Last year I think we agreed to that kind of an approach. I am certainly not going to agree this year to voting on any of the line items till we finish the Estimates entirely.

What I would agree to is that we deal with those parts of the department she wants to bring forward first. I realize the staff of Crop Insurance and also the staff of Manitoba Agricultural Credit Corporation are out of town. I would concede to dealing with those departments when their staff are available. I am not sure it is necessary that we deal with them today simply because the minister has asked them in. I would suggest that we set a time I would be able to apprise my colleagues of, a time they would be here, because I know there a number of my colleagues who want to come in and talk about crop insurance. They want to talk about the Agricultural Credit Corporation. They want to ask questions on various other aspects of the Department of Agriculture.

I think what the minister might have done is, prior to the Estimates process here, to have given

me a bit of an overview as to where she might want to be in a given period of time and where she might want her staff to be, and then we could have notified her staff on given days that this is when we would like them for committee.

**Ms. Wowchuk:** What we have done in the past is we come to an agreement that we will do the Crop Insurance and the Agricultural Credit Corporation first, and then we proceed through the various sections of the department.

As I indicated to the member, the staff from the Crop Insurance branch is here today, and it is my preference that we would proceed with the Crop Insurance branch, so I am asking for co-operation with the member if we could deal with the Crop Insurance portion of the Estimates at this time given that we have staff in town to do that.

The member says I have not given him notice. It has been the practice in the past, and I assume that the member would recognize that these people are from out of town, and this has been the practice that we have followed in the past. So I would ask him for his co-operation on that. If not, then I would look to the member for a suggestion.

**Madam Chairperson:** Standard practice has been that we proceed in a chronological fashion and to depart from that would require the leave of the committee.

**Mr. Jack Penner:** Madam Chairperson, the standard practice that normally happens at committee is that there is an agreement between the minister and the critic and the committee that we proceed as the decision is at committee.

We agreed last year because I conceded to the minister's wishes that she bring Crop Insurance first. That is why we did Crop Insurance first last year. I am saying to the minister this year that there are a number of my colleagues that wanted to question, and they have not been apprised of when the various agencies will be before this committee. I would suggest to her that we set a time as to when they will be before this committee, and then I can notify my colleagues as to what the agenda will be.

**Madam Chairperson:** Thank you for your comments.

**Ms. Wowchuk:** Madam Chair, if that is the case, I would suggest that we proceed to 1.(b) and then proceed through the book in the order that they are in the Estimates book and follow the standard practice that there is voting at each section before we proceed to the next.

**Madam Chairperson:** Is that the will of the committee? *[Agreed]*

3.1 Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$513,500. Does the item pass?

**Mr. Jack Penner:** As I indicated before, we would not pass any lines until we are finished with the discussions on the various aspects of the department. We would like to keep our discussions open as they have in many of the other committees and is currently the case in resources at the time which I attended the other day, and I think this committee can function in exactly the same way.

**Madam Chairperson:** Before I recognize Minister Barrett, I would just like to remind the committee again, I just previously said standard practice is that we proceed chronologically and pass each line item as it appears. To deviate from that would require leave.

**Hon. Becky Barrett (Minister of Labour and Immigration):** I just want to reiterate and agree with your comments. I think that, if the Member for Emerson (Mr. Jack Penner) is saying that standard practice or going line by line or section by section and not agreeing to have the areas that are from out of town go out of their order, he should agree that we would follow the standard practice on voting on each of the items as we do with great regularity.

If there are other committees where this is not the case, that is the decision of that committee, but this committee has every right and responsibility to make those determinations.

**Mr. Jack Penner:** Co-operation is a big function of an orderly committee. *[interjection]* All I am saying is co-operation by the committee members is a great asset in making the committee function properly, as I would like to see, and there is no reason in the world why we need to vote on any line item.

We can discuss and debate them as they come up in our book. I have no difficulty with that, but the need to vote on any line item, there are no prerequisites or demands that say that, that we have to do this.

If this committee agrees to set aside the voting of all line items until the end of the process, then so be it. If the minister does not want to agree to that, then we might have a difficult time preceding through this process because we can take a long, long time debating this. So we could spend days on the first line if we needed to.

I think that would be an unfortunate waste of time, of the minister's time and of the staff time, so I would suggest to the minister that she rethink her position. I am requesting that the committee consider delaying the votes on any of the line items until we have finalized the discussion on the various aspects of the Estimates of this department.

\* (16:00)

**Madam Chairperson:** Could I remind the members of the committee, as stated previously, the standard procedure is to chronologically deal with each line item and vote on it. The Member for Emerson has requested that we stay with the standard procedure, which is the chronological, and I would suggest that this is not the minister's decision. This will have to be concurrence by the committee.

So I am hoping that we can come to some agreement here. Perhaps a couple of minutes for reflecting on both sides would be in order, if it is the will of the committee. Does anyone wish to speak on this?

**Ms. Linda Asper (Riel):** I would suggest we pursue it with standard procedure. Do I need a motion on that?

**Madam Chairperson:** That is standard procedure.

**Mr. Jack Penner:** I just remind the minister and the committee members, if they want to impose their will on this committee, they have the majority. They can even force closure. If they

decide that they want to close the debate on any item in this committee, they can do that, but I think they need to be very careful in how authoritative they become in their approach to any of the committees.

**An Honourable Member:** This is standard procedure, Jack.

**Mr. Jack Penner:** If the minister wants some time to put her thoughts on the record, she can do that. I have no difficulty with that, but I say to the minister if she wants co-operation and if she wants orderly procedure, then we need to, I think, proceed in a manner that we can work through these Estimates.

I think that can be done, but, certainly, the normal procedure is to ask the will of the committee. That has not been done here. I am being told what we would do. I really do not believe that that is the normal procedure. I think the normal procedure is agree to set aside the voting of the line items until you finish, if the committee agrees, the debate on the whole Estimates. We can do that. If the committee decides to force its government will on this committee, they have the majority. They can do that, but that will provide some very lengthy Estimates.

**Madam Chairperson:** I would reiterate that it is standard procedure to proceed line by line. This is not the responsibility of the minister, although it has been done frequently in the past that the minister and the critic come to some agreement. In terms of the rules, standard procedures say we proceed and vote line by line. Any deviation would require the will of the committee.

**Ms. Barrett:** Madam Chair, a couple of points, one is that you earlier this afternoon did make the point that we would be going line by line. There was no argument or disagreement from the Member for Emerson. The second is that it is standard operating procedure. So the Government is not imposing its will or has not decided not to vote on how it will proceed with Estimates, because the Chair made the point, made the statement, we will now proceed with line by line, and the Member for Emerson did not make any comment then. So the committee

was working to that standard operating procedure.

It is an orderly procedure. The standard operating procedure of going line by line, with the exception of the Minister's Salary, and then in an orderly fashion voting on those line items is the standard because it is orderly. Secondly, I think that the Member for Emerson needs to think about the kinds of things that he said in his opening remarks when he stated how critical agriculture was, the kinds of crises that we are in right now.

If the Member for Emerson's suggestion that we go through the entire Estimates without any voting, without any order, you could go agricultural corporation one day, you could go finances the next day. There would be no order or rhyme or reason. That means that the staff of the department has to be on call all the time. They cannot have any kind of sense of orderly process, whereas the Estimates book is laid out in an orderly fashion. The Estimates process normally goes in an orderly fashion so that the staff of the department can proceed with their work as they need to do, their critical work that the member is talking about.

How is it orderly, how is it effective, how is it an efficient use of staff time to require them to be on call for the entire Estimates of the department? I do not understand that, and I certainly would not support that kind of just going without any kind of order at all.

**Mr. Jack Penner:** Well, first of all, I want to thank the honourable Minister of Labour (Ms. Barrett) for the lecture. Then I want to ask the Chairperson whether it is normal procedure that the Chairperson would identify what would normally be the procedure in her opening statements and remarks. I agree that is what she did. At the earliest opportunity I voiced my views on how we wanted to proceed in this committee.

What I would suggest to the honourable Minister of Labour is that it has been quite acceptable in many committees to do exactly what we are—[interjection] Well, Conservation is doing it right now. [interjection] They are going

through the entire book without going line by line or voting on lines as they go along.

**An Honourable Member:** Yes, that is not standard.

**Mr. Jack Penner:** Well, the Minister of Labour (Ms. Barrett) says, well, that is not standard. What is standard is what is agreed to at committee. The procedure that is agreed to at committee, that is standard. That has always been the case. I mean I have been a minister for four years and certainly that was the procedure. One critic wanted to go line by line, vote on every line, and one critic wanted to go through the whole process without voting on lines. So be it. I mean that is the way things were done. The executive staff is going to be here regardless so we can proceed, and when we want to call Crop Insurance or MACC, when that section comes up, we can give them advance notice, and they can be here and we can proceed with those sections. I do not see this as a difficulty at all.

It is, however, dependent on the leadership of the minister as to how orderly she wants this whole process to proceed. That is the choices we make here in this committee. I would strongly suggest that co-operation from all members of this committee is what we are asking for, not ramming their views through. So I will let the Minister of Labour put her words on the record that she wants to put on the record.

**Madam Chairperson:** I would just first like to make the remarks that the Member for Emerson (Mr. Jack Penner) is absolutely correct. In fact, the Department of Finance that just preceded had an extremely flexible way of going through. They jumped from one item to the next, but that was a mutual agreement.

I just want to say from my perception, when we first started, it seemed to me I did, yes, say that we would be doing the line items, and when the Minister of Agriculture (Ms. Wowchuk) suggested that we deviate from the first line item, when you indicated that, no, you wish to proceed chronologically, I then had to assume that you wanted to proceed with standard procedures. That is my perception of what the intent was. So, if I am misunderstanding, perhaps others are. Again, if the minister and the

critic would like to discuss and come to some consensus and the committee agrees, we could maybe proceed with this.

**Ms. Asper:** Some of us have had our hands up to be on the speaking list.

\* (16:10)

**Madam Chairperson:** Yes, I am recognizing you, the Member for Riel.

**Ms. Asper:** Okay, I would like to go back to my suggestion that we proceed in what I consider the normal procedure line by line, as is usually done.

**Madam Chairperson:** Thank you for your remarks.

**Ms. Wowchuk:** Madam Chair, I think that I made a suggestion that we go to Crop Insurance first because the staff is here. The member has said that he does not want to do Crop Insurance now because members of his caucus are not here.

It has been the tradition in the past if there was somebody else that comes in, there would be a question and the staff was not here that we could answer that, but the member has said he does not want to go to Crop Insurance today. So what I have suggested is that let us start on the next in line, which is Executive Support, do that today, and then we can have a discussion about where we proceed. My real preference is to start with Crop Insurance today because we have the staff here, but if we have not got agreement on that, then let us start with Executive Support and then proceed down the line. Should we need some flexibility from other members as they come in, that flexibility has always been there. We can go back and forth on this for a long time, but let us get started on one section and then proceed.

With that, Madam Chairperson, I would like to introduce the staff that is with me here. Joining us at the table is my Deputy Minister, Don Zasada; Assistant Deputy Minister Craig Lee, in charge of the Policy and Economic Division; Assistant Deputy Minister Barry Todd, who is in charge of Management and Regional Agriculture Services; and Marvin Richter, who is manager of Financial Administration.

**Mr. Jack Penner:** Does that mean that now we have agreement that we will set aside the voting on the line items until we finish the Estimates? What is the minister's reaction?

**Madam Chairperson:** Is it the will of the committee that we proceed line by line and vote standard procedurally? Just to clarify, the Member for Emerson has requested that we deviate from standard procedure and vote on line by line without voting on each line item. Is this the will of the committee?

**Some Honourable Members:** No.

**Madam Chairperson:** The question before the committee is as requested by the Member for Emerson that we proceed with the standard procedure of going line by line but not voting, setting aside the votes until later. Is that the will of the committee?

**Some Honourable Members:** No.

**Ms. Wowchuk:** Madam Chair, I think that, you know, I made a suggestion to the member opposite. I suggested that because we have out-of-town staff for Crop Insurance and the Agricultural Credit Corporation that we do those lines first and because we have Crop Insurance staff here that we deal with his questions on Crop Insurance. The member said he was not interested in dealing with Crop Insurance. The alternate to dealing with Crop Insurance is to go back to line by line, which is Executive Support. That is what the suggestion here is. If we get the member's questions on Executive Support done, then we can move to the next sections of the Estimates. I am not sure why the member, on one hand, does not want us to move into the various departments but then does not want to go the other option either. He says he does not want to alternate, but he does not want to follow standard procedure. We are saying let us follow standard procedure.

**Mr. Jack Penner:** Madam Chairperson, it is very obvious that the minister, in her opening remarks—we can go back tomorrow to her opening remarks and then we can continue this debate—she indicated clearly, she directed this committee that we would go into Crop Insurance today. We would do Crop Insurance, then we

would do Manitoba Agricultural Credit Corporation and then we would continue with the rest, without having any discussion or debate about it with this committee or members of this committee.

I said to the minister this. I did not suggest to the minister that we would not deal today with Crop Insurance. What I did say was that I wanted to allow my caucus colleagues the right to come into committee and that we would call those agencies and/or the parts of the Estimates and that we would give them adequate notice they could come and appear before the committee and make their comments, or make their views known, or ask the questions they wanted to ask. That was what I said.

I did not say that we would not deal with Crop Insurance today at all. We can deal with Crop Insurance for the next four days if the minister chooses to. It is no big deal. I have lots of time to deal with Crop Insurance. If the minister wants to call Crop Insurance in today, we will have them here today, we will have them here tomorrow, the day after tomorrow. By that time I can apprise my colleagues that Crop Insurance will be before the committee and they can appear.

I have no difficulty with that and I have no difficulty at all wandering all over the place or going line by line, but I am asking the consideration of the committee to set aside voting on the line by line before approving any line items until the end of the Estimates process. That allows us to keep the issue open that if somebody else brings an issue that is of urgency or importance we can bring that back to this committee at any time, that we will not be refused, as we were last year, that once we had voted, the minister said: We have voted on this; we are not discussing this again. That is what I am trying to avoid here.

That is why I said in my opening remarks if there will be co-operation in this committee this can be a very, very smooth process and it need not take long. However, if the minister and this committee do not want to agree on procedures and those kinds of things, we can be here for many, many weeks. It can be a long time before



we finish this Estimates process in this committee. All I am asking is for adequate consideration and appropriate procedures, that we allow a flexible approach to the Estimates of this department. I do not think that is too much. We have wasted half an hour already, and I do not know why we needed to have wasted that.

**Ms. Wowchuk:** I guess the member has agreed with me now that we have out-of-town people and that Crop Insurance is here and we can proceed to the Crop Insurance Estimates.

**An Honourable Member:** Are we agreed to line by line considering and setting aside the voting till the end of—

**Madam Chairperson:** I am sorry. The minister had the floor.

**An Honourable Member:** Then we can proceed.

**Ms. Wowchuk:** Part of the issue here, I want people to understand this department. The member is a rural member. He should understand that people have to come in from across the province. What we have done in the past is have a reasonable flow.

For example, if we are doing Soils and Crops, we have to have people from different parts. If we are doing regions, there are people from the regions right across the province. We need to know how we are flowing in this. So I asked the member if we could do Crop Insurance.

\* (16:20)

The member knows that even when we have passed a line, and the member says they have been denied answers, I would ask him where that is, because even if we pass a line and should another member come back in and have a question on that line, if we have not got the staff here to help with the answer to the question, we have always agreed to get the information back.

What I am asking for was that we do the Crop Insurance Corporation first. The member said he did not want to do Crop Insurance today,

so that meant we have to revert back to Executive Support. I agree with the member. We are going back and forth over issues, but if anybody ever has a question and the line is already passed they have never and will not be denied an answer.

**Mr. Marcel Laurendeau (St. Norbert):** Madam Chair, I do not usually like getting involved at the committee stage, but I think you are both on the same track here. I do not think that, if you dealt with it globally and held the votes at the end the way we do when we deal with it globally, there will be a problem. We could probably deal with the Crop Insurance for the next day or so, and there will not be any problems.

But all we have to do is agree to go globally. That is what we have done in the past and that works fine. I am sure the minister and the critic will be able to co-operate and see that everything is done effectively for the sake of the minister and the critic and the Opposition on this one. Just go global.

**Madam Chairperson:** I would thank everyone for their comments. I would also like to suggest that this has been a discussion. There has not been a vote on anything. There has not been a motion put forward to vote on. The discussion has been underway. I think people's opinions have been heard, but no vote has been held.

If the minister and the critic can come to an agreement, I think it is in the best interests of the members, particularly the staff and all the people in Manitoba.

**Ms. Wowchuk:** Madam Chair, I want to just mention to the member, he is concerned about passing lines, but the member knows that there is the Minister's Salary where you can ask any question you want. There is concurrence where you can ask any question that you want. All we are asking is for a bit of order here.

The member said he did not want to take things out of order. He wanted to start at the beginning of the book. Now he says he is willing to start on Crop Insurance. Because Crop Insurance staff are here, I would very much like to start dealing with Crop Insurance, but the

member does not want to, so, Madam Chairman, I think I would just make a recommendation that we proceed on this, and should there be issues that have to be answered after a line is passed, then we can always come back and answer them in another area.

**Madam Chairperson:** Could I just make a suggestion before I recognize the Member for Emerson? I think given the robust and, I would like to think, very healthy discussion, maybe, if it is the will of the committee to take a very short recess?

Is it the will of the committee to recess, a very brief five-minute recess to sort this out?  
[Agreed]

*The committee recessed at 4:25 p.m.*

*The committee resumed at 4:34 p.m.*

**Madam Chairperson:** Order, please. Would the committee come to order, please.

**Ms. Wowchuk:** Madam Chair, as you know, I made a suggestion earlier on that we move to Crop Insurance and then to the Agricultural Credit Corporation, because those are the two corporations that we have and they are from out of town. I suggested that we do those first and then move to the other parts of the Estimates, so that we did not have to keep out-of-town staff here. It would give the out-of-town staff some predictability about what we were doing.

The member said he did not want to move to those departments. So, if the member does not want to move to those departments, then it means that we have to move back to the schedule you are applying, and that was when I suggested that we move to Executive Support, which is the normal section of the bill, and then move through it in an orderly fashion.

The member suggested that we work on a global budget. What I suggested to the member is that we go through line by line, and when a line is passed, then staff in that section can leave, but that does not preclude the member or any of his caucus from asking questions on any section

of the Estimates. We have always been flexible in answering questions. If we do not have the staff here to answer the questions, then we bring the answers back. That is what I am suggesting to the committee, since we cannot get an agreement to move the Crop Insurance and Agricultural Credit Corporation to the head of the list, that we proceed in the normal fashion that you outlined to us as we began this process, Madam Chairperson.

**Madam Chairperson:** Before I recognize the member from Emerson, I would just like, for clarification, my own and the committee's, it seems to me that there is an agreement of sorts. It seems very close. It seems to me that the minister and the critic are saying the same thing in different ways.

It sounds to me like the critic would like to have line by line with no vote because he would like the other members to speak. The minister, on the other hand, is saying she is prepared to let the members speak at any time regardless of the vote. So I hear that you are both saying that there is flexibility, whichever way it goes, whether it is standard procedure, which appears to be the will of the committee at this point, or whether it is global. It sounds to me like the end result is going to be the same, that members will have the right to ask questions at any point regardless of votes and that there will be flexibility in that. Now that is my understanding, and I am hearing that the minister and the critic are basically both agreeing. It is just a matter of semantics. Now, if I am not correct, I am sure the member from Emerson will.

**Mr. Jack Penner:** I believe it is unfortunate that there cannot be agreement in this committee, as there has been in many other committees, that we go globally on the Estimates process and that we move in an orderly fashion through this process, but let me say this. This can be a very enjoyable effort and procedure, and it can be a very long, drawn-out, difficult procedure. It depends on how difficult either side of the committee wants to be. I certainly would welcome the co-operation from the minister to put in place a procedure that would accommodate the will of all members of the committee.

I would say to the Member for Dauphin, if he wants to keep talking, he can do that, but I

would suggest that he put his hand up and, in time, would be recognized by the Chair, and let him put his comments on the record. Then I think we can proceed. I would suggest—

**Madam Chairperson:** Order. I would just like to take a moment to remind all members of the committee that conversation is allowed at the table as long it does not disturb proceedings and to please respect the person who has been recognized.

**Mr. Jack Penner:** Thank you very much, Madam Chairperson.

I would suggest that, when we look at all the aspects of the Agriculture Department and many of the responsibilities that are charged to the minister, we come to conclusion on when difficulties do arise. I think one needs to reflect on ability then to accomplish what is required by the department for the benefit of the department to be able to serve her people in this province.

I think what we have seen over the last three quarters of an hour is clearly a view that she is going to be able to direct her will on the committee and proceed in a manner that she deems in the best interest of her being able to be nothing more than reflective of her will to be driven at any cost. I am quite prepared as the critic for the department to accede to that kind of an approach. I have no difficulty with going line by line, if she chooses to, but as I said to the minister, I have also no difficulty bringing the various agencies in at an appropriate time, dealing with them and letting them go about their business.

\* (16:40)

I just said today was not an appropriate time to deal with crop insurance, because we have members in our caucus that would like to be here in this committee and they are in other duties right now. They would like to be here asking questions of Crop Insurance and Manitoba Agricultural Credit Corporation and some of the other matters. Therefore, I ask that we proceed in a global manner, not having any votes on the line-by-line issues till we finalize the Estimates and then do the voting as is very normal in many of the committees. It is done as Madam

Chairperson has indicated. It is done by agreement.

If there is not agreement in this committee, then we will exercise the more difficult approach. I think that is what the minister has indicated. Her will is that we exercise the more difficult approach and that is dealing line by line, voting line by line. I would suggest to the minister that we move back into the Chamber and have a vote on this matter, that we have a recorded vote as to whether we will proceed and vote on a line-by-line process; or whether we will allow for the orderly global process consideration of the department and bring the Crop Insurance people in when the time is right, bring MACC in and then let them go back to their place of business and do business and deal with the people of Manitoba and provide the services that they should be providing.

I would suggest when the executive committee of the department has the opportunity to come forward, whether when we deal with the salaries and when we deal with grants and transportation, communication issues and other matters before this committee, we can do that in a very orderly manner, too. But what I do not understand from the minister is why she is so adverse or so hung up on voting on line items when we proceed past a given line.

What is the difference whether we vote on those line items at the end of the process when we have considered all the lines and considered all the departments? Why she is so set in her ways in wanting to—is she wanting to prove something, that she is more powerful? She does not have to prove it. She knows that. She knows she has a majority on the committee. They know they have a majority in the House. If we want to bring this to a vote, we can spend an hour ringing the bells and then go into the House and vote, and we will come back here and we will go line by line and we will vote line by line. She knows that. That is imposing the will of government. That is the heavy hand of government directing the committee process. That is what it is. I mean, that is the only thing. The minister laughs at that, but that is really what it is. That is a demonstration of the difference between us and them.

They have moved on this. This Government is gaining a notoriety on imposing their will

upon people whether the people like it or not. They are bringing forward legislation and regulations that will see to it that nothing will happen in this province unless they, the ministers, have the say-so. We have seen this in legislative piece after legislative piece coming forward that it is all directed towards giving ministers a great deal more power than they have had in the past.

I think the people are starting to reflect on this. The people will see a great deal more of this if these people should be allowed to govern for another year or two. I think that is what makes a lot of the people more apprehensive now than they were a year ago about this Government. I would say that it is exactly this attitude that is being demonstrated at this committee table that is at stake here. I think that is unfortunate.

We have always tried, when we were in government, to try and co-operate to bring an organized procedure and a co-operative procedure to committee. That seems to now have been set aside and no longer become a prerequisite of dealing in an orderly fashion with the Estimates process.

I believe the farm community has seen the result, Manitoba has seen the result in Agriculture in large part of that kind of an attitude being predominant in the minister's office.

**Madam Chairperson:** Order, please. Could I remind all members to respect the speaker on the floor.

**Mr. Jack Penner:** Thank you very much, Madam Chairperson. Maybe we should order a group of moth-hunters in to satisfy the Member for Selkirk (Mr. Dewar). However, I think the attitude demonstrated around this committee clearly sets the stage for what the future holds in Manitoba. It is, I think, the attitude of it is not my will but thy will be done. I think that is clearly visible here today. I think the people in rural Manitoba have seen what that truly means.

I think when one looks back at the initiative that Government took when they were first elected, eliminating entirely the Department of Rural Development I think should have signaled

to all people in Manitoba what this Government is all about, that they really do not care about rural people and they do not care about the small family farm and they do not care about rural people and rural families.

I think this minister needs to re-evaluate how she wants this province to look 10 or 20 years from now. If we keep on seeing the kind of depopulation that we have seen in the last three years, may the Good Lord help rural communities, because there will be nobody left to participate in school or in hospital activities or in educational activities or sports activities, for that matter.

We have many people now that are now already transporting their children an hour and a half, two hours, by bus, every morning and every evening. What is the future of this province going to look like 10, 20 years from now? Are we going to set up boarding schools in the city of Winnipeg that you can bring your kids in at the beginning of the week and take them home at the end of the week? Is that where we are headed?

If we keep on putting in place restrictive measures the way we have seen over the last number of years, that is exactly where this province is heading. That is truly different than what the previous Tory administration had put in place as a designed framework for rural Manitoba.

\* (16:50)

Rural development was, by far, the most important thing that we did. It encouraged value-added production, it encouraged processing. We have never seen in the history of this province a greater degree of developmental initiatives that we saw during the last decade. There were more seed plants built, there were more specialty crops processing facilities built, there were more livestock processing facilities built in this province than any time in previous history.

Every time this province elects a socialist government, every time we elect a socialist government, we see the migration of rural people out of the rural communities. It happens every time. I think that it is time that politicians,

especially, pay attention where the greatest revenue generator really is in this province. It is in rural Manitoba, the foundation of the resource based industries that flourish in this province and employ people.

Yet this Government wants to do nothing but see the degradation of its infrastructure. We see this in highways. We see all the money moving north of No. 1, and southern Manitoba is where the main agricultural area is. I would suggest that none of the highways that need to be built have been touched.

The other interesting thing is that when the minister of highways announced an increase in highways budget, he forgot to say to the people of Manitoba that much of the money that he is currently using as an increase in his budget came directly out of farmers' pockets.

**An Honourable Member:** Whoa. My goodness.

**Mr. Jack Penner:** Yeah. The minister says: Whoa. My goodness. It is true. Ask yourself where the federal portion of the money really came from. Did it come through the SHIP program? It was all monies that were designated and set aside as a payout of the Crow benefit. It was a payout of the Crow benefit.

**An Honourable Member:** And you supported it.

**Mr. Jack Penner:** I supported at that time setting aside some of the money, of the Crow payout money, to build infrastructure in rural Manitoba to help those communities that were affected by the transition of the Crow. The money was put aside and now this minister of highways comes and takes all accolades for Manitoba farmers giving up a large portion of the Crow benefit to be set aside to build infrastructure and roads.

There is supposed to be the Grain Roads Program. It was supposed to be grain roads and roads to provide transportation to the agriculture community so they could access markets from right on farm to—

**An Honourable Member:** You got zero.

**Mr. Jack Penner:** I know, the Member for Dauphin (Mr. Struthers) says you got zero. That is exactly right. We did get zero. The farmers of

Manitoba blew it. They elected an NDP government and that NDP government will do nothing but see the desecration of our farm communities and our rural communities and our small industries.

We are seeing more and more now, industries that are saying we do not need to stay in Manitoba.

I saw the results of the changes this Government made to the labour act. It is too bad the Labour Minister is not still at committee. Her act is in fact encouraging another one of the hog processing industries to say maybe we will not be in Manitoba. *[interjection]* Springhill Farms has very clear big headlines saying: We might not be here.

What are we going to do if we lose that industry as well? We have lost the Schneider's plant. Schneider's was going to build a big operation in the city of Winnipeg. As soon as we elected a group of socialists to govern this province, the Schneider's corporation decided just to pack it in—

**Madam Chairperson:** Order, please. I believe all honourable members wish to keep the discussion and questioning flowing along constructively. I respectfully ask for your co-operation in this matter.

**Mr. Jack Penner (Emerson):** I thank the honourable Chair for giving me the—

#### Point of Order

**Madam Chairperson:** Madam Minister, on a point of order?

**Ms. Wowchuk:** Yes, I just want to know where we are going on this. We are having a discussion on which line we should go into the Estimates or what route we should follow in these Estimates. I made a suggestion to the member that we should bring forward departments from out of town.

I made a suggestion that we go to the Manitoba Agricultural Credit Corporation because we have that staff here today, that we proceed to the Agricultural Credit Corporation. The member did not agree with that suggestion. So then the suggestion was that we follow the book line by line and that we proceed to the Executive Support.

I would ask you, Madam Chair, if we can make some decision on this. I would ask the member to make comments related to the issue we are trying to decide here, rather than all of the other issues he is on. I think he will have the opportunity in a wide variety of areas, but I would like us to set the procedure we are going to follow for this department.

**Madam Chairperson:** The Member for Emerson, on the same point of order?

**An Honourable Member:** Oh, yes, the same point of order.

**Mr. Jack Penner:** The honourable minister raises a significant point. That is the misunderstanding she has brought forward and how we deal with the matter of proceeding through Estimates. I think there was clearly a suggestion or a request made by myself to proceed in a global manner in Estimates and that we proceed in allowing a vote on the various line items to be set aside until the end of the Estimates debate on the various line items.

I would strongly suggest to the minister, if that is now her will that we set aside the voting on the line items until the end of the Estimates process, then I concur, and then I would suggest to the minister that we, tomorrow, could start with Crop Insurance. Once we deal with Crop Insurance, we could bring in Manitoba Agricultural Credit Corporation and deal with the Manitoba Agricultural Credit Corporation—

**Madam Chairperson:** Excuse me. Order, please. Is the Member for Emerson speaking on a point of order?

**Mr. Jack Penner:** That is what I was speaking to.

**Madam Chairperson:** The point of order should be used to draw the Chair's attention to any departure from rules or practices of the House or to raise concerns about unparliamentary language.

The Member for Emerson, on same point of order?

**Mr. Jack Penner:** Well, thank you very much, Madam Chairperson. I honestly did not hear anybody use unparliamentary language in this

committee. I am shocked and amazed that the Chairperson will try and imply there was unparliamentary language used in this committee.

I would suggest that tomorrow the Chairperson take it upon herself to search out Hansard and to see and bring forward the area where unparliamentary language was used. If she can identify which words offended her to this committee, then, maybe, this committee can sit and consider the offences that occurred. Then those people who used offensive language should then be given the opportunity to apologize for the words they used or phrases they used or that sort of stuff. That is the normal process that is used in dealing with offensive language.

But points of order, Madam Chairperson, are something that we all have a right to speak to until we have clarified our position on a given point of order. I would suggest to the Chairperson that there are all kinds of rulings that can be brought on points of order. However, if the Chairperson does not have anything substantive to bring in—remember this point of order was brought about by the comments made by the Chairperson. So I would suggest—

**Madam Chairperson:** Order, please. The reason that I interrupted in the first place, when I asked the Member for Emerson if he was speaking on a point of order, he never did quite clarify. It was the Member for Pembina (Mr. Dyck) who spoke for him that it was, indeed, a point of order, and it appeared to me to be going into debate. So I just wanted to clarify that you indeed did speak on a point of order, and I certainly did not suggest any unparliamentary language. It was the clarification of the point of order which, at this point, does not appear to be a point of order but a dispute of the facts.

I would just like to clarify that for the member. Are you speaking on a point of order? The Member for Emerson I am speaking to.

**Mr. Jack Penner:** Certainly, I am speaking to the point of order, if the Chairperson would recognize me on the point of order. Is that the wish of the Chairperson, that I speak to the point of order?

**Madam Chairperson:** You had the floor previously.

**Mr. Jack Penner:** Thank you very much then. To the point of order, I certainly think all members—

**Madam Chairperson:** I believe I ruled it was not a point of order.

**Mr. Jack Penner:** It was not a point of order? So we are not speaking to the point of order anymore.

**Madam Chairperson:** No, it was not a point of order. It was a dispute of facts. I am giving you the floor, recognizing you not on a point of order.

**Mr. Jack Penner:** I think we have got that clarified then. Thank you, Madam Chairperson.

**Madam Chairperson:** The hour being five o'clock, committee rise for private members' hour.

## JUSTICE

\* (15:10)

**Mr. Chairperson (Conrad Santos):** Would the Committee of Supply come to order, please. This section of Committee of Supply has been dealing with the Estimates of the Department of Justice. We are in the middle. The minister is making his opening statement.

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** Just a preliminary matter, Mr. Chair. Before coming into the House today, my deputy advised me that there had been an error in my House book. There was a question in the House last week, I cannot recall whether it was the member opposite or the Member for Portage la Prairie (Mr. Fauschou), whom I have spoken to about this, but I had indicated there were 1.5 staff added at each of Portage la Prairie, The Pas and Dauphin in the Prosecutions offices. That was based on my House book, which said 1.5 in each of The Pas, Dauphin and Portage la Prairie. There is 1.5 in total at The Pas, Dauphin and Portage, not 1.5 at each location. It is 0.5 at each of Portage, The Pas and Dauphin.

I should just add, there was also an additional Crown attorney hired for northern Manitoba. I have advised the Member for Portage of this but in the Portage la Prairie area, I am advised that Crown attorneys provide assistance from Brandon as well as from Winnipeg on an as-needed basis.

I wanted to clarify that and apologize for that which was certainly, I think, incorrectly set out in the House book, and I should have caught that but I did not. So I wanted to deal with that first off.

The issue that was under consideration when we last met, in my introductory remarks, are initiatives on impaired driving in Manitoba. I also want to just note a few other initiatives under this heading. First of all, today, I want to note that as item 8 actually in our program was the introduction of a mandatory alcohol server education program. That was a joint initiative of the Liquor Control Commission and the industry. That has been identified for sometime in other jurisdictions and as I recall, there was a program established in B.C. as an effective way to counter impaired driving.

The graduated licensing system, as well, has a zero blood alcohol content for the first three years of driving. I think that is very important and should always be noted as an integral part of an impaired driving campaign, because that helps to establish clearly the message in the novice driver that drinking and driving do not mix and can also, I think, establish a pattern to guard against drinking and driving.

In addition to the lifetime suspensions which were introduced last year, the legislation was really comprised of three parts. The member opposite was not the critic at the time but may well have been attuned to that legislation. What we did was introduce in The Highway Traffic Act amendments a three-pronged and staged impaired driving legislative strategy.

The first was the lifetime licence suspension scheme, which, as I say, came into force last year. In this year, the legislation allowing vehicle forfeiture upon conviction for offences involving death or bodily harm and applying if there are three or more convictions for impaired

driving offences will be proclaimed. Our target is 2002 as we set out from the beginning. This will be the first time in Canada that vehicle forfeiture will be introduced as part of a legislative scheme. But it is our view and clearly the view of the Legislature, given that the legislation was endorsed by all parties, is the fact that if one refuses to get the message and continues to operate their vehicle essentially as a weapon against the people of Manitoba, that weapon should be forfeited. So that work is being done now, the operational work that goes into that, the systems changes and the staffing changes for late 2002.

Then, as announced, the third part of that strategy was the ignition interlock program which will require impaired drivers on conditional licences to use this technology, which can be imposed as well as a mandatory licence condition for high-risk repeat offenders, and as we set out, the target on that was next year. So that is the three-part foundation of our strategy for our mandate in government in addition to the other changes that I announced yesterday and today.

Of course, we are always looking for other ways to defeat impaired driving, and that is why I was very pleased with the public campaign that was put together by Justice and MPI as a partnership, known as the You Lose campaign.

The first part of the campaign in late 2001 was focussed on impaired driving and in the first part of 2000 it was focussed on auto theft. I understand that Saskatchewan has now used that campaign. I was very pleased with it, and I was very proud, as a matter of fact, that the development of that campaign, the layouts and the language, the messaging was actually done in-house by Information Services with the Province, and MPI assisted with other roll-out supports, funding and so on.

I think it really is based on the important point that it is one thing to have laws, but it is also important for people to know that those laws are there because it comes particularly to the administrative sanctions around auto theft. It is the deterrent effect that is very important, and that is why public communications in all the different medium was deemed very important.

I want to now address our initiatives regarding auto theft. It was only yesterday morning that a further initiative was announced as a result of the work of the auto theft task force headed by criminologist Rick Linden, and that was the announcement of the findings of an offender profile study that was done to determine what prevention techniques could work, what goes on in the minds of these offenders, what backgrounds do they come from, what other correlates exist, as part of a strategy to better focus on effective corrections and prevention strategies. Manitoba's auto theft reduction strategies, of course, also include those lifetime suspensions for repeat offenders that was also part of that legislation from last year, an MPI rate discount for vehicle owners who install engine immobilizers and funding for the Winnipeg Police Service bait vehicles which are equipped with GPS tracking systems.

I want to, as well, note that, under the five-year licence suspension for auto theft convictions, it goes up to a lifetime on a third conviction. So, therefore, what it means is that offenders under age 16 must wait until age 21 to get a licence where there is a conviction. The You Lose campaign we spoke about; I can also advise the committee that MPI has engaged in a direct mail campaign to vehicle owners on two occasions, most recently to high-risk vehicle owners. There are other public information campaigns that are being planned and targeted. There are also initiatives underway to better link the law enforcement and prosecution of auto thefts. For example, we have established an auto theft prosecution team comprised of two supervising Crown attorneys, one in adult and one in youth court, for stronger and more consistent consequences for offenders.

\* (15:20)

It is my view that, in several areas, specialized prosecution can be very effective. In fact, Manitoba is providing some leadership on that one, not just with this, which is not necessarily the prosecutor who is specialized, but there is a co-ordination, and there is a specialized approach. We have also done this with the gang unit which we can talk more about later.

The new partnership initiative to provide greater supports for citizen patrols, though, was



very closely tied to the auto theft challenge. What we saw out there with the experience of citizen patrols was some tremendous statistics and evidence of the effectiveness of this grassroots movement in, not only finding stolen vehicles and reporting them and getting them fingerprinted by the authorities and back to their owners, but also apprehension and prevention.

With some private-sector involvement, and hopefully greater private-sector involvement in the near future, the involvement of Manitoba Justice, obviously, citizen patrols, notably local law enforcement, which has been so supportive. I can speak, for example, of District 3 in Winnipeg, which is just so supportive of citizen patrols in this new initiative, as is the Chief of Police. I know late Commissioner Egglestone was so supportive of this new partnership and this initiative for citizen patrols, which also, and very importantly, involves MPIC.

MPIC was very excited about the prospect of playing a greater role in citizen patrols based on its experience with citizen patrols over the last decade or so. Citizen patrols have been increasingly used by MPIC for parking lot audits, for example, whereby patrollers would go into parking lots and look to see what kind of prevention action was being taken by owners, not just for statistical purpose but for leaving a note with the owners. As well, they were answering questionnaires.

When it comes to other initiatives at MPI, the citizen patrols have also been mobilized to do the speed watch program. That is that big board that is put up at the side of a roadway to tell people how fast they are driving as they go by, and some other initiatives as well.

As a result of this new partnership, the citizen patrols have an advisory council. They have greater supports now for their equipment, for their outfits, notably as well for training materials, for tips on recruitment. There is being established a Web site along with a chat room. As well I think it was important that MPI consider and they agreed to look at the idea of having a more visible and unified presence or branding, if you will, of citizen patrols so that all the citizen patrols are first of all better aware that they are part of something bigger, that there are

other citizen patrols out there that are sharing the same challenges and they have ideas to share.

As well, we are hearing from the police. For example, the inspector in District 3 was very pleased with the bright yellow jackets because he had said that citizen patrols wear so many different colours and outfits that it is often difficult for officers to know on the beat whether the group that are walking down the street or the alley with their flashlights are citizen patrols or not. So that has been particularly welcomed by police as well as by the citizen patrols.

We have always made it clear to the citizen patrols that because it is a grassroots movement it is up to them to decide on what supports they would invite and take part in as a result of the new booster plan, if I could call it that. But I think that with the eyes and ears of citizen patrols out there, if we can get more patrols, we can make a real difference when it comes to auto theft, let alone on the other kinds of crime that citizen patrols have been able to prevent and provide assistance to the police with.

So, as well, there is now a full-time coordinator with the citizen patrols which can make all the difference. I know that person is in very high demand. I understand that they have just gone through the distribution of the equipment and the jackets and are now moving into the period of getting the training materials out. As I recall, there are some dates that are set up for training on a regional basis. I mean, this is just tremendous.

I remember going back about a year ago having a conversation with Chief Ewatski about citizen patrols. He said, you know, Gord, they are tremendous, they are out there, but just consider even the great potential that still remains with citizen patrols. It is just that great potential of helping to mobilize community members to take back their community.

So, I think as a result of working together with a number of agencies and partners, we have been able to provide citizen patrols with the kind of support that they need and that they deserve. I am very pleased in my own constituency to see the neighbourhoods put together three or four, perhaps by now there is a fifth patrol in the St.

Johns constituency. I can also say first-hand that it is also just great exercise as well, but it is important to spread the word and to make sure that we think locally as well as centrally about how we can better recruit Manitobans to the citizen patrol movement.

The auto theft task force chaired by Rick Linden has been asked to develop additional theft reduction options. So the announcement yesterday and the work by Professor Linden and a graduate student helped in that regard.

But I think what I feel most strongly about in the area of auto theft reduction is the role of the immobilizer. Members of the committee may not be aware of that term, and I think Manitobans have to become better aware of what that term is. I think it has to be incorporated, brought into our vocabulary just as the club was incorporated as part of our vocabulary over the last decade.

About half the new vehicles sold in Canada right now are equipped with what are called immobilizers which are approved by the Vehicle Information Centre of Canada, VICC. This device shuts down the fuel line, the starter and ignition unless the proper ignition key is used. The MPIC provides a one-category rate reduction for vehicles that have an approved immobilizer installed, of which there are now four available. That means if a vehicle has a factory-equipped immobilizer or an after-market installed immobilizer, there is a one-ratings group reduction. That reduction can range, though, between somewhere in the area of \$20 to \$100 depending on the vehicle. So the MPIC is looking at whether there are more effective ways to communicate that incentive.

We, and I say "we" meaning Manitoba, brought to the last meeting of ministers responsible for justice a draft resolution, and as a result of ongoing discussions and a presentation by Marlene Viau who heads up a national auto theft prevention strategy called Project 6116 named after her late police officer brother's badge who was tragically killed as a result of auto theft, we were able to secure a consensus resolution essentially calling on Transport Canada and the auto makers of Canada to have vehicles installed with immobilizers at factory as

soon as practicable. It is not just enough to have immobilizers installed. There has to be the approved immobilizer.

I had an experience myself I can share with the committee. Shortly after coming into office and receiving my vehicle that was issued, a vehicle driven by my predecessor, I woke at home early one morning with my wife telling me that the car had been stolen. It was the first time I ever had a vehicle stolen. So we made the report to the police, and at 3:30 when she came home, she said that she had found the vehicle. It was just two blocks away or less than that, roughly a block away. When I saw the vehicle with the broken window, and I do not know how many wires coming out of the steering column, I recognized that if immobilizers can be used to prevent this, we are doing way more than guarding against just a property theft.

\* (15:30)

Auto theft is a predecessor crime to other crimes, and we have seen, as well, so many tragedies in Manitoba, deaths in Manitoba and permanent injuries, and I note, for example, the tragedy around Constable Dennis Strongquill of the RCMP. But the immobilizer that was installed in the vehicle that I had issued was not an approved immobilizer. It was my understanding that the immobilizer that was installed in that vehicle still allowed a thief to get as far as there was fuel in the fuel line.

The challenge that we have is to then raise awareness among Manitobans about the immobilizer and the after-market installation. I was honoured and certainly took full advantage of an opportunity to speak for the auto makers and the auto insurers of Canada in the last two weeks in Toronto to urge them directly to do whatever was necessary to make sure that every single vehicle coming off the assembly lines for sale in Canada was installed with an approved immobilizer. I left with them, too, the pitch that I think a secure vehicle is a selling point with Canadians, and I also asked the question as to whether their risk managers may be concerned that not installing immobilizers when it is so proven to prevent auto theft would be, in fact, a basis for a liability claim against auto makers.

The auto makers are listening. I understand that two more auto makers came on in the last

three weeks, but we have to get that up to 100 percent off the assembly line and then move on to making sure that Manitobans have a clear incentive and have a clear message that after-market installation is critical.

So all of this together, hopefully, can make a change, and I note that there are some different media accounts on the reduction in auto theft. So far in the year 2002, I am not going to trumpet that. I am cautiously optimistic. That is all. But we will proceed to roll out other enhancements to the auto theft reduction strategy. There are several being worked on as we speak, and we just cannot afford to be ever complacent. There is a continuing epidemic in this province that began in 1993. By the way, a challenge that is different, markedly different from some other parts of Canada where auto theft is being driven by export and, in some cases, by chop shops, in Manitoba it is, by and large, although not exclusively, auto theft due to young adults and young people stealing cars for what is, unfortunately, labelled as joy riding, which is hardly the descriptive term.

I wanted to talk about some reforms in the criminal justice system. The department is entering the second year of a major project to reform administrative processes and apply information technology solutions in the criminal justice system. A special team of staff has been formed to take on this major challenge. It is called the integrated legislative response team. It is comprised of staff from courts, corrections and prosecutions. They are working together to develop a new technological and operational infrastructure. The goals are to provide quicker and more reliable internal access to information. This is designed with the objective of allowing the department to better manage high case volumes and respond effectively to changing legislative or procedural requirements.

The strategy is to design, build, put in place a co-operative justice system, as we call it, that will allow for appropriate case-related information to be shared among the divisions quickly and easily with the added benefit of consolidating information for victims and for justice partners. The co-operative justice system will enable the department to effectively meet new requirements imposed by major changes to

provincial and federal legislation such as our Victims' Bill of Rights and the federal Youth Criminal Justice Act.

The goal of all the work is to improve the efficiency of our justice system to ensure we are effectively addressing our responsibilities under federal and provincial laws and to support the victims of crime as they make efforts to get on with their lives.

The Province has established the Victims' Bill of Rights. Backed by enforcement rights, the Bill of Rights fundamentally alters how the entire criminal justice system will treat victims of crime by requiring officials to keep victims informed and consulted as their case proceeds through every stage in the justice system.

The Bill of Rights came into force in August 2001 with a focus on victims of the most serious crimes. Ten offences were regulated under the bill last summer and four more were added in January of this year. We will continue to introduce support for victims of additional types of offences in a gradual manner as we gain more experience with this groundbreaking legislation. The phasing in of the legislation I think has been a very effective way of bringing in a new culture to the justice system. It respects not only the need to change the approach of officials in the justice system but as well allows us to make a surefooted change to our systems and to our staffing.

The three crime victims' rights workers were introduced to work closely with crime victims to ensure they are aware of their rights. The department has also been working with local police to improve coverage and front line service delivery to crime victims. We are also working with the RCMP and their crime victim workers to ensure victims' services are available and coordinated throughout all of Manitoba.

I recall that, when I was in opposition, there was a report that was done by Prairie Research Associates, which was very critical of the lack of access to supports for crime victim assistance throughout the province. We hear as well from victims who say they want and need a voice. We have established the legislative framework to do that. We are moving ahead.

I might also advise the committee that we are bound and determined to do whatever we can to ensure that the costs of moving and building the Victims' Bill of Rights regime is borne by offenders as a class and not borne entirely by taxpayers. This is by way of a trust fund and the victim fine surcharge which is in place, but, as well, by the management of that fund and the careful alignment of resources that are currently in place and will continue to be realigned to deliver the Victims' Bill of Rights regime.

The compensation for victims of crime program now provides access to counselling services to homicide survivors such as the victim's spouse, a parent, child, brother and sister. At a time when the compensation for victims of crime in some places is being restricted, I am pleased that we were able to provide that enhancement.

Just recently, Justice partnered with the Association for Community Living to co-host a national conference aimed at examining the needs of persons with intellectual disabilities involved in the criminal justice system. We all recognize that we must recognize not only the needs of victims generally but also the specific needs of particular victims. Another example of that is just last week our funding of the RCMP and their leadership in providing training to police from across Canada in dealing with FAS victims, witnesses as well as accused. It is very important that when evidence is presented in a court, that it is the strongest evidence possible, that the questioning and answering is done correctly, that we avoid Charter challenges and, as well, that we simply just respect the victims of this province whatever their background.

\* (15:40)

The Safer Communities and Neighbourhoods Act is the first of its kind in Canada and designed to help make our neighbourhoods safer. The act makes property owners accountable and targets residential and commercial premises that habitually threaten people's safety and adversely affect people living in a neighbourhood or a community. The act places responsibility on property owners for activities occurring on their property. It targets properties which adversely affect the safety and security of neighbourhoods

by their habitual use for prostitution and related activities; second, the production, sale or use of drugs; third, the sale of liquor without a licence, also known as booze cans, and, as well, violations of The Minors Intoxicating Substances Control Act and the abuse of non-potable intoxicants contrary to The Liquor Control Act.

So we have been very active in telling Manitobans that this is not about getting even with the neighbour or having a legislative remedy to a noisy party. This is about ongoing problems effected with those four uses.

The Public Safety Branch Investigation Unit has been established to respond to complaints under the act. The unit consists of three investigators. Each is a former police officer. Their experience encompasses the investigation and enforcement of criminal organizations, drug offences, non-potable substance offences, prostitution-related offences and other areas.

Lighthouses, which I know the member opposite has some familiarity with, and I believe there is one in her community, is a community-based crime prevention program designed as a positive alternative for youth through police, justice and community partnerships across the province. These partnerships promote opportunities for youth to be directly involved in selecting and implementing a wide range of crime prevention and citizenship activities after school hours. It was a model implemented after extensive consultations with community-based, youth-serving organizations.

This is about programs designed by youth for youth. Youth have said to us very clearly, do not do programs for us; do programs with us. We have responded to those voices. There are currently 21 sites operating in Winnipeg, Brandon and Thompson, and that includes the former Winnipeg police athletic clubs. I believe that was the situation in the critic's riding, and some of these are still in various stages of transition.

As well, I am very pleased with the partnerships outside of the provincial government on Lighthouses. Work is continually being done on that front, but I am very pleased

with the contributions of The Winnipeg Foundation to the sites in Winnipeg. I hope that there will be a continued and perhaps even enhanced supports from The Winnipeg Foundation. I think this can all come from the proven track record of Lighthouses. I know that there is an ongoing evaluation component as part of Lighthouses. I have seen some of the figures that are being gathered about the number of youth who are attending, the kinds of activities that are being undertaken and the views of those who are in attendance at some different sites.

The program called Ototema is a young offender mentoring program that was an election promise of the administration. Ototema means "her friend." The goal of the program is to connect young female offenders to long-term stable supports through mentoring. The program brings volunteers who can act as positive role models together with young female offenders on supervised probation who are considered at a medium risk to reoffend. It is designed to be a particular assistance to Aboriginal youth and is supported with provincial funding.

Partners for Careers, a federal-provincial program with the focus on employment, has assisted in the development and implementation of Ototema in Winnipeg.

The Ma Mawi Wi Chi Itata Centre has been approached to become an active partner with the program for the coming year in this city, as well.

Macdonald Youth Services assisted in developing and providing the training to mentors, because they have some experience with a mentorship program, and they were very helpful.

On average, about 440 female offenders are on supervised probation and 50 percent of them are concentrated in the city of Winnipeg, but as a result of the apparent strength and the growth of Ototema in Winnipeg, we have expanded the program just in the last two months officially to the city of Brandon. There Manitoba Justice has partnered with the Brandon Friendship Centre for the delivery of that program.

I am very, very pleased on visiting the Brandon program to see how it is being

structured. Like in Winnipeg, there is an advisory council, and it includes elders. It includes other community members who can advise on the direction of the program.

The CHOICES Youth Program has been around for a few years, but we were very pleased to add a new Restorative Approaches Initiative to that. It teaches conflict resolution skills, anger management and mediation between students and establishes a peer mediation program.

Another program that we continue to support is the TERF program called Transition, Education and Resources for Females. It is operated by New Directions for children and youth and is a transition program for young women and transgendered individuals who have been sexually exploited through prostitution. The primary goal of TERF is to provide sexually exploited persons with the means to leave the streets and eventually begin a more positive lifestyle for themselves and their children.

Further to the questions today on the cyber tip line, last year in May, I announced the formation of the Child Online Protection Committee. One of the primary tasks that we asked the committee to pursue was the development of Canada's first cyber tip line, and we were able to provide funding to Child Find Manitoba to put that together.

I am pleased that the committee appears to be just several weeks from launching this tip line. It will be known as [cybertipline.ca](http://cybertipline.ca) and will function as a Manitoba-based cyber tip line facility for receiving and addressing reports from the public regarding the sexual exploitation of children on the Internet. The site, the location, has been established. The partnerships have been established. There are some final details to conclude and then we will work with our partners to establish a date for the official launch of [cybertipline.ca](http://cybertipline.ca) which, our expectation is, will become a national tip line.

When cyber tip line receives a report that it assesses to be potentially illegal, it will refer the report to law enforcement in the appropriate jurisdiction, which may or may not be Winnipeg, or even Manitoba. [Cybertipline.ca](http://Cybertipline.ca) will also provide information and support and referral services to the public.

The work that has been done by the Children Online Protection Committee has been extraordinary. The membership is comprised of many, and I believe the critic has received a list of those who are part of that committee and have been contributing to the development of the cyber tip line.

\*(15:50)

Notable for her extraordinary efforts and tireless commitment to children is the executive director of Child Find Manitoba and the co-chair of the Online Protection Committee, Lianna McDonald. Also co-chairing, I am very proud and pleased, is Rob Finlayson, who has given, in an extraordinary way, to the development of, not just the tip line and the protection committee, but also to the development of new Criminal Code legislation to criminalize Internet luring. Rob Finlayson is the Assistant Deputy Minister of Prosecutions.

Also on the committee are some other extraordinary individuals from Winnipeg Police Service and the RCMP. As well, I am so pleased that Roz Prober from Beyond Borders has been helping out. There has been representation from the federal government, which has been critical, and I have been so pleased to see that we have attracted not only their attention but, apparently, their support for what we are doing. There is also a representative from Education, Training and Youth.

Cybertipline.ca is a non-governmental, not-for-profit service. It is a result of the partnership with not just Manitoba Justice but the RCMP, Criminal Intelligent Service Manitoba and Canada, Winnipeg Police Service, Justice Canada, Solicitor General of Canada and other public and private sector organizations. It is being funded from both public and private sector sources.

The commitment to policing must be noted in my introductory remarks. The Estimates note the increase in funding for provincial policing and the increase is certainly significant. But, within the funding, we should note that the serial and repeat violent offenders system, called the Violent Crime Linkage Analysis System, is being funded. It uses computers and expert

RCMP personnel to gather facts about serial sexual assaults and homicides, to compare them with other incidents across Canada and internationally, and the ongoing funding, as a result of our experience, is now an integral and continuing part of the Provincial Police Service Agreement budget. In 2001-02, funding of \$400,000 was provided to support the use of DNA analysis for that technology, and this funding level has now been increased to \$725,000 in recognition of the increasing use being made of this technology to assist in solving serious and difficult crimes.

The Helen Betty Osborne Memorial Foundation Act, of course, was passed in December of 2000. It established a scholarship fund for Aboriginal students who are pursuing post-secondary education. Manitoba made the first contribution to the fund with \$50,000. Interest accrued on the fund and private donations paid for the scholarship, ensuring that the fund will be available for future generations.

I certainly encourage and hope for more contributions to this fund, and I look forward to working with the board to establish new and innovative ways of ensuring the long-term sustainability of this initiative.

In June 2001, the first two bursaries were awarded to young Aboriginal women. One is pursuing education as a dental hygienist, and the other is training to be a teacher.

The First Nations Aboriginal community constable program, which employs 30 RCMP-supported community constables throughout the province, continues in '02, '03. A policing agreement was signed with the Buffalo Point First Nation. The RCMP now provides a municipal-type policing service that is paid for by that First Nation.

RCMP First Nations community policing service agreements continue in three First Nations, these being Swan Lake, Chemawawin and Waywayseecappo.

Provincial support continues for the Dakota Ojibway Police Service. This year, the Province will provide support to the Opaskawayak Cree Nation for development of their own First

Nations-administered police service. The Province will also provide funding to the west region tribal council to allow them to research appropriate police options. We will also provide financial support to Manitoba First Nations and Métis organizations to help them develop plans for the devolution of probation services to Aboriginal agencies. This follows on the recommendations of the AJIC.

In November of 2001, the honourable Peter Cory's findings from a public inquiry into the police investigation, prosecution, conviction, and acquittal of Thomas Sophonow, following the 1981 murder of Barbara Stoppel, were released. Commissioner Cory recommended compensation to Mr. Sophonow totaling \$2.6 million and recommended an allocation of financial responsibility of \$1.3 million to the City of Winnipeg, \$1 million to the Province of Manitoba, and \$260,000 to Canada. Immediately after the release of the Commissioner's report, the Province advanced an amount of \$100,000 to Mr. Sophonow, recognizing that some time would be required to finalize payment of the full award. Since then, additional amounts have been advanced to cover ongoing counselling costs and legal expenses for Mr. Sophonow.

Last month, Canada provided the Province with its share of the compensation which was immediately remitted to Mr. Sophonow's representatives. The remainder of the Province's share of the compensation has been committed to be paid to Mr. Sophonow. We have, I can assure the committee, been pursuing insurance payments, as we believe this matter should be pursued that way to ensure that the proper authorities paid the money. But we are continuing to have discussions with the City and we expect that the Province's commitments will be fulfilled very soon.

The Chief Medical Examiner has called an inquest into the fatality at the Hudson Bay Mining and Smelting facility in Flin Flon. The Province is committed to the inquest proceeding in a manner that is timely and allows for a thorough examination of this complex issue. As such, three-quarters of a million dollars has been included in the '02-03 Estimates to allow it to proceed effectively and without delay. The inquest will be examining the causes of the

tragic death of an employee of the company. The inquest judge is expected to provide recommendations to ensure that similar tragedies can be prevented in the future.

When it comes to organized crime, when it comes to gangs, Mr. Chair, the department has pursued an integrated strategy that incorporates justice programs and services with those offered by police agencies and community groups, so that we can most effectively deal with the challenges that gangs present. Manitoba has continued to pursue and add to this strategy during the last two years. It now includes, for example, the Criminal Organization and High Risk Offender Unit. This unit brings specialized prosecutors, probation officers and administrative staff together to deal with the arrest, prosecution and supervision of serious high-risk offenders, particularly those involved in gang-organized crime activity. The unit works closely with police agencies, and its mandate includes the prosecution, on a timely basis, of offences and breaches of probation, the tracking of gang activity and sharing of information on organized crime.

Since its inception in June 2000, the Prosecutions' Gang Unit, as a component of the Criminal Organization and High Risk Offender Unit, has prosecuted over 500 cases. As I recall, the unit is comprised of six individuals. This is state-of-the-art; this is leading edge in this country. I know that other jurisdictions have been looking at our Prosecutions' Gang Unit. I understand that Québec now has a specialized gang unit. I do expect we will see the development of other specialized units like this in the country.

As well, preventative security or gang coordinators have been identified in all provincial jails and community offices for a gang suppression team. The staff ensure that information gathering and exchange occurs, not only among the provincial correctional institutions, but with the federal authorities as well as police and Crown attorneys. We are continually looking for ways to enhance the work of this initiative.

\* (16:00)

As well, the Province continues to fund a specialized provincial police initiative to monitor

gang activities and co-ordinate prevention strategies with rural and northern communities. This initiative is called the RCMP Gang Awareness Unit.

I was speaking to a senior official with the RCMP last week about this unit and how proud they are of the work they are doing. It is now being recognized across the country. Representatives from the Gang Awareness Unit have been sharing their operational expertise and information about their program across the country.

We also have an educational strategy to keep young Manitobans from being lured into gang activity. The programs include a number of initiatives. First of all, Take Action In Schools is a Winnipeg Police Service program that puts officers in classrooms to provide anti-gang and anti-drug education and as well Internet safety education to enable youth to make appropriate life choices. The Province was very pleased and proud at the unveiling of that initiative, which is a multimedia program. The role of the Province in that initiative was to fund the multimedia presentation.

The CHOICES Youth Program, as I mentioned earlier, teaches conflict resolution skills, provides opportunities for youth, and also provides mediation services, peer mediation included. We are getting very positive feedback on that operation.

Project Gang Proof includes the toll-free resource line, the Web site, the handbook, particularly geared to parents and youth workers and educators so that there are practical strategies available for countering gang recruitment and related activities.

I understand that the take-up of that resource has been quite significant. I think I can find some information on that. The distribution of the handbook has resulted in requests for 6000 of those handbooks and an additional 5000 have been proactively distributed by the department. So there are 11 000 that are out there. I know just recently visiting the Winnipeg Friendship Centre, when I came in the door I was asked if I could have sent over some additional handbooks. I understand the Web site has had a total of 2860

hits. I think that is demonstrating some usefulness but only, of course, recognizing that it has to be part of a broad strategy.

The Director of Public Safety in the department has now assumed responsibility for overseeing provincial initiatives addressing witness intimidation and will make recommendations for enhancements to the strategy based on experiences and best practices, recognizing that it is the role of the federal government to administer the Witness Protection Program, as it is called.

Manitoba Justice has identified a staff person, a former police officer, to work with witnesses at risk in the most serious cases. In co-operation with police, witness safety and security are appropriately addressed. Crown attorneys work with law enforcement agencies to develop safety and security plans for those determined to be at risk. For example, Manitoba Justice and Winnipeg Police Service put individualized safety plans together in a recent gang trial for key participants that justice officials determined to be at risk.

Under the federal program that I mentioned, Crown attorneys can refer appropriate cases to the police for a risk assessment. Police can, in turn, recommend admission to the RCMP's Witness Protection Program. Where the Crown attorney believes there is a plan to intimidate witnesses by wearing gang clothing and colours in the courtroom, the Crown attorney will ask the presiding judge to ban the clothing and colours from the courtroom. Crown attorneys will oppose bail in cases of gang activity where there is evidence of intimidation of witnesses. Direct indictments may be laid in cases where there is evidence of witness intimidation by gang members. This means that the case will go directly to trial in the Court of Queen's Bench, eliminating a preliminary enquiry in the Provincial Court in order to reduce the potential for interference with the witness.

Then The Court Security Act allows Sheriff's officers to use screening devices to check for weapons and to take other security measures where it is felt appropriate and necessary to ensure people's safety.

I see my time is going by, and I have not got through what I wanted to. I just wanted to



further expand on the Prosecutions' Gang Unit. As I said earlier, it is comprised of six individuals, six Crown attorneys, the first of its kind in Canada. They have a detailed knowledge of gang operations and techniques, but Manitoba has also successfully advocated for changes to the Criminal Code to allow a judge to order that the names and addresses of jurors be protected to ensure their safety and prevent intimidation. Recent amendments to the code directed to fighting organized crime criminalize intimidation of a justice system participant with a penalty and conviction of up to 14 years in jail.

Manitoba identified the need for the establishment of an offence for recruiting individuals into gangs. Indeed, I have made the argument that, if the purpose of a criminal organization is to do crime, then surely the promotion and maintenance and recruitment to a criminal organization should be criminalized. Shortly afterward, an amendment was made to the Criminal Code to criminalize participating or contributing to any activity of a criminal organization. So we will continue to provide leadership on the criminal laws.

As well, Mr. Chair, of course, we have The Fortified Buildings Act that has now been passed by this House, and as well I will just note that, when it comes to prosecution resources, we have increased the number of staff in Prosecutions from 117.5 FTEs to 148.3 this year, for an effective increase of 26 percent.

**Mr. Chairperson:** The honourable minister's time has elapsed. We thank the minister for those comments. Does the Official Opposition critic, the honourable Member for Fort Garry, have any opening statements?

**Mrs. Joy Smith (Fort Garry):** Yes, I do. Thank you, Mr. Chair. I listened with interest to the things that the Justice Minister had to say. I recognized in his preamble, or in his introduction, some of the initiatives, I would say, that were put in place by the previous government. It is good to know that, in his wisdom, the Justice Minister kept what was good and tried to work on the kinds of things that he had issue with or particular interest in. I know that, as we go into Estimates, there must be more to it than what the Attorney General has

already stated. I do not know if the Attorney General was fully prepared today and had his notes or whether there are some gaps that were missing. There was little said about the court system, little said about bails, little said about remands, little said about the plan to deal with the backup in the court system per se.

There were sketchy remarks concerning gangs. There was the kind of introduction that talked mostly about philosophical kinds of things, drunk driving. He talked about those kinds of concerns that people deal with every day. To the Attorney General's credit, I applaud the Attorney General for the initiatives, specifically in the impaired driving end of it. I think that there are many, many things in the impaired driving that are very beneficial to the province and to the people. I know the Mothers Against Drunk Driving, even though they are a very small organization, have had impact in a very real way here in the province of Manitoba.

I would also applaud the Attorney General for the graduated licensing initiative that has come forward. I think research is showing very strongly that these are issues that need to be dealt with and issues dealing with young drivers have been very, very important. Members on this side of the House certainly support in every way, shape and form the kind of initiatives that were brought forward on that side.

\* (16:10)

In terms of the auto theft strategy, I would agree with members on the other side of the House that the immobilizers are definitely a strong component in terms of fighting auto theft. I am not clear and not sure, when we talk about chop shops, there have been many chop shops here in the province of Manitoba and the city of Winnipeg that have been utilized and still are under operation and need to be addressed. I would say that, clearly, this is something that the Attorney General needs to have a very, very close look at.

In addition to that, I do say that the citizens' patrols, which is part of the COPS program is something that I would highly endorse and absolutely do applaud the Attorney General for putting into place. Indeed, District 3 is a very

busy district and the COPS program is a grassroots movement as he stated, but certainly one that would have impact in any district. Further on in Estimates we will be examining this kind of program a little more closely. I think it also would have an impact as part of the auto theft strategy as well.

The mailout campaign and the offender profile study that was done in terms of the auto theft strategy is certainly very interesting because the motivation for stealing autos has to be looked at. I would applaud the Attorney General for doing that. This is something that is extremely common sense and right down to the citizens' patrol, the bright yellow jackets for the citizens on patrol, which is very necessary in the dark of night when they are going around back alleys, to be identified by the bright yellow jacket. We will be getting into that in more detail as we go through the Estimates process.

Back to the fact that auto theft is often a predecessor crime to other crimes, I would agree with that very strongly because history has shown throughout Manitoba that the results of auto theft, the results of the crimes that have occurred because youth have had the access to an auto and have been able to carry on with the auto theft, I think initiative in terms of taking a look at the reasons why youth do that. I must say too that I think it is not only the desire to joyride, as the Attorney General said, but it is also the financial end of it where profit can be made from taking these cars to chop shops and redistributing the parts and sending them away or sending the cars away, I think that has to be addressed.

I am very interested in listening to what the Attorney General has to say on a number of fronts. In Estimates, I know, as I was reading last year's and the year before, often we talk about the kinds of initiatives that have happened here in the province under the former government. There are many things that I could talk about. I think, in this Estimates, what I would like to do is listen and ask questions more than anything else because I am interested in the future. I am interested in the development and building of a very safe community. I will put on record that I think that the violent crime stats and the stats that we have here now before us here in

the province of Manitoba is something that is extremely worrisome. It is something that needs to be dealt with. I think that as we go through Estimates that is something that is not up for debate. It is up for asking how can we solve this problem, how can we work together to make this a safer community?

Here in the province of Manitoba, we have many different kinds of things that have been in place in terms of the crime element, which has to be eliminated, has to be dealt with. We have the highest crime in the most number of homicides, the highest homicide rate, the highest violent crime rate, the highest robbery rate, the highest sexual assault rate, the highest assault rate. The auto theft is going up and down. If you read auto theft in the Selkirk area and other areas, which not necessarily reflects the Selkirk area, because autos can be driven from one part of the city to the next, it is going up again. So we know that. Those kinds of stats do go up and down. The highest rate of mischief, this is in all of Canada.

Here, in the centre of Canada, we do have some issues that need to be addressed by this Government. This Government before the election said that they would solve these problems. They would provide Manitobans with safer communities. Two and a half to three years into their mandate this still has not happened. During the last election, the Doer government promised to make our communities safer by tackling the causes of crime with improved youth programs and by ensuring immediate consequences for gang violence and home invasions.

Now, there are issues now that we need to deal with in that. I say I am very ready to support and applaud the Attorney General (Mr. Mackintosh) for the good things that have happened. I know that the initiatives that are there in some respects have been put in place by the present Government. I think the present Government needs to be applauded and take credit for that.

I am saying that we now have a great deal of information to go forward and a great deal of work to do because of the Stats Canada Canadian Centre for Justice stats for the year 2000. That does indicate what Winnipeg had. I

am looking forward to seeing the new *Juristats*. Hopefully, the new *Juristats* that will come out will reflect an improvement since the present Government has said that a lot of these things have been put in place and that things should be improved. I do think that some things have been worked on that have been very valid and the Government can be applauded for that. But there are many things that have not been addressed. I know the idea of safety for seniors and home invasions and incidents like that, issues like that have not been addressed in any great way by this current Government. We have heard a lot of talk for the last two and a half years, but more than ever I think it is imperative members on this side of the House and members on the other side of the House work together to create solutions to make our streets and community centres safer. I think that Manitobans need to have confidence that people on the political side are working together to make that happen.

Having said that, when you go out on the street and you talk to people, many people do not feel safe. Many people feel that new things are happening. I know it has been a year since the members of the Hells Angels have set up shop here in a formalized way. I think that the increase in violent crime does have a great impact on the fact that the gangs are more organized. They have more wherewithal. They have more issues to deal with, as I say, they are better organized. They are better equipped. They are better able to do the kinds of things that they need to do or want to do in terms of organized crime, in terms of drug trade, in terms of prostitution.

I must say that I must put on record that the Gang Unit street gangs operational report, the gang membership, the database currently lists 42 individual groups, an increase of 11 groups over the calendar year 2000. I want to put this on record because the Attorney General has taken much delight in saying my stats are incorrect; the stats are wrong. Well, I would assume that the Attorney General does have this information, and it is very regrettable in a Legislature where the numbers are being dismissed as something that is not of great value. So, from the Gang Unit street gangs operational report, I will quote the numbers straight from the hard copy and would be very happy to table it here as well.

\* (16:20)

The database currently lists 42 individual gang membership groups, an increase of 11 groups over the calendar year 2000. Mr. Chair, 4 are outlaw motorcycle-gang based; 31 are comprised of an active membership and 7 are comprised of inactive members and should be considered defunct in that area. Generally, it can be stated that the majority of street gangs are either independent localized groups or offshoots of the same group. Going through the whole numbers, the active membership currently stands at 1901 individuals, an approximate 10% increase over the last year's total of 1818. So inactive membership is 1748 individuals, which represents a 54% increase over the 2000 total of 1130.

Giving an historical overview reveals the following membership, and I think it is very important to look at the growth of active gang members here in the province of Manitoba. I will go back. September 1996, there were 972 active members, zero inactive members. In January 1997, there were 1192 active members, zero inactive members. In March 1998, there were 1412 active members, 312 inactive members. In January 1999, there were 1596 active members, 591 inactive members. In January 2000, and this is after the current Government came into power, 1748 active members, 1013 inactive members.

I must note with the Attorney General to listen very carefully because, when members opposite are stating and downplaying the fact that the numbers on this side of the House are inaccurate, perhaps you would explain to me as Attorney General why, then, the Gang Unit street gangs operational report would be inaccurate when that is exact police reporting. In other words, I would assume the police know. In May 2000, 1818 active members, 1130 inactive members. December 2001, 1901 active members, 1748 inactive members.

Now, the fact of the matter is, when we talk, when we speak in this House about building safer communities, and there have been many photo ops, many press releases go out, but it is regrettable in this House when the Attorney General of this province denies these numbers or

is insinuating these numbers are not correct and saying that the gang member numbers are down. I want to say that this is the Gang Unit street gangs operational report for this year, and I do think that those numbers are extremely accurate.

Now, I have to say to members opposite that life changes, things grow, things evolve. I do know that in this day and age, we have many challenges that are facing both the educational system, both the Child and Family Services, the child poverty aspect. There are lots of different variables that come into play that cause things to happen on the streets, and I do not think that governments can be point-blank blamed for everything. The only thing that governments can be blamed for is for misleading the public. I must say that these are quoted documents, quoted numbers, from the Gang Unit street gangs operational report. These are accurate numbers from the police service. So those are the gang members.

Now, when we couple that with the highest homicide rate, the highest violent crime rate, the highest robbery rate, the highest sexual assault rate, the highest assault rate and the highest rate of mischief here in the province of Manitoba, we have a problem. When we hear that 120 residents from Plumias, Manitoba, gathered together to go to a town hall meeting, Mr. Attorney General, member opposite, to talk about the high crime rate in their area, to talk about the fears that they have, that is something we need to address. When we hear about the high crime rate that is going on in Portage, Manitoba, when we know that the workload of the police officers out there is so great that some of them are doing double shifts, some of them are way overworked for the type of hours they should spend, instead of debating whether or not the police associations or the police officers need support, we should be addressing the problem as government officials, especially when this current Government stated very clearly that they would solve the problem, that they would create safer communities. The debate is on.

Now, apart from the fact of the numbers, apart from the fact that the Attorney General, to his credit, has done some things. I have credited him for that, for the good things that have happened because I do think that there have been some good things. As I mentioned earlier, the

issues centred around the drunk driving, the issues centred around some of the other initiatives, have been very, very useful. Concerning the fortified buildings, the legislation that was brought in in that regard, it was regrettable that the Attorney General had to have some political mileage out of it. Just going back in December when we were sitting in the former session, we had roughly a two-week session, and the Attorney General wanted everything to be passed, I mean, in two weeks' time. There was no time to examine the legislation, try to strengthen the legislation. We supported the legislation, but we had to take some time to look at it. When it has taken the Attorney General 371 days to get a cyber tip line up and running, to say that we did not want to pass the fortified buildings legislation is rather worrisome.

Having said that, as soon as we got back into session, by the way, I wanted to put on record that we requested that the Government go back into session in January so that we could deal with a very important legislation that was there, and, regrettably, we did not get back in until quite recently. Having said that, we did deal with the fortified buildings legislation just as quickly as we could and supported it, except for the one amendment that was related to the aspect of the director should be either a law-enforcement trained person or someone who had background in fortified buildings to be the director, because the director has a job that has to be fulfilled by being able to identify fortified buildings. So that aspect of it, we thought, was very important. But, having said that, we did support the bill because we thought it was a very good bill. So some of the things that the Attorney General has talked about today in terms of the CHOICES Youth Program conflict resolution—that is something that I believe was worked on prior to the Government coming on line, and I have to applaud the Attorney General because there are many aspects, even though they have given it different names and reworked it, that this present Government has kept because they know that it was good and it was something that needed to be done.

\* (16:30)

In terms of the First Nations, the RCMP complement and the community initiatives through the Dakota Ojibway and different

aspects of the First Nations, there are many aspects that were started years ago, and here, when we talk about the Dakota Ojibway or we talk about the OPP police force, this is a police force that needed to be supported. I have to applaud the Government for recognizing that and working toward making that happen. So, as we go into more time in Estimates, we will be talking about many, many different aspects.

In addition to the cyber line, the integrated Child Exploitation Unit has been in operation in Manitoba since January 2001, and it did involve 10 full-time members of the Winnipeg Police Service, Brandon city police and Manitoba RCMP. As we know, the former detective sergeant Wayne Harrison was stated as saying that there is so much work for this particular unit that we are simply keeping our heads above water right now with the work we have. Yet there will be questions later on in Estimates to find out the kind of supports that are put in for this kind of unit at this present time, seeing as it goes hand in hand with the cyber tip line dealing with children who are at risk with the internet.

In the *Winnipeg Free Press* in February 2002, it was stated that Manitoba had become a hotbed for internet pedophiles and child pornography, and an international police agency task force combatting the global problems warns it is only going to get worse. I would say that this would be a red flag for the current Government. That is something that I am sure that the current Government is looking at, and I am interested in seeing what can be put in force to enhance the resources for the child exploitation unit and the cyber tip line. That is why it is really worrisome as to why it took 371 days and the cyber tip line itself is still not up.

There have been many aspects to the justice system that need to be addressed over and above what we have talked about up until this point. We have not touched on the court system, the kind of backlogs in the court system, the ready availability of bails, the kinds of things that need to be talked about as we go through Estimates in terms of how the court system could be made better. I know that one aspect of the court system that needs to be addressed very, very quickly is the backlogs, as are the remands, and the kind of time it takes for actual cases to get on the docket and be called up.

The Attorney General talked about the fact that the Victims' Bill of Rights was put into place, and I applaud the Government for that. Indeed, the victims' rights aspect is something that has been worked on for years, first by members on this side, and I have to applaud the Attorney General for continuing in that aspect. Through the seventies and eighties, there was a strong emphasis on the protection of the rights of people charged with crimes, and too often the victims of the crimes and its impact on their lives were not adequately served by the justice system.

So the former government recognized that there was a clear need to refocus the attention on the rights of victims and resources on helping victims to recover from the impact of crime. I must say that clearly victims' rights are something that the former government and this Government have taken under serious consideration. Formerly, the former government assisted victims in terms of not only helping them recover from crime but allowing them to participate to a greater degree in the trial and sentencing of the offenders. So Manitoba had become, under the former government, a prominent leader across the country to address the needs of victims.

For example, the former government established the first Family Violence Court in Canada. It did implement a zero tolerance policy on domestic violence, which now after 10 years does need to be examined and re-evaluated. It led the lobbying in Ottawa that resulted in federal anti-stalking legislation. It broke new ground with the passage of The Parental Responsibility Act, making it possible for victims of crime to hold the parents directly and financially responsible for the actions of their children. It added Crowns to the Family Violence Prosecution Unit. I believe there were four added. I can check that for sure. It assisted in the purchase of cameras for the Winnipeg Police Service officers to videotape victims' statements, and it set up a domestic violence information line to provide victims with current information. So there were many things that were done as a foundation and were a very important aspect to addressing the rights of victims.

I have to applaud this current Government for continuing on that and putting some very

important aspects of victims' rights on the forefront. Thank you.

**Mr. Chairperson:** We thank the critic from the Official Opposition for those remarks.

Under Manitoba practice, debate of the Minister's Salary is traditionally the last item considered for the Estimates of a department. So, accordingly, we shall defer consideration of this line item on salary, and now we will proceed with the consideration of the remaining items.

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

We are on page 117 of the Estimates Book, Resolution 4.1.

On matters of procedure, the normal rule is item by item unless there is mutual consent.

**Mrs. Smith:** I would like to ask the Attorney General if, by mutual consent, we could do a global analysis, if that is possible to do. I would prefer doing it that way rather than the line by line because there are some things that need to be gone over. I know the areas that I want to address, and if it is acceptable with the Attorney General, rather than going line by line, I would like to go globally, if possible.

\* (16:40)

**Mr. Mackintosh:** The benefit to the whole committee of going line by line, or at least division by division, is that we will then have the appropriate personnel here. Otherwise, there are many questions that can only be answered by way of getting information out to the department and then awaiting the response. That is the concern I have. I think there is a mutual benefit, and it may not be line by line, but even a division by division might be more helpful. There will be one or two staff members that will be here throughout, but otherwise, for example, when questions of Prosecutions, it would be very important, I think, to have the ADM of Prosecutions here. If we had any questions of Corrections and then with Prosecutions and then back to Corrections, it might not work well for the purposes of the committee. There may be

overriding issues, though, that transcend different divisions and I think I just defer to the member to ask those questions. If there is a better place that we can get the answers for her, then we can deal with it that way. If there is an agreement, sort of a compromise, if you will, if we can try and break it down by division at least.

I just want to emphasize again that I think that is for the benefit of the committee and for the critic in particular. I can get the information, but I think what is important for the purpose of the process is that she gets the information here. I offer that, and perhaps that is a way we can proceed. If that is not working, we can readjust things and discuss it as we go.

**Mrs. Smith:** Mr. Chair, So I would take it that the Attorney General prefers the line by line, and it can be agreed that if we want to change things along the way, that it is not in stone, but for purposes of having the staff here, it is more amenable to do it that way. I know, in the past years, it has been quite possible to have the global, so I do not know, I am not clear as to what is different this year, I guess.

**Mr. Mackintosh:** It was kind of a mix. I recall the last year in particular in here, trying to get the staff in here to answer questions on a particular prosecution. I do not think it served the committee as well as it could. I am kind of learning by experience here. We have three ADMs and the deputy here now, so I suspect we may be able to get a fair way. As I say, I think it is as much, if not more for the member's benefit. I guess the best advice is let her rip, and we will see how we can best respond. If we have to put off answers to subsequent sittings, then we can do that.

**Mrs. Smith:** Well, I will agree then with the Minister of Justice. We can let her rip, as it were, and we can change things as we go along if that is agreeable. There will be no passing of any section for any reason until we have satisfied the Manitoba Department of Justice Estimates in its totality. The last thing we will be doing is passing the lines. If that is clear, then we can start line by line and then adjust as we need to.

**Mr. Chairperson:** The usual practice here is line by line. If that is not agreed upon, there will be no agreement. If you want to go global, everybody has to agree, particularly the minister

because of the necessity for the staff being present and giving the information required. I can sense no agreement at this point in time.

**Mr. Mackintosh:** The best way to proceed, I think, is just let us go question by question, see how we do. You know, as I say, it is the provision of information that is important. But it may be that the questions lend themselves to the broad-ranging global response. I cannot prejudge that, but we will do our best to provide the answers and let us just see how it goes. I have always been open. I think my experience has kind of leaned to the notion that the line by line probably works better, but I think the committee process is really one where the role of the Opposition is critical. I would suggest that we proceed question by question on the understanding that it is global for now, and if we want to shift that later we will do that. Maybe that is the best way. We will know by experience over the next day or so.

**Mrs. Smith:** Just for clarification, I thought one minute ago we had agreed that we would just go line by line or globally, dependent on how things went, and then I heard the Chair say it was one way or the other or we do not do business. So could we please clarify that?

**Mr. Chairperson:** I did not say anything except to state the rule of tradition in this House. The tradition in this House is that it is line-by-line items because you have to match the question with the possibility of correct answer, and that means the staff have to be here in the appropriate department or section or unit of the department. If the minister is agreeable, we can go global, but that will be at the risk of some questions not being answered. Now what is the agreement?

**Mr. Mackintosh:** Well, I responded to the request to go global by saying that I thought it was perhaps in the best interest of the committee and the critic in particular to go at least division by division, so I think if we can agree that there will be an attempt to go division by division at least. Then there was a request that we defer the passing of the line by line until later. The timing of that, I do not have a view on that one, and I will defer to the critic on that, but I think that what is important is we see the scope of the questions and get on with it. So that is all. I think

that the critic has a stake in this, and I will defer to that. I do not feel strongly, except that my experience has shown that having the staff here is better for the functioning of this committee.

**Mr. Chairperson:** The honourable Member for Fort Garry, what is the member's understanding?

**Mrs. Smith:** I understand, all right. Yes, Mr. Chair, we will, as we agreed a few minutes ago. My request was to go globally. I take what the Attorney General said under advisement because it is a good point in terms of staff. I do not want to put staff out. However, it is my understanding we will mix it up if we have to. It will not be necessarily line by line. If we want to, at one point, switch to the global aspect to save time, and it is prudent to do that, we will do that.

**Mr. Chairperson:** Does the honourable member have any questions?

**Mr. Marcel Laurendeau (St. Norbert):** I just want to make sure that we have got an agreement before we proceed, because I would hate to see us get into a challenging match later and having bells ringing like I suspect is going to happen with one of the other committees that is having a disagreement at this time. I think the last time I checked, the minister and the critic both agreed on a compromise. Has the Chair agreed with that compromise?

**Mr. Chairperson:** The Chair does not have to agree to anything. The Chair moderates the proceedings that it will proceed in an orderly manner. Whatever strategies are going on in the Opposition, whatever strategies are going on in the Government, it is up to them. In other committees, they cannot agree on anything, so they cannot proceed. Here we want to find out what the agreement is. *[interjection]* Let us find out what the agreement is. Both of you are strategizing; that is fine. This is a political arena.

**Mr. Mackintosh:** My sense is that there was an agreement that we would accept the global approach, but we would try to go division by division. I think that is where we were. I think the request was to defer the passage of the items until later. I think that is where we are at.

\* (16:50)

**Mr. Chairperson:** Division by division means, in any particular section or block of items, questions can jump from one item to another. Then, when all questions are exhausted, all the items have to be passed. Is that not what the division by division means, block by block? *[interjection]* Well, there is no clear understanding here.

**Mr. Laurendeau:** I think you were very clear to what the minister was saying, and that is that we will carry on line by line, but we will not pass the lines until the end in case a question does come up in one of those areas. I think that is the way I understood the minister, if the minister wants to clarify that point.

**Mr. Chairperson:** The Chair needs some clarification. The honourable Minister of Justice: Does it mean that a particular line will not pass at all or does it mean that when one of the block passes, everything has to pass, because that is a section. Otherwise, there will be no agreement. Otherwise, it will be global, and the global has been—

**An Honourable Member:** Just call it global. That will be fine. Call it global.

**Mr. Chairperson:** It has been agreed that we will go global, meaning no item will pass until all questions are exhausted.

As a caution, the Chair reminds both members of the House that some questions may not find its answer.

**Mrs. Smith:** I think the Attorney General and I understand what we are doing here, and I will take under advisement the importance of having the staff there and try to be mindful of that, so it will be to our best advantage.

Could we start with the organizational chart as set out on page 7? Taking a look at this chart, there are some variables that I need to clarify. Could the Attorney General go through the chart and put the personnel in according to each of the designated spots? You have the assistant. You have the Deputy Minister of Justice and Deputy Attorney General and going down the chart into Executive Director, Assistant Deputy Minister.

Could the Attorney General give an overview of this chart and the human resources,

the people that are attached to that chart because, eventually, I am going to ask for the names of all these staff and the personnel. I am going to ask their specific roles and I am going to ask the salaries that they are getting at this time. So that gives me a picture of how the Attorney General has set up the Department of Justice and the reasons for it, and that might save a lot of time in terms of other questions that might have to come further on.

**Mr. Mackintosh:** I will introduce staff as well as the org chart. The Deputy Minister, the Deputy Attorney General is Bruce MacFarlane, who is here, and so also is the Executive Director of Administration and Finance, Pat Sinnott. Also sitting here is the Assistant Deputy Attorney General, Prosecutions, Rob Finlayson, and the Assistant Deputy Minister of Criminal Justice, Greg Graceffo.

The Administration and Finance area has a total FTEs of 67.34 and salaries of 3,656.1. This is, of course, the division which is common to all of the large departments. Some departments share these services, but we only service Justice.

You will note that Legal Aid Manitoba reports to Mr. Sinnott on the org chart, but it has a different kind of relationship. It is a corporation and is self-governing with a board of directors, but it reports for purposes of administrative policy to Mr. Sinnott and his executive director.

You will see Civil Legal is a special operating agency which is essentially the Government's law firm. It provides the legal advice to the different client departments of the Government. It is headed by Tom Hague as director. It has its own independent reporting mechanisms and financial reports, annual report. As well, Constitutional Law, which is headed on an acting basis by Deborah Carlson. As well, Family Law is headed by acting Colette Chelack. Family Law is in a way a law firm as well providing legal advice to all departments on issues of family law, but also they have responsibilities in the courts under various legislation. Constitutional Law is again like a law firm. It provides constitutional advice to the Department of Justice in particular, but may from time to time provide advice to the other



departments of government. You will see that those three organizations report to the Deputy Attorney General, recognizing, of course, the relative independence of Civil Legal Services as an SOA.

The ADM for Legislative Counsel, you will note, is Val Perry, who, I am sure, is well known to members opposite. Extraordinary efforts, I might add, at this time of year are going into the legislative agenda of all parties, but, in particular, the Government, with its volume of legislation, which comes every year at this time roughly. There are the divisions of legislative drafting and legal translation there.

The next ADM is for Courts, Irene Hamilton, I am sure is well known to members. Irene is a former public trustee and now head of Courts. The different divisions there, court services, the acting director is Brad Janzen. Winnipeg courts has Debra Baker as executive director.

Regional Courts is Marston Grindey. Lavonne Ross is Acting Director of Judicial Services. Sheriff Services is Mr. Doug Olafson. The Board of Review is headed by Bob Atkins. The Board of Review, it should be noted, is also quite independent because of the kinds of work that they do, the independent decision making that is required.

Jim Wolfe is the ADM of Corrections. Corrections is broken down into the components of adult, youth and corporate services. Adult Correctional Services is headed by Reg Forester. Youth is headed by Carolyn Brock. Corporate Services is headed by Joanne McFee, who members may know from her background at Agassiz. I should note that in the area of Courts there are—

\* (17:00)

**Mr. Chairperson:** The hour being 5 p.m., committee rise.

Call in the Speaker.

### IN SESSION

**Mr. Speaker:** The hour being 5 p.m., we will now go to Private Members' Business.

## PRIVATE MEMBERS' BUSINESS

### SECOND READINGS—PRIVATE BILLS

#### Bill 301—The Assiniboine Memorial Curling Club Holding Company Ltd. Additional Powers Act

**Mr. Speaker:** We will start off with second readings, private bills. Bill 301, The Assiniboine Memorial Curling Club Holding Company Ltd. Additional Powers Act.

**Mr. Jim Rondeau (Assiniboia):** Mr. Speaker, I move, seconded by the Member for St. James (Ms. Korzeniowski), that Bill 301, The Assiniboine Memorial Curling Club Holding Company Ltd. Additional Powers Act; Loi sur les pouvoirs additionnels accordés à l'Assiniboine Memorial Curling Club Holding Company Ltd., be now read a second time and be referred to a committee of this House.

#### *Motion presented.*

**Mr. Rondeau:** Good day, Mr. Speaker. The Assiniboine Memorial Curling Club Holding Company Ltd. Additional Powers Act is a very important bill. This bill will allow the amalgamation of the Assiniboine Memorial Curling Club Holding Company Ltd. and the Assiniboine Memorial Club itself, which is the club that basically runs the activities within the curling club itself. This will permit the two companies to form one entity which will become much more efficient.

In order to understand this bill, it is important to understand the history behind it. Presently, there are two companies. Forty years ago, in 1961, February 17, The Assiniboine Memorial Curling Club Holding Act, that company was created. It was created with \$100,000 of capital, with 100 common shares of a dollar each, and 999 redeemable, non-cumulative preferred shares with a par value of \$100 each. So that was the capital with which this curling club was built, and that is how it was financed.

The existing circumstance is that there are two companies, again the holding company and the actual company that runs the club, and these two clubs exist as separate entities. The holding company has to have an annual general meeting,

has to have a separate set of books, has to have a whole bunch of legal rules and procedures in order to continue to exist. What we have to do is merge the two companies so that they can then move forward without a huge debt hanging over the club, without huge difficulties as far as hiring auditors, having two AGMs, et cetera. So I will go through a little bit of the history behind it.

The Assiniboine Memorial Curling Club Holding Company Ltd. is a corporation with share capital that owns the land and the building in which the club is currently operated. The Assiniboine Memorial Curling Club is a nonprofit corporation without share capital that operates a curling club. Management wishes to amalgamate the two to form one company without any share capital. However, in order to do so, the shares must be converted from a share capital corporation to a corporation without share capital.

Under The Corporations Act this would require Holdco to file articles of amendment that have been approved by the shareholders of 95 percent of the outstanding shares. The articles would have to set out the formula or basis upon which the shareholders would become members of the holding company. Management says that the required 95 percent could not be obtained. The reason for this is there are about 746 shares outstanding where they know the person is alive and around so they could never get the 999 shares around. People have moved in the 40 years since they have owned the shares. People have left the province, et cetera. So it is physically impossible to get this 95 percentile to dissolve the company.

So, right now, there are about 786 preferred shareholders with about 40 people who have died. There are additional ones that they cannot locate. So they cannot dissolve the company legally.

When I went to their annual general meeting, the Assiniboine Memorial Holding Company Ltd. asked me to do the following things. They asked me to allow the company to assess the shareholders on an annual fee so that they can dissolve the company. What they want to do is they want to assess an annual fee of \$100. They will cancel the share and apply the

redemption price to the payment of the fee and so cancel the share. Under The Corporations Act, by canceling the share then the two companies can merge separate and join together.

I will go a little bit into other history. In the past, Thistle Curling Club did the same process. It was started off as a share capital club. This process with a private member's bill was done in 1978. The Fort Garry Curling Club followed the same process around 1990. Charleswood Club followed it around 1977. Strathcona did it in 1961-62. So it has been done in the past in order to merge the share company and the operating company.

I attended a special meeting on June 7. At the special meeting the shareholders requested that the Legislature grant additional powers. They requested that the shares become assessable, change be made on these shares where they can be assessed and then redeemed. The company sent a notice mail to each shareholder on record, and they sent this out. They had six questions that they wanted to have voted on at the AGM. The first one was that all current, non-assessable class A shares shall now become assessable preferred shares and that there shall be an annual assessment that was determined by the board of directors.

In passing this, people had the right to vote or send in votes. They were allowed to also send in votes for other people. So some people had those. It was 315 voted for the motion, 9 against.

The second resolution: All annual assessments made upon the class A preferred shares of the Assiniboine Memorial Curling Club Holding Company shall thereafter constitute a charge against those class A preferred shares and that all such class A preferred shares shall be canceled upon the share value becoming nil or negative number. But at no time shall the holders of those class A preferred shares be required to pay additional cash beyond the share value represented by the class A preferred shares. Of this motion 313 voted for, 11 against.

The Assiniboine Memorial Curling Club Holding Company shall be amalgamated with the Assiniboine Memorial Curling Club Operating Company and shall form a new no share capital to be called The Assiniboine

Memorial Curling Club or any such name as be assigned by the company's office, the Department of Consumer and Corporate Affairs. In this motion, 314 voted for, 9 against, and 1 abstained.

In the fourth resolution, the by-laws of the Assiniboine Memorial Curling Club Holding Company shall be amended to change the quorum from a minimum of two people holding a minimum of 51 percent of the votes to the preferred shares by a proxy, to a minimum of 15 shareholders, either personally present or by proxy. For this resolution, 320 voted for it; 3 against; 1 abstention.

The fifth resolution. The same board of directors shall continue until the date of the amalgamation. For, 321; against, 2; 1 abstention.

The last one. Resolution 6. All the actions and steps taken by the previous board of directors of the Assiniboine Memorial Curling Club Holding Company shall be ratified. For this, 319 voted for; 4 against and 1 abstained.

For this, I realized that the vast majority of the curling club members supported this. They knew that the \$100 was basically a contribution to build the club. They got a discount over a number of years. A number of people who curled there actually got a discount on the fees they had to pay annually if they were a member, so that was a benefit which they had had for a number of years.

People knew. Some of the comments were that people knew that this was a donation, and they would be happy to donate this for the curling club and for the community. The vast majority of people who attended the meeting or sent in a proxy knew that this was the right direction for the club to go.

The club could not continue to hold non-existent AGMs. They could not get people out to AGMs; could not get quorums; could not get decisions, and could not operate the club as it had intended. So they had gone to the Legislature to do the only thing they could do and that was to get them out of a financial jam that they could not continue, to get them out of administrative problems that they could not continue, and to get it so that it would be modernized so they could go forward and run an

efficient club, an efficient operation and follow the law.

This is why they have come to the Legislature. This is why they came to me as the Member for Assiniboia to represent them and forward this private member's bill, so that they can continue to operate efficiently, so the club does not go broke and is able to offer good programs for its members, and so that it does modernize it.

So I am very, very pleased to forward this act. I think it is a great act, because what it is doing is, it is allowing the company, the new Assiniboine Memorial club, to operate in an efficient manner. I am pleased that the club had the faith in me to bring this forward. I thank the club's executive for going through a lot of work in designing it and writing the act, going with me and writing the act as far as working through all the processes in the act, and also for all the hours to communicate with all the members to make sure they have been informed about the process, to make sure they have been informed about what is going on.

I was very pleased with Don Ernst as far as going through and presenting the information at the AGM. I was very pleased with the executive who continue to communicate with all the members who have questions, et cetera. I am very pleased with being able to forward this as a private member's bill.

I thank the Member for St. James (Ms. Korzeniowski) for seconding the motion, and I look forward to a passing of this act that we can move forward with the Assiniboine Memorial Curling Club.

Thank you very much, Mr. Speaker.

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

*Motion agreed to.*

**Mr. Speaker:** Is it the will of the House to call it six o'clock? *[Agreed]*

The hour being 6 p.m., this House is adjourned, and stands adjourned until 1:30 p.m. tomorrow (Wednesday).

**LEGISLATIVE ASSEMBLY OF MANITOBA**

**Tuesday, May 28, 2002**

**CONTENTS**

<p style="text-align: center;"><b>ROUTINE PROCEEDINGS</b></p> <p><b>Presenting Reports by Standing and Special Committees</b></p> <p>Standing Committee on Public Accounts Third Report Helwer 1861</p> <p><b>Ministerial Statements</b></p> <p>Forest Fire (Powell) Ashton 1862 Enns 1862</p> <p>Climate Change/Kyoto Protocol Lathlin 1862 Cummings 1863</p> <p><b>Tabling of Reports</b></p> <p>Report and Recommendations of the Judicial Compensation Committee dated April 19, 2002 Mackintosh 1864</p> <p><b>Introduction of Bills</b></p> <p>Bill 30—The Architects Amendment Act Barrett 1864</p> <p><b>Oral Questions</b></p> <p>Manitoba Medical Association Tweed; Chomiak 1864</p> <p>Nursing Profession Driedger; Chomiak 1865 Mitchelson; Chomiak 1867</p> <p>Manitoba Hydro Loewen; Selinger 1869 Mitchelson; Selinger 1869</p> <p>Teachers Retirement Allowances Fund Gerrard; Selinger 1870</p> <p>Hydro Plant (Selkirk) Gerrard; Selinger 1871</p>	<p>North American Indigenous Games Struthers; Lemieux 1872</p> <p>Online Crime J. Smith; Mackintosh 1872</p> <p>Feed Grain and Barley Jack Penner; Wowchuk 1874</p> <p><b>Members' Statements</b></p> <p>Carman Grandstand Fire Rocan 1875</p> <p>Mines Rescue Competition Jennissen 1875</p> <p>Agricultural Hall of Fame Jack Penner 1876</p> <p>Credit Unions Martindale 1876</p> <p>Timothy Eaton Statue Dacquay 1877</p> <p style="text-align: center;"><b>ORDERS OF THE DAY</b></p> <p style="text-align: center;"><b>GOVERNMENT BUSINESS</b></p> <p><b>Committee of Supply</b> (Concurrent Sections)</p> <p>Conservation 1877</p> <p>Agriculture and Food 1893</p> <p>Justice 1913</p> <p style="text-align: center;"><b>PRIVATE MEMBERS' BUSINESS</b></p> <p><b>Second Readings—Private Bills</b></p> <p>Bill 301—The Assiniboine Memorial Curling Club Holding Company Ltd. Additional Powers Act Rondeau 1931</p>
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