

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

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

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

**LEGISLATIVE ASSEMBLY OF MANITOBA**

**Friday, November 26, 2004**

**The House met at 10 a.m.**

***PRAYERS***

**PETITIONS**

**Highway 200**

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

These are the reasons for this petition:

Highway 200 is paved from Winnipeg to the Canada-U. S. border except for approximately a 10-kilometre section between highways 205 and 305 which remains unpaved. School buses, farm equipment, emergency vehicles and local traffic must travel on Highway 200 which is dangerous, if not completely impassable, during wet spring weather and other times of heavy rainfall.

Due to unsafe conditions, many drivers look to alternate routes around this section when possible and time permits. The condition of the gravel road can cause serious damage to all vehicles.

Insufficient traffic counts are not truly reflective of the traffic volumes because users tend to find another route to avoid this section. Traffic counts done after spring seeding, during wet weather or during school recess are not indicative of traffic flows.

Maintenance costs for unpaved highways are high and ongoing. It would be cost-effective to pave this section.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Transportation and Government Services (Mr. Lemieux) consider paving Highway 200 between highways 205 and 305 to ensure a smooth, safe and uninterrupted use of Highway 200.

Signed by Gilbert Alarie, Cindy Stoyko, Florence Borrowman and others.

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

**Pension Benefits**

**Mrs. Myrna Driedger (Charleswood):** Mr. Speaker, I wish to present the following petition.

These are the reasons for this petition:

Pension benefits for thousands of Manitoba health care workers are being cut because the government has refused to support the front line health care workers in their desire to maintain their existing Health Care Employees' Pension Plan.

The government is doubling the early retirement penalty to 6 percent a year from 3 percent.

There will be no cost-of-living benefits for retirees in the foreseeable future, which means that inflation will erode retirees' pension cheques over time.

The government's refusal to support the existing pension plan will have a negative impact on hundreds of front line health care workers.

The government is demonstrating a lack of respect for front line health care workers by its decision to allow administrative costs in the regional health authorities to skyrocket by millions of dollars.

We petition the Legislative Assembly of Manitoba as follows:

To request the provincial government to consider redirecting administrative cost savings to front line health care workers.

To request the provincial government to treat front line health care workers with the respect they deserve, and to consider supporting the health care employees' pension plan by not cutting pension benefits.

Signed by Sharon Garand, Adrienne Mousseau, Kim Kork and others.

### Provincial Road 304

**Mr. Gerald Hawranik (Lac du Bonnet):** I wish to present the following petition to the Legislative Assembly of Manitoba. The background of this petition is as follows:

Provincial Road 304 is the main connector road between Provincial Trunk Highway 11 and Provincial Trunk Highway 59 for residents in Pine Falls, Powerview, St. George, Great Falls, Manigotagan and Bissett who wish to travel in a southwesterly direction to Selkirk and to Winnipeg.

Provincial Road 304 from Provincial Trunk Highway No. 11 in a southwesterly direction, is travelled by approximately 1000 vehicles daily and shortens the travel time to Winnipeg by at least 30 minutes.

The 14 kilometres of Provincial Road 304 to the south of Provincial Trunk Highway 11 is in very poor condition, has no shoulders and winds among granite outcroppings and through swamps, creating very dangerous and very treacherous conditions for the travelling public.

At least six people have died needlessly in the last eight years on the 14-kilometre stretch of Provincial Road 304 south of Powerview.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Transportation and Government Services (Mr. Smith) consider rebuilding and reconstructing the 14 kilometres of Provincial Road 304 to the south of Provincial Trunk Highway No. 11 at the earliest opportunity.

I request this on behalf of Ed Forsyth, George Harbottle, Suzanne Harbottle and others.

\* (10:05)

### Highway 227

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

These are the reasons for this petition.

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

Inclement weather can make Highway 227 treacherous to all drivers.

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

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

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

Residents of Manitoba deserve a better rural highway infrastructure.

We petition the Manitoba Legislative Assembly as follows:

To request the Minister of Transportation and Government Services to consider having Highway 227 paved from the junction of highways 248 and 227 all the way to Highway 16, the Yellowhead route.

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

Submitted on behalf of Deidre Smith, Angus Smith, Gerald Hildebrandt and others.

### Minimum Sitting Days for Legislative Assembly

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

The background to this petition is as follows:

The Manitoba Legislature sat for only 37 days in 2003.

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

Signed by Gurtej Malhi, Merlyn Alibango and Ragelia Acuna.

## INTRODUCTION OF BILLS

### Bill 4—The City of Winnipeg Charter Amendment Act (Differential Business Tax Rates)

**Hon. Scott Smith (Minister of Intergovernmental Affairs and Trade):** Mr. Speaker, I move, seconded by the Minister of Education, Citizenship and Youth (Mr. Bjornson), that Bill 4, The City of Winnipeg Charter Amendment Act, be now read a first time.

**Mr. Speaker:** Before putting the motion, there was a part there that was in brackets that was missed, but I will include it in reading of the motion.

It has been moved by the honourable Minister of Intergovernmental Affairs, seconded by the honourable Minister of Education, Citizenship and Youth, that Bill 4, The City of Winnipeg Charter Amendment Act (Differential Business Tax Rates), be now read a first time.

**Mr. Smith:** Mr. Speaker, this amendment will enable the City of Winnipeg to apply a differential business tax rate in the city of Winnipeg.

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

\* (10:10)

### Bill 201—The Legislative Assembly Amendment Act

**Mr. Kevin Lamoureux (Inkster):** I move, seconded by the member from River Heights, that Bill 201, The Legislative Assembly Amendment Act, be now read for the first time.

#### *Motion presented.*

**Mr. Lamoureux:** Mr. Speaker, they often say a picture can say a thousand words. I have this wonderful picture of the NDP caucus, when the Premier (Mr. Doer) was the Leader of the Official Opposition, protesting the need for the Manitoba Legislature to sit more often. It is a picture in which when the Premier was in opposition, felt that the Legislature did not meet enough. The purpose of this bill is to do what the now-Premier wanted to see happen, possibly when he was the Leader of the Opposition, and that is that we need to have a minimum number of sitting days. This bill makes sure that we do get a minimum of sitting days, and I would ask all members of this Chamber to support it.

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

## House Business

**Hon. Gord Mackintosh (Government House Leader):** On a matter of House business, I just want to announce that the Standing Committee on Public Accounts will meet on Monday, at 6:30 p.m.

**Mr. Speaker:** It has been announced that Public Accounts will meet on Monday, at 6:30 p.m.

**Mr. Mackintosh:** Just to clarify that that is to deal with Hydra House.

**Mr. Speaker:** The Public Accounts announced for Monday, at 6:30 p.m., will be dealing with Hydra House. That is for advice of all members.

## ORAL QUESTIONS

### Minister of Health and Premier Meeting Request

**Mr. Stuart Murray (Leader of the Official Opposition):** Mr. Speaker, we know that the Minister of Health (Mr. Sale) has no time for people

in rural Manitoba, particularly those moms who need pediatric doctors in the community of Brandon and Westman. This is an issue that deals with all of Westman.

Mr. Speaker, one of the concerned moms representing a group called the minister's office this morning. She was instructed by the minister's office that if there was any desire for a meeting that she had to put it in writing. At that point she was also instructed that the Minister of Health's potential opportunity to meet with moms who are concerned about their children in the Brandon area, was told that he might be able to meet with them in January. The minister's office went on to tell that very concerned mom from Brandon that it is the minister who makes decisions on his own schedule.

Mr. Speaker, if the minister does make his own schedule arrangements, will the minister and the Premier take this serious issue of highway medicine that they are forcing upon Brandon moms and will they go out to Brandon next week and meet with those moms?

**Hon. Gary Doer (Premier):** Mr. Speaker, I know this morning the Minister of Health was at the Indian and Métis Friendship Centre, along with a lot of other members of our caucus, and I think the Leader of the Liberal Party (Mr. Gerrard) was there as well. In fact, I know he was. We were at the Friendship Centre with the LITE fundraising breakfast, and I am sure that is an appropriate use of his time this morning.

A couple of days ago, after the *Brandon Sun* editorial, the members opposite raised this issue in the House. We know that the Minister of Health (Mr. Sale) has already met with and is paying a lot of attention with the Winnipeg Regional Health, or the Brandon Regional Health Authority, Mr. Speaker, the Westman regional health authority. I know that we have redeployed one interim pediatrician to the community. I know that having additional pediatricians in the community is—

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

\* (10:15)

**Mr. Speaker:** Order.

**Mr. Doer:** Thank you, Mr. Speaker. I know that this is a very important priority. We lost two pedia-

tricians, one with a family move and another one, as I understand it, just with the change, but there is definitely a shortage in Brandon. We acknowledge that. We have put interim provisions in place. We need more—[interjection]

You know the members opposite who reduced, you know, they are yelling from their seats now. They had a chance. They reduced the spots, members of the could-of, should-of party reduced the number of spots in the medical school from 85 to 70. It takes seven years to graduate a doctor, so we are still dealing with the inadequacies and the lack of vision on rural doctors from the rural members across the way.

**Mr. Murray:** Mr. Speaker, perhaps the yelling of the Premier, he is hoping that the moms might hear that in Brandon, but it is poor comfort that those moms that are concerned about pediatric doctors, that this Doer government in six years has failed west Manitoba. They have failed that region, and they are forcing moms that need pediatric doctors to get into an ambulance, take the highway from Brandon into Winnipeg to have care. That is their solution. It is highway medicine.

I would simply ask this minister, who, by the way, the Premier says he takes this issue very seriously. Really. It says right here, Mr. Speaker, according to this First Minister and according to the minister, he has had a three-hour visit. That is what he did when he was in Brandon, a three-hour visit. He did not meet with one of those moms that are concerned about it.

I am asking this minister and I am asking the Premier this: If he wants to take this issue seriously, will he do the right thing, travel to Brandon and meet with those moms that are so concerned about the pediatric doctors and the lack of under this government?

**Mr. Doer:** Mr. Speaker, I will be again in Brandon before Christmas. Health care delivery are priorities for us. We had a period of time where for 18 months we had very little pediatric care in the past. We are down pediatric doctors in Brandon. One of the things that is different between us and the former members is we acknowledge that when it is the truth. We have put in an interim measure—

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

**Mr. Speaker:** Order. We are very early into Question Period and each member that wishes to ask a question or ministers that wish to answer will have the opportunity. So I would ask the co-operation of all honourable members. We need to hear the questions and the answers.

**Mr. Doer:** Mr. Speaker, I still recall the proposal from the member opposite to move rural doctors into Charleswood awhile ago. Obviously we rejected the member's advice, but that is consistent with the same problem. When you take the number of enrolment spots at a university and you reduce them by 20 percent, seven years later you reap, unfortunately, a much smaller crop of doctors.

The first six months we were in office we reversed the Conservative decision, and we went back to having 85 medical spots at the University of Manitoba. We have gone from a situation where we lost 119 doctors from '95 to '99, to where we have 137 more doctors. It is not enough, and the pediatric physician situation in Brandon is not adequate.

We are pleased that, over the last nine days, no patients have come into the city of Winnipeg, but we are going to continue to work for a long-term solution, first of all, to try to get more pediatricians deployed to Brandon, more family doctors, but the long-term solution, and I say this to members opposite, we are going to expand the medical spots at the University of Manitoba now from 85 to 100.

Mr. Speaker, when their platform has zero percent for police officers and 1 percent for health care, you cannot train more doctors and put more resources in rural Manitoba. You have to deal with real dollars and real priorities. We are committed to fulfilling this priority and certainly to the people of Brandon, I am prepared to meet when I get out there again to that community.

\* (10:20)

**Mr. Murray:** Mr. Speaker, under the Doer government we have gone from hallway medicine to highway medicine. That is the legacy of this Premier. My question is very simple to the Minister of Health and my question to the Premier. If they are so afraid to go out and meet with moms who are concerned, and they put it off, those moms are prepared to come in here to meet with the Premier next week.

My question is very simple. Will the Premier meet with those concerned moms from Brandon and the Westman region next week when they come into Winnipeg to meet with him? Will he agree to meet with them?

**Mr. Doer:** As I said, over the last nine days—

**An Honourable Member:** Yes or no.

**Mr. Speaker:** Order. The honourable Leader of the Official Opposition just asked a question, and he has the right to be able to hear the answer. When everybody is shouting back and forth, it is impossible to hear. I ask the co-operation of all honourable members, please.

**Mr. Doer:** As I said, I will be in Brandon before Christmas. I will meet with the group. I am always proud to go to Brandon, and I will be proud to go to southwest Manitoba. We have just introduced the cancer care facility in the community of Deloraine. We are going to have a cancer care operation in Pinawa. We have announced, against the objections of members opposite, we have put more money into Lac du Bonnet and the Beausejour hospital for children's dental surgeries, Mr. Speaker. We will be in Brandon. We will be in Thompson. We were in the inner city this morning, and I will meet with those parents.

I can tell you, the people of Brandon, after getting seven promises to rebuild the Brandon hospital by members opposite when they were in government, we are very proud to go out to Brandon and celebrate the fact that we kept our promises on the new redevelopment of the Brandon General Hospital. We are also very concerned about the lack of family doctors all across Manitoba, and the lack of pediatric physicians in Brandon, and I will meet with those individuals in Brandon in the next two weeks.

**Mr. Speaker:** The honourable Leader of the Official Opposition, on a new question.

### **Hydra House Public Inquiry Request**

**Mr. Stuart Murray (Leader of the Official Opposition):** On a new question, Mr. Speaker. Last night at Public Accounts, the Doer government proved just what a sham that this Public Accounts is. That was NDP democracy. It was most unfortunate

that the Auditor General had to sit and listen to this pathetic government's approach at Public Accounts.

The facts are very clear. Jim Small did not bring forward his allegations to our government. They brought them forward to the Doer government. That is a fact of life. The Minister of Health (Mr. Sale) then went out and said, "I have done a thorough, extraordinary investigation and uncovered nothing." Well, the Auditor General caught him and proved that there was wrongdoing.

This minister has tried to mislead this House. This Premier has tried to mislead this House by saying they provided all the information. The fact of life is they have not. After the sham that we saw last night from this Doer government, their pitiful approach of trying to get to the bottom of this, the manipulation, the deception, it is very clear that Manitobans need one thing and that is an independent public inquiry on this government's misspending at Hydra House. Will they do the right thing and call for an independent public inquiry?

**Hon. Gary Doer (Premier):** Mr. Speaker, I believe the date of the Cadillac purchase was '95, and I believe the Auditor reported—

**Some Honourable Members:** Oh. Oh.

**Mr. Speaker:** Order.

\* (10:25)

**Mr. Doer:** Mr. Speaker, the Cadillacs were purchased in the summer of '99. We were coming in the front door at the beginning of the fall of '99 as the Cadillacs were going out the back door. Unfortunately, the issue was not raised until the Auditor's Report, in terms of the findings of the Auditor's Report, and I can assure—*[interjection]* You know, we had to—

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

**Mr. Speaker:** Order.

**Mr. Doer:** Certainly, Mr. Speaker, the Minister of Health had no vested interest in not uncovering the Cadillacs being purchased in '95 and being purchased again in '99. He is a nice guy but you know we tried to deal with a number of issues we were faced with when we came into government. Obviously the

members know the dates, they know the times. One thing we are doing that is different now, we are actually following the Auditor's Report and, unfortunately, that always was not the case in the 1990s.

**Mr. Murray:** Mr. Speaker, it is unfortunate that the First Minister continues to mislead this House to the public. It is very, very clear that Jim Small, from Hydra House, brought forward the allegations to his government in the year 2000. Then the Minister of Health went out and said very clearly that he did an extensive, extraordinary, thorough investigation and quote, he said, "There is nothing wrong," but it was the Auditor General that caught this minister. The Auditor General brought forward those same allegations and he caught this minister. We see nothing but a stonewall from the Doer government.

Clearly Manitobans want to get to the bottom of this, Mr. Speaker. The only way to get to the bottom of this is to do the right thing and call for an independent public inquiry. Will he agree to do that today?

**Mr. Doer:** I want to assure the people of Manitoba that we are following the recommendations contained within the Auditor's Report released July of 2004. I do have some regrets. I regret in opposition that I did not pick up the fact that they had fired the Agency Relations branch. We had so many other things with the privatization of home care and other issues we had to deal with between '95 and '99.

I would point out the Auditor's Report in 1990, "We strongly support the development and expect the bureau will address the communications and accountability problems currently evident between the department and its funded external agencies"; 1991, the Auditor's Report, "The department agrees that service delivery agreements are critical in strengthening a financial control and agency accountability. The Agency Relations branch is working towards the design of a service agreement"; 1992, "The Agency Relations Bureau within the department should take action to implement improvement in the department's monitoring agencies," et cetera, et cetera.

Mr. Speaker, we will be following the Auditor's Report. This government will be held accountable for following the Auditor's Report. I commit to the



people of Manitoba the first priority for us with the Auditor's Report is not only the severance with the Hydra private sector group that was involved in the breach of trust that took place but, more importantly and most importantly, those vulnerable people and their families will get a proper plan in place with this government.

**Mr. Murray:** Well, Mr. Speaker, it is unfortunate that those residents, those people that need valuable help and that society should be helping, that this Doer government should have been helping, it is six years too late.

Mr. Speaker, it is very, very clear. If the Premier would have followed in 1999 what the Auditor General had recommended, which the previous government was putting in place, they ignored that. If the Premier would have followed that, we would not have the kind of scandalous activities we see. It is very clear that Jim Small brought forward his allegations in 2000 to this government. He brought them forward to the Doer government. This minister went out and said he did a thorough, extensive review and found nothing wrong. The Auditor General caught him. The Auditor General caught that Minister of Health. Now the deception and the misleading from the Doer government is rampant. It is time that Manitobans get to the bottom of this. The Premier should do the right thing and call for an independent public inquiry. Will he agree to do that today?

\*(10:30)

**Mr. Doer:** Let me get this straight. The Minister of Health (Mr. Sale) is being accused of being deceptive about the fact that the Cadillacs were bought in 1995 and sold again in 1999, before we were elected. You are accusing him of being deceptive about the inaction of the former Minister of Health. I mean, my God, I cannot believe it.

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

**Mr. Speaker:** Order.

**Mr. Doer:** Thank you, Mr. Speaker. I know we did try to catch most of the things that had gone wrong. We found a \$32-million write-off of SmartHealth in January '99. All members of the Cabinet would have been involved, the would-of, could-of, should-of people. We found a major write-off in Shamray. We

found a write-off in the particle board plant. We found about \$100 million of items in losses when we came into office.

We did have the Auditor's report in '95 about external agencies. I would say that we did fail after we were elected to put in the proper capacity to deal with these financial issues. We are not perfect. We have gone from 55 to 155 service agreements. I think we have gone from four to ten times that amount in health care. We have not quite got total service agreements yet. We are not perfect yet, Mr. Speaker. We have only tripled or quadrupled the amount since we were elected.

We are going to put in greater fiscal capacity. We have redeployed four or five positions in the Department of Family Services that were vacant to be accounting positions. We are now spending our time and effort dealing with the vulnerable people in those homes to ensure that the families, the residents and the staff have the proper plan in place as basically recommended by the Auditor General of Manitoba.

### **Hydra House Internal Review**

**Mr. John Loewen (Fort Whyte):** The Premier wants to talk about capacity. Well, we have seen a perfect example this week of the tremendous capacity that is housed within the Auditor General's office. Allegations of misspending were brought forward regarding Aiyawin. Within days the Auditor General's department took those allegations seriously, moved in and had started to perform an audit on that institution. Mr. Speaker, in November of 2000, Mr. Small brought forward even more serious allegations to the Minister of Health about misspending at Hydra House.

The question remains why did the Minister of Health not go immediately to the Auditor General and ask him to look into the allegations of misspending at Hydra House. Why did he not do it November 14, 2000, when he first found out?

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

**Mr. Speaker:** Order. All questions are directed to the government, but *Beauchesne* 409(6), is very clear: "The Minister to whom the question is directed is responsible to the House for his or her present

Ministry and not for any decisions taken in a previous portfolio." I would kindly ask the honourable member to reword. I will give him an opportunity to reword his question.

### Point of Order

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

**Mr. Leonard Derkach (Official Opposition House Leader):** Mr. Speaker, I can hardly believe what I have just heard.

On a point of order, the member just asked the question of a particular minister. Now, if that minister does not choose to answer the question, that is his problem. But, Mr. Speaker, the question was legitimate and it was posed to the government. If that minister chooses not to respond, that is his or her choice.

**Mr. Speaker:** The point of order raised by the honourable Official Opposition, I heard very, very clearly the question was directed to the Minister of Health (Mr. Sale). It was not directed to the government. It was to the Minister of Health.

*Beauchesne* is also very clear that in 4.09, and I would advise people to look in *Beauchesne* 4.09(6), "A question must be within the administrative competence of the government. The minister to whom the question is directed is responsible to the House for his or her present ministry and not for any decisions taken in the previous portfolio."

The question is very clear to me. The question was directed to the Minister of Health when he was serving as the Minister of Family Services. He is now the Minister of Health, and any health questions you wish to direct, fine. If you wish to direct to the government, that is your prerogative. The questions that are directed to the government, it is up to them to name the minister if they wish to answer them. Our rules are very clear.

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

**Mr. Derkach:** No, Mr. Speaker, on the same point of order.

**Mr. Speaker:** Okay, on the same point of order.

**Mr. Derkach:** Mr. Speaker, yesterday we saw a horrible demonstration of a government trying to impose its will on this Legislature and on the Public Accounts Committee. Today we see another stifling of democracy. We are asking the government a question.

Mr. Speaker, in your ruling, although the question was posed to the Minister of Health, as in other questions in the past we have seen where other ministers have stood up to answer those questions. In this case the same thing can apply. If that minister chooses to sit in his chair because he was the culprit who was responsible for those things, he can sit there. The current minister can answer the questions.

**Mr. Speaker:** Order. On the point of order raised, I will try and clarify. If the committee is meeting, and an individual is brought before the committee or appears in front of the committee to ask any questions, that is up to the committee. The committee will set the parameters they wish to function in.

In this House, *Beauchesne* is very clear. That is why I ask the honourable member, to give him the opportunity to reword his question. If he wishes to change it, instead of directing the question to the Minister of Health, he can direct it to the government. It is entirely up to the government if they wish to answer, or who will answer it. When I sit in this chair, this is what I am governed by. I do not make up the rules, and I cannot make up rules. I am governed by this, and *Beauchesne* is very clear. That is why I am giving the honourable member an opportunity to reword his question.

\* \* \*

**Mr. Loewen:** Mr. Speaker, I certainly appreciate your advice on this issue. While I think it is unfortunate the Minister of Health uses every trick in the book to avoid answering questions, I will simply pose the question. I would wonder if there is anybody on the government side of the House that could explain to the people of Manitoba why, upon receiving such damning allegations, the minister of the day did not go directly to the Auditor. Is there anybody over there that can explain that?

**Hon. Christine Melnick (Minister of Family Services and Housing):** Mr. Speaker, what we are seeing before us today is what we saw before us last

evening in Public Accounts where certainly the former minister was prepared to come up and speak. Instead—*[interjection]*

\* (10:40)

**Mr. Speaker:** Order.

### Point of Order

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

**Mr. Derkach:** It is against the rules of the House to mislead this House, Mr. Speaker. The minister has just stood in her place, and she is misleading the House. Last night, I was present during the entire Public Accounts meeting. When the meeting started, the current Minister of Health (Mr. Sale), who was responsible for the scandal, was not in the room. He was not present. His name was called. He was not present. For her to say, today, that he was prepared to go forward, it was that side of the House that made a motion that disallowed him to come forward and answer questions. She is deliberately misleading this House.

**Mr. Speaker:** Order. Before I recognize the honourable member, we all know that we all get heated a little bit, but we all know that "deliberately" misleading has always been ruled out of order by all Speakers. I would kindly ask the honourable House Leader to withdraw that comment, the word "deliberately."*[interjection]*

Well, I would kindly ask the honourable member to withdraw the word "deliberately."

**Mr. Derkach:** It is only because of the respect I have for the Chair of this House and for members of the Legislature that I will do this, but, Mr. Speaker, let it be known that, whether deliberate or not, misleading this House is not something that we should tolerate. We have seen the greatest injury to democracy that I have every seen perpetrated in this Legislature over the course of the last few days. I do not know how much longer you or anybody else should tolerate this.

**Mr. Speaker:** I accept the honourable member's withdrawal.

On the same point of order, the honourable Minister for Water Stewardship was up.

**Hon. Steve Ashton (Minister of Water Stewardship):** Thank you, Mr. Speaker, and I think if anybody would care to check the record in committee, and it is not normal to be discussing a committee that has not reported back to this House, but the record of the committee showed very clearly that a motion was passed by the committee that called both the former minister, the Member for River East (Mrs. Mitchelson) and the former Minister of Family Services. The fact is we sat yesterday even though the Member for River East refused to answer any questions regarding the 1990s. We also passed a motion at the end of the committee indicating that the committee would be recalling both the Member for River East and the current Minister of Health.

So, Mr. Speaker, before the Opposition House Leader stands up, he may want to recall what was discussed yesterday. He might want to check the record, because, indeed, both former ministers will testify. The real question for many members of the committee last night was why the Member for River East chose not to answer any questions about the 1990s.

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

**Mr. Kelvin Goertzen (Steinbach):** Thank you very much, Mr. Speaker, and on the same point of order. I had the opportunity, as well, to be at committee last night, and I think it is important that factual information be put on this record, because I know that the viewing public and Manitobans are very engaged in this issue. They should know that last night, when the Chairperson of the committee called forward the witnesses who were asked to appear, none were there, and one of the names that was called was the current Minister of Health (Mr. Sale). The Chairperson looked around the room, and the minister was not there to answer questions about the allegations that arose in 2000 that he did nothing about.

As the evening progressed and there was a bit of discussion about what would happen in terms of the order, the Member for Morris (Mrs. Taillieu) put forward a reasonable compromise about having a compromise in terms of the order, and the government voted down that compromise. This government then went on to close the committee while the former minister, who had the dignity to take the chair, had the integrity to take the chair and

answer questions, the government decided to close down the committee and not hear any more answers. That is the kind of government we have in Manitoba, a lack of accountability, a lack of integrity, and they should be ashamed.

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

**Mr. Speaker:** Order. Before we get too far down the road here, I want to remind all honourable members when addressing a point of order, it is to point out to the Speaker a breach of a rule or a departure of a Manitoba practice. Points of order should never be used for the purposes of a debate. I throw that information out to all honourable members, and I will recognize the honourable member from Inkster for this point of order.

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, unfortunately, I do not believe there is a point of order, but I must indicate that it was a very bizarre situation we saw last night. It begs the need for us to be able to have genuine reform of the Public Accounts Committee. I share the frustration the opposition has in terms of the Minister of Health, but if he chooses to be a jellyfish you have to respect that.

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

**Mr. Speaker:** Order. All members in this Chamber are honourable members, and they should be treated as such. They should be addressed by their portfolios, the ministers, and other members by their constituencies. I will kindly ask the honourable Member for Inkster to withdraw that comment.

**Mr. Lamoureux:** I will withdraw, absolutely, Mr. Speaker.

**Mr. Speaker:** I thank the honourable member. That should take care of the matter.

On the point of order raised by the honourable Official Opposition House Leader, before I give you my ruling I would just like to explain the workings of a committee. The committee is really a creature of its own. A committee does its own work, and it is not governed or instructed by the Speaker unless the committee as a whole asks or instructs the Chairperson to bring a report to the House. Then the Speaker can deal with that matter. Without that report coming into the Chamber by the Chairperson, it is not up to the Speaker to interfere with the committee's work. I want to make that clear.

On the point of order raised, it is not a point of order. It is a dispute over the facts.

\* \* \*

**Mr. Speaker:** The honourable Minister for Family Services still has time.

The honourable Minister for Family Services, you still have time if you wish to continue.

**Ms. Melnick:** The answer to the question raised by the member opposite several moments ago, Mr. Speaker, is the information that could have been provided had the Agency Relations Bureau not been disbanded in 1994, which would have helped the former minister make the decisions we agree could have been made if the information had been provided. It simply was not there because the capacity had been withdrawn and decimated.

**Mr. Loewen:** Again this demonstrates why we need a public inquiry. We have this tremendous contradiction between the previous minister and the current minister. He told the House that not only did he have the capacity to look into the matter, but he had the capacity to conduct a quite extraordinary review, and that review satisfied him. He told us he had conducted a review. When he was found out by the Auditor General that in fact the review showed nothing, then, all of a sudden, we get this contradiction that, oh, well, we could not do anything, we did not have the capacity.

\* (10:50)

The question remains. Why did the minister of the day, and anybody on the government side that can answer this, please feel free to. Why did the minister of the day tell this House that he had the capacity to conduct an extraordinary review? Now the minister of the day tells us there was no capacity period, when in fact all along ample capacity existed at the Auditor General's department, if he had only had the courage and the strength to go there.

**Ms. Melnick:** I think, Mr. Speaker, we can refer to the interview on CJOB yesterday by the former minister, the current Member for River East (Mrs. Mitchelson), where she says, and this is under her watch, "Were there the proper checks and balances in place around service and purchase agreements or financial contracts with external agencies?" Then she

answers her own question by saying, "No, there were not." That is the answer.

The reason we are here today is because of what happened in 1994, Mr. Speaker. Now members opposite can ask this question and that question, and they can wiggle here and there. The reality is the capacity was cut in 1994. That is the direct road to where we are today, and we are moving forward to rebuild that capacity.

**Mr. Loewen:** Mr. Speaker, we are here today discussing this issue because this former minister did not take the information on allegations of misspending to the Auditor General as he should have. We have seen an example this week of what happens when a minister does the right thing.

Mr. Speaker, I have looked at the names on the review team. I have looked at the names of the people within the Department of Family Services. There is ample capacity to follow up there. The minister indicated that there was ample capacity at the time. For some reason he decided to cover it up instead of following through.

So I would simply ask anybody on the government side to explain, obviously the Minister of Health (Mr. Sale) will not, I would ask anybody to explain why this information was never given to the Auditor General by the government of the day. Why was the Auditor General kept in the dark on this information?

**Ms. Melnick:** Mr. Speaker, I understand the opposition's sensitivity to this. They want to forget the nineties, as do many Manitobans.

I do have an undergraduate degree in history, so I am always quite interested in the big picture, in the long-term picture, and what history tells me clearly is that the former minister ignored auditors' reports in 1990, 1991, 1992, 1994, when the bureau under question was cut, and again in 1998. Mr. Speaker, that is the history. Perhaps members opposite do not want to acknowledge it, but you talk about facts, you talk about the truth, here it is.

### Hydra House Report Tabling Request

**Mr. Glen Cummings (Ste. Rose):** Mr. Speaker, the most disappointing aspect about this situation is that the real issue that we cannot get answers from this

government about is why did they not do anything. No matter how corrupt, no matter how uncaring a government is, when they get a report such as they received, they just passed it off as unimportant. Now, again, we have seen where the government has received a report. We presume they have received a report. The media indicates that they have a copy of it from Mr. Hall. Will the minister now break with her long-standing rule of giving information to the media but not to the House, and table that report?

**Hon. Christine Melnick (Minister of Family Services and Housing):** Again, Mr. Speaker, I think that we need to correct the record on how forthcoming this government has been in providing information.

At Public Accounts, I was requested by members opposite to release a briefing note that dealt with the financial review. I took that under advisement to report back to the Public Accounts Committee when they next met, which was last night after a long battle in getting members opposite to the table.

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

**Mr. Speaker:** Order.

**Ms. Melnick:** The facts, the truth reveals, Mr. Speaker, that not only did I release that particular briefing note, but the other briefing notes that dealt with the financial review. We have been very forthcoming.

**Mr. Cummings:** Mr. Speaker, I think what the minister has just said speaks volumes about why the opposition and why the public believe that there needs to be an inquiry to explain the actions of this government. They had very damning information that they ignored, and now for them to say they have been forthcoming, we asked for months for that information. She would not give it to us or the public, and then she slid it under the door of some members in the dark of the night.

That is the way this government operates, and the Premier just confirmed it. I am going to put a mailbox in front of my door, Mr. Speaker, because the crack under my door is too small for the member to give me any more information.

The issue is why did they not do a proper review. No one on the government side has been able to answer that. Will they now release the Hall report?

**Ms. Melnick:** Mr. Speaker, again we are being accused of doing nothing. In fact—

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

**Mr. Speaker:** Order.

**Ms. Melnick:** Perhaps members opposite do feel that conducting a review into care of vulnerable people is nothing. Perhaps members opposite consider a referral to the Auditor General for his assistance in further exploring the situation is nothing. Perhaps members opposite feel that accepting the Auditor General's report on July 6 is nothing. Perhaps members opposite feel that rebuilding the capacity that was decimated in 1994 is nothing, Mr. Speaker. This is action, this is responsibility, and again we are moving forward to take steps that we can to help to ensure that this situation never happens again.

#### **Hydra House Internal Review**

**Mrs. Bonnie Mitchelson (River East):** Mr. Speaker, it is clear that in the year 2000, when the former Minister of Family Services received very serious allegations of misappropriation of taxpayers' dollars at Hydra House, he did nothing. He did not turn the information over to the Auditor and did not get to the bottom of any investigation.

My question is very simple and very direct to the Premier (Mr. Doer). Did he talk to his Minister of Family Services and assure himself that there were no personal relationships with individuals at Hydra House that would have made him do the cursory kind of review that he did as indicated in the Auditor's Report? Can the Premier indicate clearly whether he asked and got satisfactory answers from the Minister of Family Services that there were no personal relationships that would have prevented a thorough investigation?

\* (11:00)

**Hon. Christine Melnick (Minister of Family Services and Housing):** Mr. Speaker, I am really not quite sure how to respond to the question put forward by the members of the opposition. Certainly, I am the new member here, but even for me, this is a new low. I have to tell you that it is very concerning to me how far members opposite will go in order to not accept responsibility for the destruction of the Agency Relations Bureau in 1994.

**Mrs. Mitchelson:** For two years, Mr. Speaker, and obviously the Premier did not have the courage to stand up and answer the question. My very clear, direct question to the Premier of Manitoba is this: Does he, himself, have any personal relationships with any individuals at Hydra House that would have precluded him, his minister, or his government from doing a thorough review when the allegations came forward to both offices in the year 2000?

**Ms. Melnick:** Again, Mr. Speaker, to pursue this very serious allegation, very serious insinuation, is very disturbing to myself, and I am sure it is disturbing to all of us. We deal with facts. We deal with information that is provided to us. We deal with reviewing information. We deal with what is the actual history, and we are focussing on what is the future. It is a proactive future. It is a future that deals with accountability financially. To bring in this low, low level of insinuation, I think is absolutely unacceptable.

#### **Manitoba Housing Maintenance Management System**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, in May of this year, the Minister of Family Services said in Estimates, and I quote, "Since taking over the Manitoba Housing Authority in 1999, we have implemented a maintenance management system. This allows us to keep track through a checks and balances procedure." It has become very clear that this government's approach to accountability was insufficient when it came to Hydra House, and now appears to be insufficient when it comes to Aiyawin.

I table a letter from Mr. Don Dorion, which indicates that there may be hundreds of thousands of dollars of misspent public money in the Aiyawin Corporation scandal. My question to the Minister of Family Services is this: What was this vaunted maintenance management system that her government put in place in 1999, and why did the NDP approach to management fail so miserably?

**Hon. Christine Melnick (Minister of Family Services and Housing):** Mr. Speaker, I think there are two questions in there. I will answer the one about the management maintenance system. This is a system that we put in place to track financial interactions around service purchases, and this is a system that we have provided training for all of our maintenance co-ordinators. It is one of the steps that

we had to take to bring the social housing that we have up into the current century when we dealt with what was left from the previous administration.

Now one of the concerns that we have here is that in 1993 the federal government walked away from social housing. Unfortunately members opposite, the administration of the day, walked with them. We, again, are rebuilding our housing portfolio, and this is only one of the steps we have taken.

### **Aiyawin Corporation Financial Review**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I table now a document showing more than \$5,000 in board meeting expenses for eight months in 2003 for one individual on the board of Aiyawin Corporation. I ask this: Was it the government's policy that board members can run up thousands of dollars of expenses to attend board meetings? Is it normal to have 42 board meetings in an 8-month period? The public has a right to know. This NDP government appears to have been missing in action when it comes to normal oversight of corporations which are receiving public money. I ask the Minister of Family Services this: Why was her government missing in action?

**Hon. Christine Melnick (Minister of Family Services and Housing):** The member opposite, or the member there, asks about the department's policy around the managing of boards. Boards operate on an independent basis, as happened with this organization. Now, having clarified that, I do want to say that the department was aware of concerns. We were working on an operational review. An operational review is a very detailed document. It goes into a lot of detail of the management of the boards, financial management, hiring practices, et cetera.

I know the member opposite wants to feel that because he had a meeting a short time ago, he has moved the mountain and he has made this happen. According to the *Free Press* article today, and I will quote it, "The department had been conducting an operational review of Aiyawin for the better part of the last year." We have completed that review, Mr. Speaker, and we are taking action on that review.

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

### **Point of Order**

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

**Mr. Leonard Derkach (Official Opposition House Leader):** On a point of order, Mr. Speaker, earlier in Question Period you ruled that a question should not be posed to a minister who does not have responsibility for a particular portfolio. That is in accordance with our parliamentary rules and forms of *Beauchesne's*, and it was Rule 6, I believe, you quoted in *Beauchesne* on page 121.

On the other hand, if we look at the House of Commons Procedures and Practices, on page 421 of that same document, it, in fact, makes reference to situations where questions are posed to ministers who may not have the responsibility for that portfolio, and I will quote, "In cases where such a question has been posed, if a minister wishes to reply, the Speaker, in order to be equitable, has allowed that minister to do so."

Mr. Speaker, in raising this point of order I simply want you to take this under advisement and to consider, that in order to be equitable in this House, that ministers, perhaps, who are not currently responsible for a particular issue but had responsibility in the past be allowed to answer those questions in order to be equitable to all members of this Chamber.

**Mr. Speaker:** On the point of order raised by the honourable Official Opposition House Leader, I am going to take the point of order under advisement so I can consult authorities and study this further, and I will bring back a ruling to the House.

### **MEMBERS' STATEMENTS**

#### **Provincial Road 304**

**Mr. Gerald Hawranik (Lac du Bonnet):** Thank you, Mr. Speaker. Through this members' statement, I hope to draw the attention of the Minister of Transportation (Mr. Lemieux) to Provincial Road 304. Provincial Road 304 is the main connector road between Provincial Trunk Highway 11 and 59 for residents of Pine Falls, Powerview, St. George, Great Falls, Manigotagan and Bissett who wish to travel in a southwesterly direction to Selkirk and Winnipeg.

Provincial Road 304 from Provincial Trunk Highway 11, in a southwesterly direction, is travelled by approximately 1000 vehicles daily, including residents, tourists and those travelling north to service the First Nations communities along the winter road. Travelling on Provincial Road 304 to Selkirk and Winnipeg, as opposed to using Provincial Trunk Highway No. 11, shortens the travel time by at least 30 minutes.

The 14 kilometres of Provincial Road 304 to the south of PTH No. 11 is in very poor condition, has no shoulders and winds among granite outcroppings and through swamps, creating very dangerous and very treacherous conditions for the travelling public. At least six people have died needlessly in the last eight years on the 14-kilometre stretch of Provincial Road 304 south of Powerview. During that time there have been countless accidents due to the deterioration of the road and the terrible condition of the road. These accidents have caused millions of dollars of property damage in the form of damaged vehicles and personal injuries which result in time lost from work and personal pain and anguish.

I ask that the Minister of Transportation (Mr. Lemieux) make an effort to travel Provincial Road 304 to confirm the condition of the road for himself. I am available any time to accompany him on the tour. A Phase I study has been completed on the road by the Transportation Department, and it is my personal goal to move the process along until that road is in fact reconstructed. I believe that Provincial Road 304 is the first road that should be reconstructed in the Lac du Bonnet constituency because of the safety concerns that my constituents and I have regarding that road. I can advise the minister that, if he does not rebuild that road, when we get into government after the next election, we certainly will.

#### **LITE Pancake Breakfast**

**Mr. Rob Altemeyer (Wolseley):** Mr. Speaker, this morning I was very pleased to attend the Local Investment Toward Employment's eighth annual wild blueberry pancake breakfast held at the Indian and Métis Friendship Centre. I was joined at the event by several of my fellow MLAs from the government side of the House, including our Premier (Mr. Doer). The standing-room-only crowd who attended this morning's breakfast were treated to delicious pancakes and muffins along with

entertainment provided by a powwow dance group and the world-class fiddling of 14-year-old Sierra Noble, who I am proud to say is a Wolseley resident, along with her wonderful and supportive mom, Sherri.

The event was not only entertaining but inspiring as well. It was a perfect example of community economic development in action. CED is a strategy that goes beyond simple charity. Community economic development attacks poverty at its root causes by generating long-term empowerment, skills development, employment and economic growth which spreads throughout the inner city. This morning's breakfast was staffed by local residents, and the food products used were purchased from inner city businesses.

I was also impressed to see that the many high-quality crafts on display this morning also came from local CED enterprises such as Neechi Foods, Tall Grass Prairie Bakery and Mary Jane's Cooking School.

To conclude, the eighth annual LITE breakfast was a huge success, and I would like to congratulate the hundreds of visitors, craftspeople, volunteers and entertainers who made it possible.

Also, I would like to call on members of the House to continue to support organizations such as LITE, which co-ordinate creative long-term approaches to poverty. Thank you, Mr. Speaker.

#### **Barbados Association of Winnipeg**

**Mrs. Mavis Taillieu (Morris):** Mr. Speaker, I am pleased to share with my honourable colleagues a few words about the Barbados Association of Winnipeg. This past weekend I had the privilege of attending their anniversary banquet and dance. The association celebrated both its 27th anniversary, as well as recognizing the 38th anniversary of Barbados' political independence.

Mr. Glyne Murray, His Excellency the High Commissioner for Barbados, was in Winnipeg to celebrate the occasion.

This was a wonderful time to learn more about the association. In fact, Mr. Keith Sandiford, a proud member of the Barbados Association, gave me his book entitled, *Twenty Five Years of Pride and*



*Industry*, which outlines the history of the association from 1997 when it was first established to 2002.

One of the highlights of the evening was a presentation of an award that recognizes one outstanding member of the Barbados Association for his or her outstanding contributions. This year the award was given to Mr. Christopher Bellamy. I would like to take this opportunity to congratulate Mr. Bellamy on receiving this award and having his efforts recognized before the Barbados Association and also the Manitoba Legislature.

The Barbados Association of Winnipeg hosted a fantastic celebration. The organization committee did an excellent job, and I would like to thank them for the time and effort they put into making this banquet a very successful and enjoyable evening for all people in attendance. Participating in events such as this is one way to celebrate Manitoba's diverse ethnocultural communities. It is wonderful to learn more about the people who live in our province, whether they are new to Manitoba or have been here for years. I am proud to live in a province that celebrates the different peoples' groups and engages some of the rich cultural traditions and customs that are practiced in our province. Thank you, Mr. Speaker.

\* (11:10)

#### **Philippine Canadian Centre**

**Mr. Conrad Santos (Wellington):** Philippine Canadian Centre of Manitoba, called PCCM, opened officially on July 24, 2004. The MLA for Wellington attended the official ribbon-cutting ceremony. The MLA for Wellington wishes to talk briefly today about the PCCM and to offer thanks to the three levels of government and private funding agencies, and to all the associations, donors and volunteers involved.

The Philippine Canadian Centre of Manitoba is the culmination of the perseverance of the Filipino community in Winnipeg and in Manitoba. In 1988, the City of Winnipeg made land available for development. In 1994, a formal land-leasing arrangement was made. Fundraising efforts intensified thereafter to 2002. In late 2003 the construction of the building began.

Mr. Speaker, the MLA for Wellington wishes to thank all the three levels of government; federal,

provincial, and city for public funding. Thanks also to the private funding agencies, the Winnipeg Foundation and the Thomas Sill Foundation. Thanks also to Vickar Community Chev Olds and Jim Gauthier Chev Olds Cadillac Ltd. for their respective donations. Thanks also to Mrs. Gloria Asban Calunia, the biggest individual donor, to many Filipino associations, and the numerous individual donors and volunteers.

Finally, congratulations to Dr. Romulo Magsino, president of PCCM, and all the officers and members for their tireless efforts and sacrifices to make the Philippine Centre a reality as a showcase throughout the world. Thank you, Mr. Speaker.

#### **Harry Mardon**

**Mr. Larry Maguire (Arthur-Virden):** Mr. Speaker, it is with great sadness that I rise today to pay respect to Mr. Harry Mardon. We join with the Manitoba Chambers of Commerce in mourning the passing of this distinguished leader of the business community.

Mr. Mardon was born in Cambridge, England, in 1926, and after serving with the Seaforth Highlanders during the Second World War, Mr. Mardon immigrated to Canada in 1949, where he served for many years as a journalist with the British United Press Agency and later as editor of the *Winnipeg Tribune*.

Mr. Mardon contributed to many facets of the Winnipeg business, social and political community. He was well known for his dedicated and tireless involvement with the Manitoba Chambers of Commerce. His contribution to the chambers included serving as board member, policy adviser, editor of the Manitoba Chambers of Commerce newsletter and chamber president. His invaluable service was recognized by the chamber in 1994, when he was awarded a lifetime membership.

Mr. Mardon's community involvement was also recognized when he was awarded the 125th Anniversary of Canadian Federation Medal in 1992, and in 1994 was appointed by the Premier of Manitoba as a member of the Order of the Buffalo Hunt for services to journalism and the community.

Before Mr. Harry Mardon passed away on October 14 of this year, his legacy and contributions

to our province will serve as inspirations to us all for years to come. I encourage all honourable members to join me in offering condolences to his wife Vera and their children.

### ORDERS OF THE DAY

### GOVERNMENT BUSINESS

### ADJOURNED DEBATE

#### (Fourth Day of Debate)

**Mr. Speaker:** Resume debate on the proposed motion of the honourable Member for Rossmere (Mr. Schellenberg), and the amendment of the Leader of the Official Opposition (Mr. Murray) in amendment thereto, and the proposed subamendment of the Member for River Heights (Mr. Gerrard) in further amendment thereto, standing in the name of the honourable Member for Burrows (Mr. Martindale), who has 18 minutes remaining.

**Mr. Doug Martindale (Burrows):** Thank you, Mr. Speaker. I will try to conclude my sermon expeditiously, but it will not be easy because I am talking about all the good things that our government is doing, particularly for the poor and the vulnerable in Manitoba.

For example, we have made significant changes in Employment and Income Assistance, and I would like to read some of those in for the record. We have increased the earnings exemptions for single parents and couples with children to allow families to keep more of the money earned through employment, without having their income assistance benefits reduced.

\* (11:20)

We have increased the annual school supply allowance by \$20 per child. We have extended the school supplies allowance to children in public nursery schools. We have extended training supports from one year to two years for single parents with children under six.

We have also increased the minimum wage. In fact, this is relevant to the passage I read which says, "And my chosen shall enjoy the fruit of their labour." When we increase the minimum wage, I think we are recognizing the value and worth of labour, recognizing it and rewarding it by increasing the minimum wage. We also believe this helps lift some

people, not maybe out of poverty, but improves their income, and this is very important for people at the very bottom. Unlike the previous government, we have done this each and every year.

In fact, if you look at what we have done and compare it with what the former government has done for the poor and the vulnerable, we have really gone in opposite directions. For example, the increase on January 1 this year of \$20 for the general assistance category and disabled category was the first increase since April 1, 1993. When the Member for River Heights (Mr. Gerrard) was the Minister of Family Services, there were actually decreases in 1996. They announced in their news release that it was approximately an 8% cut. In fact, it was only a cut of the food, personal allowance and household allowance, and it was a decrease of 20 percent for people on social assistance in those categories that the former government cut.

Now there are many good things we have done in the area of housing. The passage I read from Isaiah says, "Men shall build houses and live in them." There are many examples of where this is literally true, for example, Habitat for Humanity which I have supported in the past. I think I volunteered 13 summers with Habitat for Humanity in one way or another. People there are required to put in 500 hours of sweat equity so they can literally say they are building houses and living in them, but not everybody is able to do that.

We have been very proactive in terms of housing. For example, in 1999, we introduced Neighbourhoods Alive!, the community economic development initiative targeted at deteriorating neighbourhoods in Winnipeg, Brandon and Thompson. In April 2000, the Province took over responsibility for the Residential Rehabilitation Assistance Program, also known as RRAP. The NDP government has since doubled its commitment to this program.

In May 2000, we established the Winnipeg Housing and Homelessness Initiative, a single-window office together with the City of Winnipeg and the federal government. In August 2000, we established the Neighbourhood Housing Assistance program providing \$10,000 per unit to community groups to acquire and/or renovate houses in targeted inner city areas in Winnipeg, Brandon and Thompson.

I think the context here is important because this was the first time since 1993 the federal, provincial and the City of Winnipeg governments had been involved in investing in housing. As we heard in Question Period today, in 1993, the federal government cut funding for social housing. Immediately, the provincial Conservative government cut their contribution to social housing, and almost nothing happened between 1993 and when we formed government in '99. In 2000, we signed a historic agreement with the federal government, each party contributing \$25 million for a total of \$50 million investment in housing over five years. The City of Winnipeg also made a contribution of approximately \$18 million, their investment in housing, for a total of almost \$70 million. It was in April of 2003 we signed a bilateral agreement with the City of Winnipeg for their contribution to the Affordable Housing Initiative, the first province in Canada to have all three levels of government committed to affordable housing.

In July 2003, we called for proposals for new, affordable rental housing development, and we received proposals from all across Manitoba. In November 2003, property values in neighbourhoods targeted under Neighbourhoods Alive! had climbed by as much as 60 percent, and this was in the north end, in the William Whyte neighbourhood, because we were investing in stable, affordable housing. In fact, most of it was going into ownership housing. Organizations like the North End Housing Project were buying houses and renovating them for low-income people so we could increase neighbourhood stability and affordability at the same time.

By January 2004, we had built, renovated or rehabilitated 2100 new, affordable housing units in Winnipeg, Brandon and Thompson, all since 1999. I think these are very significant contributions. In fact, it is quite a long list if you look at it. There is the new rental supply program which I mentioned, which had an expression of interest in both 2000 and 2004, when we received numerous applications for funding.

We have a Repair/Conversion program which compliments RRAP, the Residential Rehabilitation Assistance Program, committing more money to repair houses at risk of falling off the market. The RRAP program itself provides assistance to low-income homeowners and landlords to make repairs

more affordable and, as I indicated, we increased funding for it.

We have a Rent Supplement Program which has been increased. We now have rent supplements in 1800 rental units annually.

We also have the Building Communities program, another partnership with the City of Winnipeg, whereby we have committed a total of \$14 million, and one of those neighbourhoods is Burrows Central where \$1.4 million will be invested in the infrastructure, in both housing and community facilities.

Another area is in the Minto area. I am not sure what it is called over there, but I know that it Minto has money from Building Communities. I am sure that the new member from Minto is very proud of that program.

This program is to renew housing and infrastructure in shoulder neighbourhoods. We get sometimes some criticism that they are not eligible for Neighbourhoods Alive! and we say the reason is that your neighbourhood is more stable. Neighbourhoods Alive! is targeted to the most deteriorated neighbourhoods, but we want to stabilize shoulder neighbourhoods and improve them, improve the housing stock, improve the recreation facilities and the community facilities to make those neighbourhoods more liveable.

In conclusion, I would like to quote from Stephen Lewis. I recently heard him speak at a public gathering in Winnipeg. Stephen Lewis is the special envoy to the United Nations, and his concern is mainly AIDS in Africa.

I am going to wind up soon because I have a guest in the Speaker's Gallery, the Polish Consul, and so I am looking forward to hosting them for a few minutes in the Legislature here. Welcome to the Manitoba Legislature.

Stephen Lewis, in all of his speeches, talks about the crisis of AIDS in Africa. He tells stories about parents dying and grandparents raising their grandchildren until they die. Then we have children looking after children, eight- and nine-year-olds looking after younger siblings, sometimes two, three, four, five younger siblings.

When you listen to Mr. Lewis talk, it seems very bleak. It seems hopeless, but he points out that the global economy is worth \$25 trillion. The GDP of

the world is \$25 trillion a year. He says that it would take \$25 billion—[interjection] The member asked me how many zeros that is. I do not know. He says how much would it take to provide clean water, education and health care and reduce poverty by 50 percent for the poorest people in the world. He says it would take \$25 billion. That, he says, is 10 cents on the dollar, an affordable proposal to make a huge difference in the lives of poor people around the world. What he says we need is the political will to do it. We need the affluent countries to commit more money to problems like AIDS and to education, to eradicating poverty, providing clean water and basic education.

I think that governments can make a difference. Yes, we have the third sector, we have the voluntary sector. They are very important organizations like the United Way and many non-government organizations in Manitoba and around the world. But I believe that governments can make a difference. I believe that our government is making a difference in the lives of Manitobans, especially for those who are poor and vulnerable and working people, many of whom I represent in the constituency of Burrows.

We will continue to make a difference in the lives of Manitobans. I would not say that, in terms of the passage I quoted, we have a new Heaven and a new Earth, but I think it is always good to have a vision, to know where we want to go in the future. I think that is one of the reasons why Tommy Douglas talked about the New Jerusalem. That was his vision of the future, of a more equitable and just society where the—

**An Honourable Member:** I thought that was Trudeau.

\* (11:30)

**Mr. Martindale:** Mr. Trudeau talked about a just society. I am not sure how fast he moved society toward that goal.

But it is good to have a vision like Tommy Douglas had. We as a party have a vision of a more just society, a more equitable society and where the fruits of labour are shared more equitably with all Manitobans. We are committed to working on that goal. It is a long-term goal. It is not going to be accomplished in four years. It may not be accomplished in eight years, but if we are lucky we

may have 12 years or 16 years, and we will continue to work to implement our vision of a more just and equitable society.

**Mr. Larry Maguire (Arthur-Virden):** It is my pleasure to rise today to speak to the Throne Speech that has been brought forward by the government of the day here in Manitoba, and, of course, I will be voting against this Throne Speech for many reasons. I will outline my reasons for doing that in my short presentation here.

There are a number of issues that face us today, but, first of all, I would like to welcome the new pages to the Legislature and thank the Clerk and the table for all of the work that they do on our behalf to keep order in the Legislature. Of course, congratulations to the Speaker for the work that he does in this Legislature as well.

I would also like to add my congratulations to the two new members of the Legislature, the member from Minto and the member from Turtle Mountain. It was my pleasure to be in Turtle Mountain in Glenboro when the new member from Turtle Mountain had the opening of his office, and he had a grand opening with a bit of a barbecue that day. Certainly, he is well respected within the communities in all of his area, as I am sure the member from Minto is as well.

Mr. Speaker, I have had the opportunity of this being the sixth, I believe, Throne Speech that I have had the opportunity to listen to from this government, and this is the one that had the least amount of meat in it, the least amount of vision, if you will. That is what a Throne Speech is supposed to entail, and that is a vision for the province of Manitoba and the people and the citizens, more importantly, of this province. This Throne Speech left very little doubt in anyone's mind in Manitoba that this government is devoid of any kind of vision for the future of this province. I will outline a number of reasons, as I said earlier, why shortly.

The speech that we have heard from the throne, I know the government is saying, "How can you vote against education taxes; how can you vote against the work that we have done for agriculture?" How can you vote against a number of the things that they feel they have done, Mr. Speaker? But they have completely failed Manitobans with their futile attempts, if you will, of trying to appease some of the

serious situations that we have, given the financial resources that this government has in their hands today. I want to make the point that it is about management of the funds that this government has that Manitobans should be most disappointed in.

Before I get to that, I would just like to make a few comments in regard to the whole issue that we have just spent Question Period on today and in this House in regard to the affair with Hydra House. We are faced with a government today who is trying to cover up the situations within the misspending within Hydra House. We do not know who they are protecting, Mr. Speaker, but I want to first say that Hydra House is a for-profit social service agency. It does provide services to some 90 disabled adults in Manitoba through 11 group homes across the city of Winnipeg. That is even more concern. There should be more concern as to why this government spends more time getting to the bottom of the issue.

The Auditor General has uncovered or provided a report last summer that showed that over \$1.5 million in public funds were misspent on trips and furniture and homes and cars in the period between '97 and 2002, Mr. Speaker, but the Minister responsible for Family Services (Ms. Melnick) continues to stand in this House and in Public Accounts and gives no information as to why this government held back information on at least some 30 examples of misspending at the social service agency, totalling hundreds of thousands of dollars, in fact, over \$1.5 million.

We think that should just be a natural. When you call for a review and say that you have done an extraordinary review, you would at least think that you could give the Auditor General all of the information that you have.

If the government is saying that they did, then when did they get the information about these 30 examples? Because it has been very much available to members of the opposition as well as reporters in Manitoba.

So, Mr. Speaker, obviously we feel, from this side of the House, a scandal here that the minister is trying to cover up, and the former minister who was involved in it, now the Minister of Health (Mr. Sale), the former Minister of Family Services. To say that he just did not have the resources to deal with this is just an excuse. He has the resources of government.

Surely, he is not saying that the people in his department are incompetent because that is an absolute atrocity for the citizens of Manitoba. These are extremely competent people, but this is a ministerial decision not to move the information forward and to block it out of Manitobans' hands.

So, Mr. Speaker, that is one of the most serious, I think, allegations, as our House Leader, the Member for Russell (Mr. Derkach), pointed out today, that this Legislature can actually deal with. I am not going to go on there, because I think that there is a tremendous amount of frustration that was held at the Public Accounts Committee last night by our side of the House for not getting more information. When the issues here are really, you know, did the minister mislead us about the financial review, or why did he fail to do a proper review? Why is he now hiding? These are the questions that Manitobans deserve an answer to. Now that we have another Public Accounts Committee on Monday evening perhaps the former Minister of Family Services, now the Minister of Health, will be able to enlighten Manitobans as to some of the concerns that we have, and at least admit that he withheld the information. We need him to tell Manitobans why.

Mr. Speaker, I said earlier that there were a whole host of issues as to why I would not vote for this Throne Speech, not the least of which is dealing with the issue of health. There are issues of education and there are issues of agriculture and, of course, my responsibilities in rural development and transportation that I want to touch on as well today.

First, though, as a representative of western Manitoba, I have to make it very clear to this House and Manitobans that the lack of pediatricians in the city of Brandon is, again, one of the biggest atrocities that we have seen of this government, who has said that they would fix health care in six months with \$15 million in 1999 and has had a spending increase of over \$1.1 billion in that department, and is now still short doctors. They can talk about all the extra doctors that they have brought into Manitoba, but I know of many youth in western Manitoba that have indicated to me that they would like to become doctors, with extremely high marks, who would even come back to rural Manitoba. They have not even been accepted into the seats that are there; even with the expansions of the seats that have been there for doctors in Manitoba, they have not been. This is in the last year, so let us make it very, very clear, that

these young people are not being allowed to take their doctor training in Manitoba and stay in rural Manitoba, as they have indicated to me that they would be prepared to do. So, until this government looks at those situations, they need not feed to me how they have increased the number of doctors in Manitoba because they are limiting, with all the resources they have today, the extra \$1.1 billion that they have put in.

I mean, Mr. Speaker, let us be very clear. This money has not come from the generation of new revenue by anything that this government has done because we are still the highest-taxed people west of New Brunswick in this country. It has come basically because they have had the tin cup out to Ottawa. It is being filled every time they turn around, in each trip that the Premier (Mr. Doer) seems to make, as the Finance Minister of this country, Mr. Goodale finds his good fortune to have more money flowing into his coffers because of things like free trade and the GST and the extra revenue that he has received and, of course, not to mention the extra income this country has received from resources.

So, instead of promoting how Manitoba can be a have province by increasing the industries that we have in Manitoba, we see that even the federal member from Winnipeg here has indicated that his worry is, Mr. Alcock's worry is, that Manitoba might be the last have-not province, and that is an absolute atrocity. We know that Alberta has some oil. They have made some cutbacks, but they have managed the money that they have to the point today where they have eliminated their debt.

\*(11:40)

Saskatchewan, yes, they have some resources in potash and some oil and some other minerals. Thanks to the transfer payments from the federal government, they will now have a surplus in the neighbourhood of \$289 million this year, I believe, is what they budgeted for, as well.

We see recently, even in today's news, Mr. Speaker, that the province of British Columbia will end up with \$2 billion to reduce their debt by. They turned it around completely from the days of the New Democratic Party in the province of British Columbia. I would hope that the province of Alberta keeps its sanity and never has a day when it will see a New Democratic government in the province of

Alberta. When you see what has happened in Manitoba with the extra revenue of some \$2 billion that this government is getting close to, that it has had over any years of the Filmon government, and how it gets misspent, we would certainly not want to put Alberta's credit rating any worse off than it is. But let us face it, that Alberta is only one of the two have provinces that we have in this country, that this government is able to continue to call upon to help feed us. I would urge that the people of Alberta continue to make sure that that never happens.

But, Mr. Speaker, back to British Columbia, I mean, they have the resources, they have \$2 billion now, that due to fiscal management and fiscal responsibility and huge support from the federal government, they are now going to be able, in today's news, reduce their debt by \$2 billion this year. That is a first throughout all of the years of NDP government that were there before Premier Campbell, and he has had to make very tough decisions to manage that money responsibly.

So, where does that leave Manitoba? It does not mean that we did not get our share of transfer payments from Ottawa, Mr. Speaker, because there is a funding formula that allows all provinces to share equally in the transfer payments and equalization payments to the have-not provinces of Canada. We have a government today who has indicated that they will only have a few dollars to put into certain areas of Manitoba's economy in order to help benefit areas like health and education and agriculture and on and on.

In fact, the Premier (Mr. Doer) himself has admitted in this House last June that during the Liberal years of government in the late nineties, when the Premier of Manitoba and his Finance ministers balanced the books of Manitoba six years in a row, that the province of Manitoba was being short-changed \$240 million. This is the present Premier of Manitoba, the NDP Premier of Manitoba today, last June, indicating that in the late nineties Manitoba was receiving \$240-million worth of cuts from the federal government in equalization payments and transfer payments. Those were cuts, fewer dollars. Today those dollars have been replaced, and this government is reaping the benefit of a \$500-million increase over the next two years and still cannot balance the books of the province of Manitoba without raiding Hydro and without killing the rainy day fund, which they have virtually depleted.

So what does it say it is doing? Well, it goes to the Association of Manitoba Municipalities meeting this week on their Throne Speech and announces a budget item in a Throne Speech by saying, "Oh, well, we are going to cut education taxes now on the farmland by 33 percent, and we will perhaps increase that next year to 50 percent." A darn good thing, I would say, as a farm leader in the eighties who first brought forward the idea of eliminating the education taxes off of farmland. I have to say that that is a step in the right direction as AMM did, as every municipal official has in the province of Manitoba, but it is \$13 million, not 47. There is \$47 million on farmland today in Manitoba that this government reaps the benefit of and says it is redistributing in the province for education.

The Association of Manitoba Municipalities just voted this week, 80 percent of their large membership representation of all over the province of Manitoba, voted that they should eliminate education taxes from farmland, from residences and from all commercial property in the province of Manitoba. Our leader on this side of the House was very clear to him in his address to them on Wednesday that we would be eliminating, the Progressive Conservative Party, when we take government in the next election, we will eliminate the education tax off of residences and farmland to give all people of Manitoba a benefit, not just the farm community, which this government has forgotten about. We will do it for all residences, and that will certainly benefit the residences and all citizens of, not only the two new members that we have in this House, but all citizens of each of our 57 ridings in this province.

Mr. Speaker, I understand, as we did in the last election, responsibly take the position, that it would be a tough nut to crack to take it all off of all commercial property in one fell swoop as well. So for the Premier (Mr. Doer), who stood up at the banquet the other night for AMM and chastised those who he said wanted to take all of the education tax off and did not know where the money was going to come from, it is fine if he wants to chastise us as opposition for the responsible action that we have taken before Manitobans, it is not acceptable for him to denigrate the Association of Manitoba Municipalities like he did, because I do not think he really knew, when he was up there ranting and raving the other night at the speech at their dinner, that he was actually chastising the organization he was speaking to. They have made the decision, and

quite responsibly, that 80 percent of the education tax should come off of residences, farmland and property in the province of Manitoba. That would be our goal in the long term to reduce it off of commercial property as well.

You cannot just take the education tax off of residences and farmland, and float it on top of the commercial industry that is out there today, because that is unacceptable. So this government, due to the pressure of the Conservative opposition and due to the stances by groups like Keystone Agriculture Producers and the Association of Manitoba Municipalities and others in this province, have indicated that they will see that they wanted the elimination of this tax, and they know that our stand was the correct one in the last election, and they have the money.

The point is, now this government has the money to do it. Certainly, it has come from Ottawa to do it, but what should concern Manitobans the most is that this government is still broke. It is still broke, and they know that they do not have the money presently, at least, to do it, because they have already spent it. Why else would we see hip and joint replacements having to wait for 18 months before you can get a hip replaced in the province of Manitoba today? It is absolutely an atrocious situation.

I want to go back and say that, as regards the funding for health care in western Manitoba, it is one thing to have to come by ambulance to Winnipeg, because of lack of pediatricians in Brandon, to give birth to a newborn child in the province of Manitoba, but it is a total other issue if you have to come from Pierson or Tilston or Lyleton or Waskada or Napinka to Brandon, two hours, and then another two hours to get to Winnipeg to deliver that newborn child and new citizen into Manitoba. Never mind the larger communities of Deloraine and Melita that are almost that far away as well.

So, when the Premier is talking about a two-hour trip down No. 1 highway, that is one thing, and that is completely unacceptable. But it is also unacceptable that he wants to continue to cut resources in our rural areas and not from those areas as effectively as for services as the major areas of this province have. He is also leaving those people in a very tentative position in regard to their future health needs in all of our rural hospitals.

Mr. Speaker, I want to say before I close that one other issue is the issue of BSE, and this is another situation that throughout the nineties, when we were in the second worst recession that this province has ever seen, there were still funds for issues like flooding in the Red River Valley. There were issues for flooding of farmland in 1999 as well, and many important issues that needed to be dealt with.

\* (11:50)

The books of the province were balanced, but now, even when this government is flush with money, they still cannot help an industry that has been in absolutely dire straits for over 555 days, coming close to 560 days now, in the BSE-stricken livestock industry of Manitoba. This is cattle, bison and other livestock in Manitoba that need the support of this government for developing slaughter facilities in this province.

Mr. Speaker, if this government had had a five-point plan like our leader announced back in September and our Agriculture critic, the Member for Emerson (Mr. Penner), they could have been well down the road to us being more self-sufficient in this province. So what have they done? They paid hundreds of thousands of dollars to put out press releases to announce that they had made \$180 million available to the farmers of Manitoba. Well, by their own admission, they have not spent half of that, and a good \$55 million of what has been spent has been in loans to farmers that the farmers are going to have to pay back, that MACC is actually foreclosing on a few of them to take back now. Talk about help for farmers, putting them further in debt, even at these low interest rates, when the cattle industry has indicated that it has been decimated by one of the lowest annual returns that it has ever received in this province over the past year. We are in a situation where this government still cannot put a plan together to help a starving industry, and I do not think they understand the importance of the thousands and tens of thousands of jobs that it generates in this province.

Mr. Speaker, we had a five-point plan we put forward, \$40 million for a slaughter industry, \$20 million more for a cash advance, \$2 million for business plans that this government announced that they had money for, but only one group has ever received any money for business plans that I know

of, and I know many, many, many groups that have approached me and said, "We can't get any money, not even for a business plan to develop our slaughter ideas in rural Manitoba today." That is a shame. That is an absolute shame when the money that they put up for transportation of forages in the drought last year was not even all used.

On top of that there was \$10 million in our plan for federal inspections and expansion of the present plants that we have in Manitoba, to meet the needs, to export more product out of this province, to get the expansion and the federal inspectors there to do the job. Where has this government been, except with lip service to that, because it has not happened?

And then our fifth point was to honour the CCA, the Canadian Cattlemen's Association's position of expanding lobbying to the United States, and, of course, working toward getting the border open, which, of course, has to be a No. 1 issue, and may be coming forward more clearly. But where was our money going to come from? It was totally out of the other half of the funds that this government says they have already made available but have not spent. So it should be already in the budget, and this government has been completely irresponsible.

The issue I want to close on, Mr. Speaker, and I have to say it today, is that the Minister of Intergovernmental Affairs (Mr. Smith), one of the first actions that the new Minister of Intergovernmental Affairs did, from the constituency of Brandon West, was to kill The Planning Act, Bill 40, in this House. Now how could a minister responsible for planning kill The Planning Act? I mean, what kind of a plan do you have when you kill The Planning Act?

**An Honourable Member:** There is no plan.

**Mr. Maguire:** There is no plan, as the member from Lakeside said, and that is clear. There is no plan like the five-point plan that I just outlined, that our leader and member from Emerson put out, our Ag critic, earlier this year. They have no plan.

Mr. Speaker, to take away the opportunity for rural municipalities, who have been lobbying for years on this government, back into the days when the member from Wolseley was the Minister of Intergovernmental Affairs, to have greater say in the by-law development for land-use planning in their



rural municipalities and planning districts taken away by the stroke of a pen, and just this decision to kill The Planning Act, means that this government had no plan for that area.

Mr. Speaker, he said he is going to roll it into Bill 22. He said we are going to have an opening of The Planning Act next spring. We have an Elections Act that they are looking at centralization of more of the issues around The Planning Act and the provincial government taking more control of our municipal resources in the election of their own officials in the future, and I believe that the rural municipalities of Manitoba, when they see the bill that might come forward from this government, if they ever get an act together, will be against the centralization of the election process that they want.

They are very disappointed, and I spent days at the AMM meeting just now. They are very disappointed that this government has thrown everything up in the air and said, "Oh, well, we will deal with it down the road," when they had a bill before the House that would have allowed these R.M.s the opportunity to put a by-law forward for land-use planning. Keep in mind this was supposed to be eliminated on January 1, 2005. Here we are in November and he kills the bill. In October, he kills the bill. He says these municipalities have already used their resources of time, energy and dollars to develop the plan they want, and now they do not know what to do with it because this government has taken away the bill they were working toward. More importantly, as this minister said, "We will deal with it in Bill 22." I will take him at his face value for that.

This Bill 40 was the most controversial bill this government has implemented in the House of the Manitoba Legislature since the bill on labour back in the spring of 2000. It had at least 83 citizens of this province who wanted to come forward and speak to this bill, some for, some against, but this government took away their opportunity to speak. Part of the reason he killed the bill was to say, "Well, we are going to consult more with people of Manitoba." How can you say you are going to consult more on the day you kill the bill and then turn around and tell the 83 people they do not have an opportunity now to put their concerns forward in Bill 22 because the hearings for Bill 22 have already been held? It is over with. It is coming back to the House. The government knows their own shortfall because they

just brought 12 amendments in, and these citizens do not even get an opportunity to talk to the government's 12 amendments, never mind the 9 we had, before that the Liberals brought in, as well.

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

This is a government that cannot plan its way through the future of Manitoba. It does not deserve to continue to govern in Manitoba. When you bring Bill 22 in, The Water Protection Act, and nobody is against pure water, absolutely not, but the process this government is going through to get us there negates the opportunity for people to speak on one bill that was brought in after. Bill 22 was brought forward, and then they cancelled that bill and do not give people an opportunity to speak to Bill 22. I beseech the government of the House in Manitoba to open up the hearing on Bill 22 again and provide an opportunity for these groups to come forward in Manitoba and speak.

Mr. Deputy Speaker, I just want to close. There is a host of issues that need to be dealt with yet in Manitoba around rural development and transportation, but these issues I have just outlined are extremely important to the finances and the opportunity for development in Manitoba. Many of my colleagues have risen in the House and put forward petitions begging, beseeching the government to do things in regard to some small actions in regard to the construction of roads in Manitoba. Yes, the Minister of Transportation will say, I can almost answer the questions that come forward to him now, beseeching, we have only a \$600-million plan over five years, we put \$10 million more in, we put \$10 million more in next year. They have not spent the money, the \$120 million each year that they put in, so we are talking about lapsed money that is continuing to come forward.

We cannot get anything done on transportation and highways and development for the economic activities of this province because this government does not make spending in those areas a priority in spite of the fact they have received these huge transfer payments from the federal government to Manitoba. So, yes, No. 1 highway is being built and the northeast Perimeter is being built, but it only took 3000 names on petitions to get them to move on No. 1 highway, Mr. Deputy Speaker. I believe this is a government that responds to news releases and not

to the priorities of Manitobans, and they just go day to day on whatever the next news release might be. It is no way to govern a province because it certainly does not provide any planning.

Mr. Deputy Speaker, I thank my colleagues for the opportunity to speak today, and I look forward to their presentations in this House as well.

\* (12:00)

**Hon. Jim Rondeau (Minister of Industry, Economic Development and Mines):** Mr. Deputy Speaker, it gives me great pleasure to speak on this wonderful Throne Speech, and I would like to draw all members' attention to the growing province, the wonderful optimism, the excitement that is happening within our province.

I know members opposite do not understand how different it is in the Manitoba we live in, but in 1999 when I got elected the first time in Assiniboia, it was a different province. I know Unicity Mall in the area was gone. I know there were many, many vacant buildings along Portage Avenue. I know the core of the city was basically fraught with very poor housing, people moving out, vacant buildings. There was all sorts of arson. Now I look out into my own area, I look into the Member for Kirkfield Park, the Leader of the Opposition's (Mr. Murray), area, and I see the area. I see a huge difference. I see Unicity Mall being built. I see six, I say six, senior citizens' buildings being built or that have been built. I see new optimism downtown where we have a new arena. We have new buildings. We have new hotels. We have Credit Union Central. We have the Mountain Equipment Co-op. We have a huge building boom that has taken place.

It is interesting to note how the members opposite talk about doom and gloom, but you look at the housing starts in Manitoba. They are up 18.6 percent, 18.6 percent. If you look at the public capital expenditure, it is up 14.4 percent. If you look at the urban housing starts, they are up 9.4 percent and they keep going up. We actually have a wonderful economy. The members opposite talk about doom and gloom. Let us give you some other statistics that you talk about our wonderful economy. You look at the business bankruptcy; yes, we have things going down. The business bankruptcy level is down almost 32 percent this year. We have the

consumer bankruptcies down 11.7 percent again this year. This means we have an economic boom.

I know people across the way do not understand that growth in the economy. If you look at the difference between our economy, and when the members opposite, the Conservative Party, was in power, you do notice some change, and the changes are there are more people coming to Manitoba. There are more people staying in Manitoba and they are making more money and they are getting better jobs. We are not going to be the low-income, low-wage, low-skill jobs. We are developing our economy to be the high-income, high-wage jobs.

I want to take a few quotes that the members opposite I hope will read. If you are talking about the Royal Bank of Canada, we have the Royal Bank of Canada saying, "We have grown by just shy of \$6,000 all of which are full-time which is a good gain." One percent probably understates the employment situation in the province because there is more income for full-time jobs than for part-time jobs. They said, "The bank expects Manitoba's economy to grow at 3.1 percent this year and 3.5 percent in 2005." They have said, "Anytime you can have growth between 3 percent and 5 percent, where BSE is still an issue, that is a very positive thing." That is the Royal Bank of Canada. I would suggest that you do that.

We also have companies that are showing a great deal of innovation. I would like to congratulate New Flyer which, with the government's assistance, has decided to grow. We actually have had New Flyer have a huge increase as far as their market share. They basically have a 70% market share in Manitoba. We in Manitoba are the bus manufacturers for North America. I would like to encourage the members opposite to have an optimistic view to look at what is happening in this economy. We are leaders in the hybrid bus fuel technologies. We are leaders in the hydrogen fuel technologies. We are building the bus for the future. In fact, New Flyer, has just received an award from California and other awards on how they are improving the system.

I would like to draw members opposite to some wonderful innovations that our government has introduced to the economy and industry. I would like to introduce them and I would offer the members opposite a tour of our new Composites Innovation Centre. This is a new innovation, where we are

bringing together science and technology and having them work together to commercialize new inventions.

Because of that, we have Boeing, which is an important part of our economy, working on the new 7E7 Dreamliner which is a very, very innovative aircraft. What it will do is it will save fuel, it will be lighter, and it will create a huge amount of jobs. Technology is crucial to compete in the global economy and we are helping work with industry to develop that technology and commercialize it. It is nice to see that the composite innovation centre is being funded by 50 percent from our government and 50 percent from the federal government. We thank them for doing this because it will help us move forward the bus industry and the aircraft industry and others.

I want to talk a little bit about what is happening with our manufacturing. While you are giving doom and gloom, I would like to tell you some more facts about it. Our manufacturing shipments are up 10.2 percent; our total exports are up 9.4 percent; and construction work is up 8.2 percent. Weekly earnings, and I would like to draw members opposite, weekly earnings are up 4.9 percent, which is the highest in the country. So you want to look at the retail trade, which is up 7.6 percent, which is second-highest in the country. If you want to look at unemployment rate, second-best in the country. If you want to look at youth unemployment rate, it is one of the best in the country. We are doing well and we should be proud of our accomplishments.

The members opposite say we do not have a plan. Here is our plan, and I want you to pay attention because it is a simple plan even you can understand. First, what you do is you tie the education to the job market so that kids can go get the training. It is important to note that all the business groups, the Chamber of Commerce, CFB, the Manufacturers' Association have said their biggest challenge is to have a skilled workforce. Well, this government, under our watch, is assuring that they have a skilled workforce. We have dropped the tuition fees; we have maintained the tuition fees. We have brought back bursaries, which allows all kids to participate, and we have a huge increase in education.

We have improved the apprenticeship program. The members opposite ignored the base of our

province, which is the apprenticeship system. What we have done is we have brought back and enhanced the apprenticeship system, so people can be the electricians, the plumbers, the skilled workers that we need as engines for our economic growth. We want to make sure that all people can participate and not just the few.

We brought back the ACCESS program, which provides the support, the hand up to people that all people can participate in the post-secondary school system. They get the supports so that they can be the people who build the economy in the North. Now we talk about some other things, so education is an important factor and that is the first part of our strategy and, actually, when you are looking at a skilled workforce and one that is competitive worldwide, that is what you need to do.

Second, building through research and innovation. I am pleased to let the members opposite know that we have been working with other organizations to build venture capital through the Western Life Sciences Fund, through other venture capital funds, because what you do is you build them and what happens is you create jobs.

*Mr. Speaker in the Chair*

A number of these venture capital funds have created the next commodity of importance, which is intellectual capital. If we are looking at competing around the world, we do not want to be like the members opposite, trying to create low-value jobs. We want to create the high-value-added jobs, the high school jobs that we can compete with everywhere. I think as you look at China's economy, you look at India's growing economy, what you want to do is make sure that your economy has the high-skill, high-value-added jobs, because we do not want to have just the low-value jobs. So we want to increase the educational jobs. We want to create venture capital for the intellectual growth of jobs and growth of industries within our province and within the country and the world.

\* (12:10)

That is No. 2. We are working with the composites, with the other industries, to build their knowledge and move it forward. We are also creating the venture capital in multiple ways in cooperation with the private industry and public.

Next, what we want to do is look at affordable government. I look at some of the areas we have been dropping taxes. I find it passing strange that the members opposite always talk about decreasing taxes, but we are the first government in fifty years to drop the tax rate on corporations. We are the government that dropped the tax rate on corporations. Despite the rhetoric of members opposite saying that they are friends of business, we dropped the tax rate while they maintained it.

We have also dropped the tax rate for small businesses. When members opposite, when the Conservative government were the government, they talked about taxes, but did they do anything? No, they did not. We moved the small business tax rate from 8 percent to, this year, 4.5 percent. That is a tax drop, a real tax drop. So the members opposite talk about it; we do it. We are the doers in this system. We have also increased the threshold where the small business tax rate applies, so that helps small business. So we have done well.

Next, growing through immigration. It is nice to see how many people have come to our province in the last little while. We are working the Manitoba Immigration Council to expand foreign credentials and degrees to enable Canadians to work in their trained professions. We have increased the number of people coming into the province through the Business Immigration plan. We have expanded the farming immigration plan. We are working very hard to continue to bring foreign businesses to Manitoba through the Immigrant Investor plan.

I think what we have is a vision of growing the economy. We have a vision of growing people in the economy. It is really exciting to be in a government that cares and wants to build. The average immigration level has reached 7500 in 2004, a threefold increase from when the Conservatives were in government. It is growing the economy.

I know the members opposite might be surprised, but when you have an increasing population and you have higher incomes and you have better jobs, people stay in Manitoba. We have had more young people stay in Manitoba. There are over 1055 young people who came and stayed in this province more than last year. In other words we are growing the economy and we are getting people to stay. When members opposite were in government,

young people fled, because there was no opportunity. We create the opportunity.

Let us look at the average weekly earnings. Manitoba is first in growth of earnings, with weekly earnings growing more than twice the national rate and providing an average pay increase of \$1,560 annually. That is real growth.

The tax rate has actually gone down. Members opposite talked a good game, but we continually decreased the tax rate. We have increased the property tax credit. Members opposite decreased. They took away the property tax credit which helped the seniors, which helped the farmers, which helped the average person. They took that credit away. What we did was we instituted a property tax credit for seniors, which is about \$800 now. We moved the property tax credit for seniors and people who own their own house from \$250 to \$400. We decreased the small business income tax and corporate tax. We are making this province affordable.

We are also looking at how we are going to increase our energy advantage. I am pleased to have attended the other day a wonderful announcement on wind energy. What we are doing is we are using the resources of this province in a public-private partnership to build an environmentally friendly energy alternative. We are working to build dams. We are the party, we are the government that builds dams. You are the government that stops the construction. We are the government that builds and has building cranes in urban Winnipeg. You are the government that has the fire trucks. We are going to grow our economy.

Some of the interesting things that I would like to point out that you need to know so that you can enjoy another 20 or 30 years of good NDP government. The mining investment community, and this is, again, an independent source, has rated Manitoba as the number one province to do mining in the country. What they have said is, we have the best regulations, we have the best investment climate, and we are number one in the country and number six in the world, if you really want to know.

That has been the change from when the members opposite were in charge of the economy. I have a number of letters that are congratulating us on our initiatives in mines.

I think that what you want to do is you want to look at where we are going to go. When they are talking about an economic plan, we have the education, we have investment, we have research and innovation, and we are working with the private sector. I would like to invite the members opposite to check the Web site. It is in the Web site, in the Department of Finance Web site. If you cannot find the Department of Finance Web site, go through the Department of Industry which has a link.

We are decided that we are going to work together to expand and have true hope in our province. We are building highways, we are investing in sewer and water projects, we are investing in universities and colleges. We just passed legislation to allow the City of Winnipeg to reduce business taxes. We have actually just introduced a new bill from the Minister of Finance (Mr. Selinger) that makes mortgages and redoing mortgages more efficient, cutting down bureaucracy.

We are working outside the city of Winnipeg with new developments in Brandon with the hospital there, with a \$3-million investment in Westman Labs, redevelopment in the Keystone Centre. We are working on the wind farm. We are working with the BSE to establish slaughter capacity with BSE.

While the members opposite are busy screaming and braying at the wind, we are actually working with the industry to make sure that we have good economic expansion by having the slaughter capacity in this province where, again, the members opposite, when they were in government, slaughter capacity continued to decrease. We are increasing the slaughter capacity.

We are working in new northern training programs for Hydro. We have new nursing expansion. We are investing in the diversification and research in food products. We are working with immigrant investors, and we are trying to have a fair society.

What you need to know in democracy, and the members opposite might not understand, is when the economy grows, when the business economy grows, when things get better, we do not want just the top 5 percent to benefit. What we want to do is have the rising tide raise all ships. We want everyone to benefit from the wonderful economic climate in this province.

I am really encouraged by the economy. I notice that I have not gotten the critic opposite to ask me a question. It is hard to ask a question of the Minister responsible for Industry, Economic Development and Mines, when it is such great news. People should be applauding the great news.

I would like to explain to the people just one small point in our growth. In the last year of the Tory government, 1998, there were 535 000 people working. Here, in this year, there are 571 000 people working. That is a huge improvement. You can go through any statistic on any year, and there has been a huge improvement in employment and an increase in income.

\*(12:20)

Finally, I want to close with one more quote, and here is the quote: "*Canadian Business* magazine's latest survey ranked the city as the second best in western Canada for commerce."

Variable operating costs, the cost of living, gross domestic product growth, employment, crime rate, Winnipeg was one of the best communities. Only Edmonton in fifth place was ranked ahead of Winnipeg in western Canada. Winnipeg is miles ahead of Toronto, Vancouver and even Calgary. Andy Holloway, a senior writer at *Canadian Business*, said in an interview yesterday, "In terms of operating costs, it still beats Edmonton." The *Canadian Business* survey included the country's 40 largest census metropolitan areas, plus Charlottetown. This shows we are heading in the right direction.

I am proud to be in a government that is building. I am proud to be in a government that considers all of its citizens, and I am proud to be an MLA in Assiniboia. Why I am proud to be in that area is because, in 1999, the community was suffering from huge economic depression. It was suffering from huge closures in stores and businesses, et cetera, and now I look out there and things are new. There is building going on. There is optimism. There are new play structures. There are new seniors' centres. There is new spirit. There is new activity. There is a new YMCA. There is a new Centennial Pool expansion. It is a wonderful, vibrant, optimistic community.

I would like the members opposite to open their eyes when they drive through our city. I would like

to invite them to see what is going on, see the optimism and come on board to a wonderful, vibrant, growing province. Thank you very much, Mr. Speaker.

**Mrs. Mavis Taillieu (Morris):** Mr. Speaker, I would like to just start by congratulating the pages here today. I hope they have an enjoyable stay here. We certainly appreciate all you do for us. I would also like to congratulate the two new members, Mr. Cliff Cullen, from Turtle Mountain, and Mr. Andrew Swan, from Minto—

**An Honourable Member:** Oh, you cannot say the names.

**Mrs. Taillieu:** —member from Minto and the member from Turtle Mountain. Also I just read this in the newspaper this morning and I wanted to congratulate my colleague, the member from Lakeside. The headline reads, "Licence-plate salute for veterans popular" and we know this was initiated by the member from Lakeside in a private member's bill. The government, to its credit, took that bill and passed it. I just wanted to say that it was initiated by the member from Lakeside so we need to congratulate him on that.

Mr. Speaker, I think it would be remiss if I did not comment on the Public Accounts Committee meeting last night, which I am part of. The Public Accounts is led by the opposition, and the intent of that committee is to be non-partisan and look at examining the public accounts of the province of Manitoba. The people of Manitoba want transparency. They want accountability, and accountability by its very nature is non-partisan. But we need to modernize the rules of that committee to be in step. As the Auditor General has suggested and has recommended repeatedly, we modernize that committee to be in step with the rest of the provinces and Canada, to allow the committee to call witnesses to the Public Accounts and to examine the issues to the best of their ability without the partisan projections which we tend to always see at this committee.

Because of the partisan nature of the committee as it stands right now, we are really not able to get to the essence of what we were trying to examine. That is why, first of all, we need new laws to modernize this committee so that we can do that, and, secondly, just in regard to the issue that is before the Public

Accounts Committee at present, that being the scandal at Hydra House and the millions of dollars that should have flowed to the most vulnerable people in our society and instead were flowed to other sources, it needs to be determined exactly where the money went.

Last night the member from River East took the high road, I would say, and sat at the head of the table in preparation to answer questions. The Minister of Health (Mr. Sale), who was the former Minister of Family Services, declined to do that and instead sat at the back of the room. Partway through he decided to sit nearer to the front so that he could hear better, I suppose. He was goaded into coming further up to the front. Nevertheless, what has happened at the Public Accounts Committee is really just a sham because we cannot examine what has happened. We know that the government of this day now received information in December of 2000, and really it was scathing information and should have been examined but was not examined. We have to question why they did not proceed with an examination. In fact, the minister says they did an extraordinary review, but in fact that was a cursory review in which he just went to the people and said, "The accusation was made. Did you spend money here?" They said no, and he said okay. That is really not what I would call an extraordinary review.

This Throne Speech, really, I sort of want to call it the groan speech rather than the Throne Speech. There is very little meaningful in it to support. I think that the farmers in rural Manitoba have been thrown a bit of a bone with the reduction of the education support levy, but the members opposite do not quite understand the taxation on farmland. There are two different levies for education, and the one that they have reduced is the lesser, the very insignificant one. Really, when it boils down to it, it really is not a lot. It is a good step, as some people would say, but it does not go far enough. The farmers are saying it is a step, a baby step, yes, but really what we do need to do is we need to modernize the way we fund education.

The funding of education off of property tax is an archaic institution. It dates back many, many hundreds of years when there were little schoolhouses scattered around the province in remote areas and there had to be a way to finance the little schoolhouse and the teacher that was in charge of all the children in that community. We encourage the

government to remove the education portion from the tax bill by 2000 and make it a more fair distribution of taxation—

**An Honourable Member:** What year, Mavis?

**Mrs. Taillieu:** Mr. Speaker, 2007 would be a good year to do that. Well, the members laugh. It strikes

me as odd when we talk about tax reduction, they just laugh.

**Mr. Speaker:** When this matter is again before the House, the honourable Member for Morris will have 22 minutes remaining.

The hour being 12:30, this House is adjourned and stands adjourned until 1:30 p.m. on Monday.

# LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, November 26, 2004

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