

Fourth Session - Thirty-Eighth Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS

Official Report
(Hansard)

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Speaker*

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Eighth Legislature

| Member | Constituency | Political Affiliation |
|--------------------------|---------------------|------------------------------|
| AGLUGUB, Cris | The Maples | N.D.P. |
| ALLAN, Nancy, Hon. | St. Vital | N.D.P. |
| ALTEMEYER, Rob | Wolseley | N.D.P. |
| ASHTON, Steve, Hon. | Thompson | N.D.P. |
| BJORNSON, Peter, Hon. | Gimli | N.D.P. |
| BRICK, Marilyn | St. Norbert | N.D.P. |
| CALDWELL, Drew | Brandon East | N.D.P. |
| CHOMIAK, Dave, Hon. | Kildonan | N.D.P. |
| 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. |
| JENNISSON, 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. |
| 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. |
| McFADYEN, Hugh | Fort Whyte | P.C. |
| 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

Thursday, May 11, 2006

The House met at 1:30 p. m.

ROUTINE PROCEEDINGS

PETITIONS

Funding for New Cancer Drugs

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

These are the reasons for this petition:

Cancer is one of the leading causes of death of Manitobans.

Families are often forced to watch their loved ones suffer the devastating consequences of this disease for long periods of time.

New drugs such as Erbitux, Avastin, Zevalin, Rituxan, Herceptin and Eloxatin have been found to work well and offer new hope to those suffering from various forms of cancer.

Unfortunately, these innovative new treatments are often costly and remain unfunded under Manitoba's provincial health care system.

Consequently, patients and their families are often forced to make the difficult choice between paying for the treatment themselves or going without.

CancerCare Manitoba has asked for an additional \$12 million for its budget to help provide these leading-edge treatments and drugs for Manitobans.

Several other provinces have already approved these drugs and are providing them to their residents at present time.

We petition the Legislative Assembly of Manitoba as follows:

To request the Premier (Mr. Doer) of Manitoba and the Minister of Health (Mr. Sale) to consider providing CancerCare Manitoba with the appropriate funding necessary so they may provide leading-edge care for patients in the same manner as other provinces.

To request the Premier of Manitoba and the Minister of Health to consider accelerating the

process by which new cancer treatment drugs are approved so that more Manitobans are able to be treated in the most effective manner possible.

This petition is signed by Robert Sawatsky, Peter Tocko, Rod Cline and thousands of others.

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

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

These are the reasons for this petition:

Cancer is one of the leading causes of death of Manitobans.

Families are often forced to watch their loved ones suffer the devastating consequences of this disease for long periods of time.

New drugs such as Erbitux, Avastin, Zevalin, Rituxan, Herceptin and Eloxatin have been found to work well and offer new hope to those suffering from various forms of cancer.

Unfortunately, these innovative new treatments are often costly and remain unfunded under Manitoba's provincial health care system.

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Several other provinces have already approved these drugs and are providing them to their residents at present time.

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To request the Premier (Mr. Doer) of Manitoba and the Minister of Health (Mr. Sale) to consider providing CancerCare Manitoba with the appropriate funding necessary so they may provide leading-edge

care for patients in the same manner as other provinces.

To request the Premier of Manitoba and the Minister of Health to consider accelerating the process by which new cancer treatment drugs are approved so that more Manitobans are able to be treated in the most effective manner possible.

This petition is signed by Eric Graeb, Jack Slawik, Allana Hempel and many others.

* (13:35)

Morris-Macdonald School Division

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:

The RCMP investigation of allegations of criminal activity in the former Morris-Macdonald School Division has been completed and has found no evidence to substantiate criminal charges.

In the wake of the Auditor General's 2001 report, the provincial government fired the board of trustees of the former Morris-Macdonald School Division. As a result, residents were without an elected board for nearly a year.

The RCMP investigation and the firing of the board have irreparably tarnished the reputations of many citizens in the former Morris-Macdonald School Division.

When the provincial government insisted that the school division reimburse the Province for the overpayment of funds, the government-appointed trustee of the school division increased local ratepayers' taxes by 28 percent to be implemented each year for four consecutive years.

This action imposed a significant burden on farmers and other faultless citizens in the former Morris-Macdonald School Division. To date, \$1.4 million have been paid out of the citizens' pockets for actions as the RCMP have recently acknowledged were not criminal in nature.

Residents of the former Morris-Macdonald School Division are angered and frustrated by the provincial government's lack of acknowledgement of its mistake, refusal to apologize to those involved and failure to reimburse the additional tax dollars that blameless citizens have been forced to pay.

We petition the Legislative Assembly of Manitoba as follows:

To strongly urge the provincial government to consider apologizing to citizens of the former Morris-Macdonald School Division for firing the school board, launching a criminal investigation and tarnishing their reputation.

To request that the provincial government consider reimbursing blameless Morris-Macdonald citizens who have paid the Province \$1.4 million in additional school taxes over the last three years.

This is signed by Linda Dureault, J. Ell, Brenda Edwards and many others.

Mr. Speaker: Order.

Point of Order

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

Mr. Kevin Lamoureux (Inkster): Yes, Mr. Speaker, on a point of order. I go to citation No. 3 where it states that the whole concept of parliamentary Question Period depends on the tradition that a Cabinet is willing to submit its conduct of public affairs to the scrutiny of opposition on a regular basis.

Here we are, moments before Question Period, Mr. Speaker, I think that there is an obligation on behalf of Cabinet ministers to be here in terms of numbers.

Mr. Speaker: Order. Honourable members know that our Manitoba rules state that mention of a member's presence or absence is not within our rules. The honourable member does not have a point of order.

Point of Order

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

Hon. Steve Ashton (Deputy Government House Leader): On a new point of order, Mr. Speaker. Indeed, I think it is inappropriate for the member to leave that comment on the record. First of all, one could look at this session and raise questions about, certainly, Liberal Party members' participation in our various activities. I am not talking about attendance.

I think, in addition to not making those comments, I would point out that indeed we are here. We are prepared to debate, discuss matters in terms of Question Period, et cetera. We need no lectures from the Liberal member about attendance, particularly when it came to a period of time in which

members preferred to ring the bells rather than attend to the business of the Chamber.

Mr. Speaker: The honourable Official Opposition House Leader, on the same point of order.

Mr. Kelvin Goertzen (Official Opposition House Leader): On the same point of order, Mr. Speaker, and I know you have ruled on the issue that the Member for Inkster has raised. I am not going to challenge that because I believe that is within the rules.

But, I do think that the Member for Inkster raises a point of frustration that we also have with the government that needs to be noted by Manitobans in this House. I would quote actually, the Deputy Speaker (Mr. Santos), who said in this Chair not long ago that sometimes things are not a point of order but they are a point. I do think the member has a point, Mr. Speaker.

Mr. Speaker: The honourable Member for Inkster, on the new point of order.

Mr. Lamoureux: Yes, Mr. Speaker, I listened closely to what the acting Government House Leader was saying, and I realize why it is that he is the one who had to stand up because of the Government House Leader (Mr. Mackintosh) not necessarily being available to stand up at this point in time, which in part makes my point.

There is responsibility for government ministers to be here for Question Period. The record that you have, especially today, is not good. It is the opposition that holds you accountable, Mr. Minister, and you have a responsibility to be here so you can, in fact, be questioned. That is in the public's interest.

Mr. Speaker: Order. I just made an earlier ruling, and I think members should be a little cautious without knowing the reasons why members might be attending government business or people might be attending to their constituency affairs or there could be some very serious family matters.

I think members should be very, very cautious before they start looking at individual members. Remember, always remember—*[interjection]*

Order. Always remember we have constituents and we all have families. Keep that in mind.

The honourable member does not have a point of order.

* * *

* (13:40)

Mr. Speaker: The honourable Member for Arthur-Virden, on a petition.

Levy on Cattle

Mr. Larry Maguire (Arthur-Virden): Mr. Speaker, I wish to present the following petition.

These are the reasons for this petition:

The provincial government intends to create a provincial check-off fee, levy of \$2 per head, for cattle sold in Manitoba. This decision was made without consultation with Manitoba's cattle producers and representatives from agricultural groups.

This \$2-a-head increase will affect the entire cattle industry in Manitoba, which is already struggling to recover from the BSE crisis and other hardships. It would encourage fair and equitable practices if cattle producers in Manitoba had the opportunity to share in the decision-making process.

We petition the Manitoba Legislative Assembly as follows:

To urge the Minister of Agriculture, Food and Rural Initiatives (Ms. Wowchuk) to consider holding consultations with Manitoba's cattle producers and representatives from agricultural groups before this levy is put in place.

This petition is signed by Gerald Martin, Sheila Dodds, Betty Morrice and many, many others.

OlyWest Hog Processing Plant

Hon. Jon Gerrard (River Heights): I wish to present the following petition to the Legislative Assembly of Manitoba.

The background for this petition is as follows:

The Manitoba government, along with the OlyWest consortium, promoted the development of a mega hog factory within the city of Winnipeg without proper consideration of rural alternatives for the site.

Concerns arising from the hog factory include noxious odours, traffic and road impact, water supply, waste water treatment, decline in property values, cost to taxpayers and proximity to the city's clean drinking water aqueduct.

Many Manitobans believe this decision represents poor judgment on behalf of the provincial government.

We petition the Legislative Assembly of Manitoba as follows:

To request the provincial government to immediately cancel its plans to support the construction of the OlyWest hog plant and rendering factory near any urban residential area.

Signed by Hollie Ferguson, Samantha Kirkness, Lorna Tuesday and many, many others.

Crocus Investment Fund

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, a petition to the Legislative Assembly of Manitoba.

The background to this petition is as follows:

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

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

As a direct result of the government not acting on what it knew, over 33,000 Crocus investors have lost tens of millions of dollars.

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

We petition the Legislative Assembly of Manitoba as follows:

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

To urge the Premier and his government to cooperate in making public what really did happen.

Signed by R. Grandpre, P. Sarinas, P. Iam and many, many other Manitobans.

MINISTERIAL STATEMENTS

Manitoba Day

Hon. Eric Robinson (Minister of Culture, Heritage and Tourism): Yes, Mr. Speaker, I have a statement for the House.

Tomorrow, May 12, is Manitoba Day. It will be 136 years ago that The Manitoba Act received Royal Assent in 1870, creating our province as part of Canada.

*(13:45)

Across this great province, Manitobans are attending various celebrations and events to mark this anniversary. These celebrations will bring people of all ages and origins together to commemorate our heritage in Manitoba, our achievements as a province and to reflect upon our hopes and dreams for the future of Manitoba.

On May 12, we will host a Manitoba Day event in this grand Legislative Building with Grade 1 students from Faraday School and representatives from the Costume Museum of Canada and the Association of Manitoba Museums. There will be an official proclamation of Manitoba Day, and May 18 will also receive special recognition as International Museum Day. This year's theme is Museums and Young People, and there are many more exciting activities and initiatives happening to celebrate Manitoba's birthday and our rich cultural traditions.

This year a new initiative, the Heritage Fair Exhibit Guide, is being used to assist community heritage organizations to help Grades 4 to 9 students create dynamic and inspiring history exhibits as a Manitoba Day community event.

The third annual Doors Open—Celebrating Stories our Buildings Tell, on May 13 and 14, will feature tours of local museums, churches, offices and jails.

In 2005, the former Portage la Prairie Indian Residential School, now the Indian Residential School Museum of Canada, was designated as a provincial heritage site. Long Plain First Nation is creating a facility that will serve as a place of remembrance and a place of healing.

The Women's Tribute Memorial Lodge and Deer Lodge Centre in Winnipeg was also designated as a provincial heritage site. That building is being restored and reused as a movement disorders clinic.

I would encourage all members of this House and all Manitobans to explore our province and to discover more about our people and the cultures that make up friendly Manitoba. Thank you, Mr. Speaker.

Mr. Kelvin Goertzen (Steinbach): It is a pleasure to rise with all members in this House to note that Manitoba Day is soon upon us, and to say that we are all proud Manitobans here. We believe in the people of our province from Churchill to West Hawk, from Virden to Emerson, and we believe in the promise of Manitoba.

I want to particularly say to the Member for River East (Mrs. Mitchelson), I want to thank her for when she was minister in the previous government for making Manitoba Day a special day and ensuring that all Manitobans knew about it and the importance of it.

Part of the things that we have to do here as legislators is to defend the symbols of Manitobans, whether that is the crocus symbol, which is one of our symbols that we are sorry to see that the great symbol of crocus has been sullied by this government. Now, instead of thinking of Crocus, Manitobans will think of a national emblem or a provincial emblem, they think of a scandal from this government, and we find that disappointing so close to Manitoba Day.

But, Mr. Speaker, I would just go into conclusion, words that have been spoken by the Leader of the Official Opposition (Mr. McFadyen). He said it in the past, and we believe it, that with a new government, a new Progressive Conservative government, Manitoba's best days are still ahead.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Hon. Jon Gerrard (River Heights): Mr. Speaker, today and indeed tomorrow—

Mr. Speaker: Order.

Mr. Gerrard: I ask for leave to speak to the minister's statement.

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

Mr. Gerrard: Mr. Speaker, tomorrow, May 12, is a day to celebrate our province, Manitoba. It is a day to celebrate the history of our province and to pull ourselves together to have, believe and plan for a very strong future for our province of Manitoba. We have, over the last 136 years of the history of our province, achieved a great deal, but we clearly have a lot more that needs to be done. That is why it is important that we celebrate and think on Manitoba Day about what we still have to do.

So, let us, tomorrow, all go out and celebrate Manitoba Day, and plan for what we can do in the future. Thank you.

* (13:50)

ORAL QUESTIONS

Ainsworth Lumber Terms of Draft Agreement

Mr. Hugh McFadyen (Leader of the Official Opposition): First of all, before I get into my question, I just want to say I differ slightly in my perspective from the Member for Inkster (Mr. Lamoureux) in terms of the composition of the government benches today. I just want to say how happy I am to see the Member for Wellington (Mr. Santos) here prepared to put in a hard day's work as he does each and every day here in our Legislature.

Mr. Speaker, I was pleased this morning to wake up and read the *Free Press*—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. McFadyen: Thank you, Mr. Speaker. Members opposite seem to be concerned about how I have spent the first number of days in my role as Leader of the Opposition. I would only point out to them that the leader of their party, in his first 29 days as the leader of their party, achieved the remarkable feat of driving them from 30 down to 12 seats. It was a remarkable 29-day start for the Leader of the NDP.

But, waking up this morning, to get to my question, I see that three days after the \$200-million lawsuit was filed against the government, the NDP damage control team was finally able to come up with some good news for the front page of the *Free Press* today. So, just to give the government their moment in the sun, I wonder if they could outline for the House the current draft terms of its deal with Ainsworth Lumber and, in particular, advise the House as to how much corporate welfare the government had put on the table in that deal as of yesterday.

Hon. Stan Struthers (Minister of Conservation): Well, Mr. Speaker, the Leader of the Opposition has not been here very long or very much and he has already mastered the art of the cheap shot. That is not leadership. It was not leadership in the 1990s when he supported a government that left Aboriginal people out of the equation in Manitoba. That was not leadership. It is not leadership to bring back folks like Don Orchard who fired nurses in this province, instead of looking for ways to actually be accountable and instead of looking for ways to include all Manitobans.

That, Mr. Speaker, is one of the very positive bits of good news in the announcement that was made between our government, the First Nations forestry limited partnership and Ainsworth Company.

Mr. McFadyen: Mr. Speaker, the government is optimistic about this Ainsworth deal which is good. Optimism is a good thing and is something that we share on this side of the House. I note the Premier's (Mr. Doer) comments in today's *Free Press*: This is a good deal and it is expected to bring 350 direct jobs to Manitoba.

I would also note, Mr. Speaker, that in December of 2001, when the Premier was bubbling with excitement over the Maple Leaf Distillers announcement, he said in his news release: This is good news for Manitoba. The company is bringing new business to the province, strengthening our industry sector and is expected to create 69 additional jobs over the next five years..

So, in light of the fact that the Maple Leaf deal crashed and burned, I wonder if the government can assure us that this deal with Ainsworth will not be a repeat.

Mr. Struthers: I am sure that the Leader of the Official Opposition is going to try his utmost to be negative about this. I am sure that the Leader of the Opposition, given his teeny track record in this Chamber so far, is going to try to put a negative spin on something that is as positive an announcement as this. He is going to try that all he can, Mr. Speaker, and that is backed up by what I have seen so far in this House from this member.

This is a good news announcement because we are, as the provincial government, taking seriously the involvement of First Nations leadership, First Nations elders, First Nations young people, to offer and bring forward a-

Mr. Speaker: Order.

Mr. McFadyen: Mr. Speaker, given that the Premier presumably got his staff to leak the Ainsworth story as part of this week's damage control strategy, and given that the Premier, the master negotiator, has publicly committed the Province to a deal that is not yet complete, how much money are Manitoba taxpayers going to lose now that the Premier has put the government over a barrel in their negotiations with Ainsworth?

* (13:55)

Mr. Struthers: I am sure that the Leader of the Opposition totally wishes that projects in this province do not work out. I am sure that is his approach.

Mr. Speaker, when this particular member was sitting around the room at Cabinet meetings advising the former government, advising them on moving forward in terms of projects, maybe that is why they lost \$39 million in MIOP loans. Maybe that explains the reason why people had no confidence in the ability of that former government to move forward, people like the member who sits in the House now, people like Don Orchard, whom they have brought back from the past to try to give some accountability to their poor performance.

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

Crocus Investment Fund Class-Action Lawsuit

Mr. Hugh McFadyen (Leader of the Official Opposition): A new question, Mr. Speaker.

More than three days have now passed since the Crown, under the leadership of this NDP government, was sued for \$200 million. Given the size of the lawsuit which, if successful, would eat up more than the entire highways budget for the Province of Manitoba in a single year, and since the Premier does not seem to be interested in asking his officials the necessary questions, I wonder if the Minister of Industry has yet gotten around to asking any of his officials named in the lawsuit as to whether or not any of the allegations are true and, if not, why not.

Hon. Dave Chomiak (Acting Minister of Justice and Attorney General): Mr. Speaker, as the First Minister pointed out in the House yesterday, the Leader of the Opposition, who I understand is a trained lawyer, has made at least three factual errors in this House with respect to the statement of claim, notwithstanding he has liability in this House. I brought in for the member opposite a copy of Sopinka & Lederman, which is the Bible with respect to civil suits. I have a cite here that indicates the member is wrong in his-[*interjection*]

Mr. Speaker: Order.

Mr. Chomiak: So, Mr. Speaker, I would ask the member to apologize for his errors with respect to the statement of claim and apologize to the Deputy Minister of Energy, Science and Technology for his grievous errors that he made in this House knowing

that he has individual and personal liability and coverage in this House. He would dare not say what he said in this House in the hallway.

Mr. McFadyen: Mr. Speaker, I know the member opposite has not practised law for some time. I think he would know that the Manitoba Court of Queen's Bench Rules are the authority when it comes to civil procedure. I think if he consults with Rule 20, he will find that after a defendant files a statement of defence, they can bring a motion for summary judgment dismissing all or part of the claim.

So, given that is what Rule 20 of the Manitoba Court of Queen's Bench Rules provides, I wonder if the minister can indicate to the House whether the government intends to bring a motion for summary judgment dismissing all or part of the claim following its filing of its statement of defence.

Mr. Chomiak: In Sopinka & Lederman, page 522 says, and I state: When a plaintiff finishes tendering all the evidence and completed its suit, defence counsel, if so deposed, will move a non-suit. It is rare that a defendant's counsel will elect to call no evidence if he has evidence to call because if the trial judge dismisses his motion for non-suit he is precluded from leading evidence. Basic evidence rules No. 1, Mr. Speaker. He is distorting the facts and trying to put evidence on record that would not even happen in a court of law.

I ask him to apologize to the Deputy Minister of Energy, Science and Technology, and I ask him to get his facts and his evidence correct and to go in the hallway and say some of the misstatements that he has said in this House because he knows he has liability in this Chamber.

Mr. McFadyen: Mr. Speaker, I am sure that would have been a very persuasive argument in front of the Privy Council back when the member was practising law, but he must know by now that the Manitoba Court of Queen's Bench Rules are the governing set of rules when it comes to civil procedure in Manitoba. Maybe that is something that has been introduced since the time he quit practising law.

I just want to ask the question again. Given the seriousness of the allegations contained in the statement of claim, will the government indicate which of those allegations they believe to be accurate and which they believe to be inaccurate?

* (14:00)

Mr. Chomiak: Mr. Speaker, whether one is legally trained or not, common sense would dictate several things. Firstly, that you not prejudice the entire Crown by making statements to dismiss or to remove bits of evidence, which is what the book deals with. Secondly, common sense would be if you inherit the leadership of the party and have been at that table only for a few days, one looks around for advisers, for advice, and common sense would dictate I would not go back to the 1990s under the tutelage of one Don Orchard, whose evidence and arrogance he is already exhibiting in this House as a key adviser on Crocus. Inspector Orchard on the case for the Leader of the Opposition. Nice job on picking leadership to follow Crocus.

Operation Clean Sweep Officer Reduction

Mr. Kelvin Goertzen (Steinbach): Mr. Speaker, I am very aware that this is the minister that stands up to defend common sense, this of all ministers.

On May 1, the Minister of Justice (Mr. Mackintosh) stood in this House and he told Manitobans worried that Operation Clean Sweep was about to be shut down for the summer, he said oh, do not worry; be happy. He assured Manitobans that he was collecting more money in fines so the program would continue, and I quote, with a significant presence over the summer.

Well, today we learned that, in fact, of the 45 members of the Clean Sweep operation, only two constables will be in place throughout the summer.

Can the Minister of Justice indicate: Is two constables what he meant when he said there would be a significant presence, Mr. Speaker?

Mr. Dave Chomiak (Acting Minister of Justice and Attorney General): Common sense would dictate, Mr. Speaker, that if you support a budget that puts on the street and pays for, for the City of Winnipeg and for rural Manitoba, additional police officers, and you give these resources to the municipalities and the City to spend on police officers, common sense would dictate that you would vote for that budget. Members opposite voted against that budget. Their votes speak, not simply what they say from their statements or spout now. We provided the money to the City of Winnipeg and municipalities in the budget and you voted against it.

Mr. Goertzen: Let me see if I can clarify this for the minister because he simply does not understand. There was supposed to be 45 officers. There is

actually only going to be two officers in the middle of the most gang activity.

Mr. Speaker, in August of last year, after more gang violence in Manitoba, this Minister of Justice hired a well-respected civil servant, Bruce MacFarlane, as special counsel to the Attorney-General on organized crime. Part of his mandate was to assess the level of resources that are required to effectively counter organized crime. Since it is clear that the Minister of Justice is not speaking with anybody in law enforcement, could he indicate whether this special counsel that was hired at a rate of \$139,000 spoke to the police before they went from 45 officers to two officers?

Mr. Chomiak: We put in new funding to provide to the City of Winnipeg and to the police chief, and if the member wants to talk to the City of Winnipeg or the police chief, Mr. Speaker, he is certainly welcome to do that.

But, more important, Mr. Speaker, if one wants to talk about the hiring of advisers, I will take our record of the hiring of Mr. MacFarlane to help us out than I would take the recommendation to hire Don Orchard. Don Orchard has been hired by members opposite. Don Orchard. Inspector Orchard is back with us. The individual who fired 1,500 nurses, and they want to talk about hiring advisers. I cannot believe it.

Mr. Goertzen: Returning to the year 2006, Mr. Speaker, the Minister of Justice hired a special counsel at a rate of \$139,000 a year to deal with the issues related to organized crime. That special counsel's mandate was to develop, and I quote, and this is from the minister, a hostile legislative and policy environment towards outlaw motorcycle gangs. That special counsel was hired eight months ago. The contract was for nine months, so it is going to expire in a month. This Legislature is scheduled to close in a month. We have seen nothing from this \$139,000 contract.

Where is what was promised by the minister? Where is the hostile policy and the legislative framework to deal with organized crime, Mr. Speaker?

Mr. Chomiak: Let me get this straight, Mr. Speaker. The member who filibustered the budget, would not speak on the budget and rang the bells for six to seven weeks, the member who would not even deal with the budget that dealt with these issues and could have asked questions, sat and rang the bells and sat

in their offices for six weeks and they are talking about being current. They are talking about 2006. It is the 2005 and the 2006 budget that we put in additional resources. Members opposite voted against that budget. They have rung the bells on this budget. We now just completed debating the budget.

We are going to Estimates where we can go into detail. We could have done that six weeks ago, Mr. Speaker. He could have had the answers six weeks ago. He chose to ring the bells. The events speak for themselves.

Province-wide Smoking Ban Equal Enforcement

Mrs. Mavis Taillieu (Morris): Mr. Speaker, it is the duty of the Minister of Healthy Living (Ms. Oswald) to promote healthy living and not promote unhealthy practices. She said that she is passionate on the issue of the smoking ban in Manitoba, but it appears she lacks the passion to protect citizens equally. She is promoting a double standard and an uneven playing field for businesses by promoting smoking in some and fining those who might allow it in others.

When will she stop the double standard and enforce a province-wide smoking ban?

Hon. Dave Chomiak (Acting Minister of Justice and Attorney General): Mr. Speaker, I understand that—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. We have guests in the gallery. We have the viewing public and the clock is ticking. We are trying to get as many questions and answers.

Mr. Chomiak: Thank you, Mr. Speaker. The Swan Lake First Nation recently received treaty land status from the federal minister, Mr. Prentice, I believe, who is responsible for the federal government and allowed treaty land status. The member would know that, with respect to jurisdictions in terms of first land, it has been the practice across the country that the federal government has responsibility with the First Nations. They transferred the land to First Nations and consequently the First Nations deal with the issue with respect to their jurisdiction. The member knows that.

Mrs. Taillieu: Well, Mr. Speaker, health and healthy living is a provincial responsibility. If the minister feels she has no clout in her portfolio then she should find another way, ask another minister. Will she ask the Minister responsible for Lotteries (Mr. Smith) to

refuse to license any premise in Manitoba that does not comply with the province-wide smoking ban?

Mr. Chomiak: On behalf of the Minister responsible for Lotteries, I want to indicate to the member that finally, after that, we have been in this House for seven years, I am glad the members are expressing interest about First Nations health. I think that is the first question since I have been in this Chamber that members opposite have done that. I want the member to know that we are in continuing discussions with First Nations with respect to health and all related issues. I am glad the members are starting to get outside.

Mrs. Taillieu: Mr. Speaker, we are promoting health for Aboriginal people; they are not. There is a double standard here. Some people are protected from second-hand smoke and others are deemed to be second-class citizens by this minister. She has the opportunity to show some passion, protect all Manitobans from second-hand smoke and at the same time level the playing field for businesses. Will she ask the Minister of Lotteries to restrict licensing to non-smoking premises? Will she do that today?

*(14:10)

Mr. Chomiak: The member will know that there was an all-party task force with respect to jurisdiction and a non-smoking ban with respect to all provincial jurisdictions. That was signed by all members and all parties of this Legislature. There are all kinds of issues like Workers Compensation, housing, water and sewer, BabyFirst that we are concerned about on First Nations. We tried to do something. There is jurisdiction with the federal government for First Nations. For the first time in this Chamber, we see the members stand up and say something about First Nations health. I think we are making progress. I think we are making progress with respect to the First Nations communities themselves. There are ongoing discussions with regard to dealing with that issue.

Province-wide Smoking Ban Equal Enforcement

Mr. Cliff Cullen (Turtle Mountain): Mr. Speaker, this NDP government continues to allow double standards across this province. When it comes to smoking rules, businesses are forced to operate in a different criteria. The concept of a province-wide smoking ban is in fact a falsehood.

Will this government take a leading role and level the playing field for businesses in Manitoba?

Hon. Dave Chomiak (Acting Minister of Justice and Attorney General): I guess it is, maybe it is Don Orchard week or what it is, Mr. Speaker, but the member's own party signed the agreement of an all-party task force, and the all-party task force dealt with all jurisdictions that are under the jurisdiction of the Province. The federal Minister of Indian and Northern Affairs signed the treaty land transfer to Swan Lake. The federal Conservative minister signed that document converting that land and providing the First Nations to deal with under Treaty Land Entitlement, and that is what is being done. That continues, has been the practice and will continue to be the practice, and, by the way, they started that process in 1995.

Mr. Cullen: Well, clearly, Mr. Speaker, this government continues to pass the buck. This NDP government in fact has the authority to level the playing field across Manitoba.

Will this government take the initiative and treat all Manitobans alike?

Mr. Chomiak: Mr. Speaker, I would hope that we would be able as a province to someday say that conditions on First Nations communities are like those in other centres, in other places like in the city of Winnipeg. I would like to say some rural communities would have the same kinds of standards of living like we have in the city of Winnipeg. I hope that we have a province that can move towards that, and I hope that we continue as a government to work every day to move towards that.

Mr. Cullen: Mr. Speaker, this NDP government has the authority to eliminate the double standard. We have seen the consequences of this double standard in rural Manitoba already.

Will this government take a leadership role and treat all Manitobans equally?

Mr. Chomiak: Mr. Speaker, the all-party task force on smoking was unanimously passed and consigned by all members of this Legislature from this House, representing all regions and all areas of this House. We cannot enforce the ban at Shilo. We have not been asked to. We have not been asked to enforce the ban at Airports Authority or on oceans. We do not have that jurisdiction.

Mr. Speaker, in cases in the past when the City of Winnipeg passed a by-law, for example, it did not apply to provincial jurisdiction. But the Lotteries Corporation consented to allow the band to apply to Lotteries property. That was the process that came

about as a result of consent and a result of negotiations. I do not see how this should be any different. I look forward to the day when all Manitobans are treated equally.

Pharmacare Program Deductible Instalment Payments

Mrs. Bonnie Mitchelson (River East): Many seniors and low-income earners who have high Pharmacare deductibles live in apartment blocks and do not directly pay monthly Hydro bills.

My question to the government is: How will they be able to participate in the monthly payment plan that was announced yesterday?

Hon. Tim Sale (Minister of Health): Indeed, this question came up immediately when we began talking with the partners, the pharmacy association and Manitoba Hydro. Manitoba Hydro with its new billing system has the capacity to create bills specifically for people who do not have a billing account with Hydro.

They will simply create a bill in the same format at the request of the senior or any other person who wishes to have their deductible paid on a monthly basis, and Hydro will send them a bill just like they send everybody else. It is a good question, but it is one that arose very early in our discussions and was resolved very easily.

Mrs. Mitchelson: Mr. Speaker, and how much will it cost Manitoba Hydro to administer this new program?

Mr. Sale: Mr. Speaker, Manitoba Hydro, about a year ago, decided to put in a new billing system to take advantage of their ability now to have one utility bill to save paper and save significant sums of money. That new system has in it the capacity to have collection of monies for virtually any other purpose. It could be offered to a charity, it could be offered to a community group.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Sale: Only the Tories could turn a good news story into a bad news story for seniors in this province, Mr. Speaker. Incredible.

Mr. Speaker, the capacity is in the billing system to levy the amounts that they are told—

Mr. Speaker: Order.

Mrs. Mitchelson: Mr. Speaker, maybe the cow checkoff will be the next program that Hydro will administer.

This is not the first time this government has had their hands in the pockets of Manitoba Hydro and other Crown corporations.

A \$203-million raid on Manitoba Hydro, Bill 11 that allows Cabinet to set the amount of export revenues that they will raid from Manitoba Hydro, Mr. Speaker, and now, administrative costs for administering a health program.

When will this government take their hands out of Manitoba Hydro ratepayers' pockets and ensure that they administer programs appropriately when they are needed for Manitobans?

Mr. Sale: Mr. Speaker, let me assure the poor member opposite that all of these questions were canvassed. Manitoba Health will pay Manitoba Hydro for any bill that Manitoba Hydro has to initiate and any cost associated with that bill. We thought of all those questions. They were all dealt with.

I would ask her, before she gets hysterical, to go and talk with the Manitoba Society of Pharmacists, a voluntary association. There is volunteering time to work on this, to talk to the MS Society, who have patients who want to be on this program, to talk with the Society of Seniors, to get out of her small-minded ways and get on board with a community program that is endorsed by all members of the voluntary sector, all seniors who want to be able to pay their Pharmacare deductible on a reasonable basis.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Point of Order

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

Mr. Kelvin Goertzen (Official Opposition House Leader): Well, Mr. Speaker, I think you have cautioned all members in the past to be careful about their words when referring to all honourable members in this House. I would ask you to caution this Minister of Health for those comments which were clearly petty.

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

Hon. Steve Ashton (Deputy Government House Leader): Well, Mr. Speaker, I noticed that the member did not cite any unparliamentary language. There is one rule in this Chamber as, I think, goes for politics generally: when you dish it out, you better be prepared to take it.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. On the point of order raised by the honourable Official Opposition House Leader, I have cautioned members in the past to pick and choose their words carefully, and I will do so now. All members in the House are honourable members and they should be treated as such. I just caution all members to pick and choose their words carefully.

Health Care System Emergency Services

Hon. Jon Gerrard (River Heights): Mr. Speaker, my question is for the Premier (Mr Doer). There are five community hospital emergency wards in Winnipeg which are currently short 14 emergency room physicians. That means that most of the time our emergency wards are being staffed by one physician instead of by the two that would be normally present. The result is that the emergency room can slow to a trickle and patients are left waiting for hours.

Yet, this past weekend, buckets of provincial tax dollars were being spent and continue to be spent on flashy new ads, an ad campaign to tell people that the government had a brochure which praised the government about what it was doing on wait times.

To the Premier: Why is the Premier letting his Minister of Health spend more effort on an NDP disinformation campaign—

Mr. Speaker: Order.

Hon. Tim Sale (Minister of Health): Well, Mr. Speaker, I just remind the member that there was a 2004 September accord which had in it a requirement, in fact, that provinces inform their citizens of the steps they were taking to be accountable for the \$155 million that was allocated by the federal government for work on wait lists.

The brochure is the first of the accountability reports. All provinces are doing similar kinds of reports. They are telling their people how they have spent the money: \$57 million on hips and knees, \$22 million on new diagnostic equipment, a cancer waiting list that is a week or less for radiation therapy, cardiac patients that get their surgery when

they need it and cutting the waiting list for pediatric dentistry from 1,300 to 550. That is accountability.

* (14:20)

Mr. Gerrard: Mr. Speaker, why did that brochure not talk about the 14 emergency room doctors who are missing, who are short in Winnipeg right now? Instead of figuring out how to get more doctors into the emergency rooms, this government is trying to run flashy ads, trying to provide disinformation to the people of Manitoba.

Mr. Speaker, what if more than one patient comes into an emergency room with a stroke or a traumatic injury? How is an emergency room supposed to cope? Things are bad, and we know that. I hear it every day. When will this Premier and his Minister of Health stop wasting time and resources on advertising and make sure that the emergency rooms are properly staffed?

Mr. Sale: Mr. Speaker, I am very proud of the record that we have achieved in emergency rooms. Last year, in six hospitals in Winnipeg, we had an average of less than one person per day in the hallway in waiting at eight o'clock in the morning, counting the same way that was counted when the people opposite were in government; no change in that.

When you look at CIHI reports about emergency rooms across Canada, what you will find is: first, they adopted the approach that was taken by my honourable colleague sitting in the front bench in front of me, and secondly, they have said that Manitoba has fewer problems than most other provinces. Emergency issues are an issue in every province in Canada. We are doing very well in comparison. People are getting the care they need when they need it, Mr. Speaker.

Mr. Gerrard: Mr. Speaker, this government has got better and better at hiding the people who are waiting by moving them into temporary rooms at eight o'clock in the morning. The fact is we still have major problems in our emergency rooms with waiting, and this government is not addressing the issues.

The emergency room physicians are, indeed, the linchpins of the health care system because they influence how so many other resources are used. They are critical for the quality of care, for the cost, the efficient operation of our health care system, and yet this government has let us down in not ensuring that there are sufficient emergency room physicians

to make sure people in Winnipeg are well taken care of.

When will the government make sure that there is adequate staff in the emergency rooms in Winnipeg?

Mr. Sale: First of all, Mr. Speaker, there are fewer than 500 emergency medicine doctor specialists in Canada at this time. We have 19 of them in Winnipeg which is about 4 percent, slightly under, slightly over; 4 percent, depending on the number. We have a little bit less than 4 percent of the population. So, in terms of performance, we are getting about our share.

What happened in the 1990s is still affecting all specialties, particularly emergency medicine, Mr. Speaker, because the government opposite removed medical enrolment. As I said in my speech this morning on their private member's resolution, if we had had 100 people in every class from 1993-2006, we would have over 400 more doctors in Manitoba, including the kinds of specialists that we continue to be short of.

Advanced Education Trades and Apprenticeships Training

Ms. Marilyn Brick (St. Norbert): Mr. Speaker, we know that global pressure is shifting North American industry toward knowledge, technology and a highly skilled workforce and that skilled tradespeople are in demand in our province's growing economy.

Would the Minister of Advanced Education and Training inform the House how this government is supporting apprenticeships and students pursuing careers in trades?

Hon. Diane McGifford (Minister of Advanced Education and Training): Of course, we are doing many things to support students in the trades and apprentices. Let me give you an example: tomorrow, at an annual awards ceremony, we will honour 37 newly minted journeypersons who are at the top of their field in Manitoba. As well, we will also present the sixth annual leadership award to Mr. Norman Ross who is the husband of the honourable Member for Fort Garry (Ms. Irvin-Ross). He will be honoured for his work in supporting and advocating for the apprenticeships and trades in the province of Manitoba. I know that the newly graduated students will follow the model of Mr. Ross and make important contributions to the province, Mr. Speaker.

Pharmacare Program Deductible Instalment Payments

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, last week the Auditor General put out a report critical of this government's management of the Pharmacare system.

I would like to ask the Minister of Health today if he does not feel that he is on a slippery slope, marrying Pharmacare to Hydro.

Hon. Tim Sale (Minister of Health): Well, I guess we are using Hydro because we do not have MTS any more, Mr. Speaker.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Sale: The association of pharmacists and many disease-supporting groups, advocacy groups like multiple sclerosis, for years have been asking us to find a solution to having deductibles that had to be paid at the beginning of the year. Mindful of the administrative costs of systems and mindful of the offer that came from Manitoba Hydro to use their new capacity which generates no cost for them unless they actually have to make a new bill, which we will pay for, we talked that around the community.

People said, what a great idea, a partnership between a Crown corporation, a professional association and disease groups that want to be able to help their members get the drugs they need when they need it without having to come up with hundreds and hundreds of dollars at the front end.

Mrs. Driedger: Mr. Speaker, we do not have a problem with deductibles being paid on a monthly basis. We do not have a problem with that at all. What is very questionable is the use of Hydro, a Crown corporation that is now getting involved in the health business.

Mr. Speaker, health privacy legislation is very, very strict. I would like to ask the Minister of Health: How is patient privacy protected when Hydro will now have access to patient names and their Pharmacare deductible costs?

Mr. Sale: Mr. Speaker, this question, too, arose at the beginning of our discussions. Like any other monthly billing system, including taxes for the City of Winnipeg, one signs an application to have a certain amount deducted from your bank every

month, by your own agreement which you have consented to.

The pharmacist will tell you about the program, it is entirely voluntary. The people wish to have the money they require to pay for their deductible taken each month out of their bank account. They have the opportunity to ask that that be done to help them with the burden.

Hydro maintains confidentiality, pharmacists maintain confidentiality, doctors maintain confidentiality. The patients have informed consent to use the program. The only information that goes over is a deductible amount. That is what goes on the bill and that is what is paid by the person and deducted by Hydro and passed on to Pharmacare. No health information passes from Manitoba Hydro.

Operation Clean Sweep Officer Reduction

Mr. Kelvin Goertzen (Steinbach): Mr. Speaker, Operation Clean Sweep is an important project that has taken a dent and put a dent into crime. It has taken a bite out of organized crime in our province. We supported the program. There are 45 officers in the program, and yet this government went from 45 officers to two officers. They said that the funding was going to be in place. The Minister of Justice (Mr. Mackintosh) said the program would continue. He raised fines because of it and now, instead of 45 officers on the streets this summer on Operation Clean Sweep, there will be two. It is an open door to organized crime.

I want to ask this Minister of Justice: Why has he allowed this to happen? Why is he letting down the citizens of Winnipeg? Why is he letting gangs run free this summer, Mr. Speaker?

*(14:30)

Hon. Dave Chomiak (Acting Minister of Justice and Attorney General): Two points, Mr. Speaker. If the member opposite had not rung the bells for six weeks, we could have debated this sooner. Secondly, I wanted to point out, members opposite voted against putting that money in the budget. The members opposite voted against the City of Winnipeg, against the mayor of Winnipeg, against the City of Winnipeg police officers being put on the streets.

When they had a chance to vote on the budget that the member brought forward, they voted against it. They cannot say one thing now and vote against it,

Mr. Speaker. That is their legacy. I know the member is pleased that a camera is on this, but the fact remains when it came to voting they voted against the additional funding for the police officers in the city of Winnipeg and rural Manitoba. That record is there. I am happy to mail it out to any of his constituents and anybody they like.

Pharmacare Program Protection of Privacy

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, health privacy legislation is very, very strict.

I would like to ask the Minister of Health today: Does he have a legal opinion saying that what he is doing with Pharmacare and Hydro is actually legally acceptable within privacy legislation and will he table that legal opinion today?

Hon. Tim Sale (Minister of Health): Mr. Speaker, the member is confusing two different concepts. The provision of any information which is confidential by someone who is not authorized to provide it is a clear breach of privacy.

Informed consent is a concept that I would think that the member would understand as a nurse. So if you tell somebody what you need to do for a program and you ask them if that is okay with them and they sign a form saying it is okay, then that is informed consent. It has nothing to do with the privacy and the disclosure, inappropriately, of private information. I am sure as a nurse she can figure that out.

Mr. Speaker: Time for Oral Questions has expired.

MEMBERS' STATEMENTS

Manitoba Workers

Mr. Bidhu Jha (Radisson): I am pleased to inform all members that in a recent Statistics Canada report Manitoba scored the second-best labour productivity gain in Canada last year. Manitoba scored a productivity increase of 2.9 percent, which is second only to Alberta's 3 percent. Manitoba's 2.9 percent compares very favourably with the national productivity increase of 2.2 percent.

Mr. Speaker, productivity gains occur when growth in gross domestic products outpace the rise in hours of work. Productivity gains are one of the primary solutions to combat negative factors that are out of the hands of business owners and workers. High interest rates, the rising value of the Canadian

dollar and rising input costs are very negative factors for industries that are competing in the global market. Professor McCallum, an economist at the U of M, was quoted in the *Free Press* recently saying that if you grow productivity faster than other places you are well on your way to a higher standard of living than those other places.

Mr. Speaker, the most impressive gains in productivity were made in the manufacturing sector last year. This sector increased its productivity by 5.7 percent, while working 3.4 percent fewer hours nationwide. This shows Manitobans are working harder and smarter. Greater productivity is the key to competing with the neighbouring provinces and internationally. I am proud to see that Manitoba businesses and workers are not shying away from the challenge.

Mr. Speaker, while showing my support of CAW workers at New Flyer Industries during their recent strike, several workers expressed the pride they feel in producing high-quality products that are in high demand around the world and ensuring their company's success through hard work and co-operation. It is that resolve, that motivation shown by hardworking men and women of Manitoba which makes this a special place to live, work and do business.

Mr. Speaker, I salute and thank the labour force of Manitoba—

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

Crown Corporations

Mrs. Bonnie Mitchelson (River East): We have a government today, the new New Democrats, who are no strangers to sticking their hands in the pockets of all Crown corporations and raiding them. They cannot stand to see a Crown corporation with a bit of money in the bank without taking a look at that and saying, how can we get our hands on that money? Whether it is funnelling \$30 million from the Manitoba Public Insurance Corporation to fund universities or pilfering \$203 million from Manitoba Hydro to cover government expenses, this government cannot keep its hands off Crown corporations.

We only have to go back to looking at what defeated this government back in 1988, and that was when they kept Autopac insurance rates artificially low before an election, and then immediately after, in 1986, they raised those rates and Manitobans were outraged. Manitobans were outraged when, with a

stroke of a pen, around the Cabinet table, this government manipulated and used the profits from Crown corporations.

Mr. Speaker, we put some accountability in place by having Crown corporations go before the Public Utilities Board. What has this government done? They have introduced legislation to be able to raid Manitoba Hydro in the past. They have Bill 11 before us today in this Legislature which allows, again, ministers and the Premier (Mr. Doer), sitting around the Cabinet table, determining how much money they can raid from our Crown corporation Manitoba Hydro.

Mr. Speaker, again today, we see government looking to Manitoba Hydro to support and provide funding of programs for government. It is disgraceful.

Pancake Breakfast

Ms. Kerri Irvin-Ross (Fort Garry): Mr. Speaker, it was my great pleasure that I sponsored a pancake breakfast this past April 21 in my constituency of Fort Garry in partnership with the Fort Garry Senior Resource Council. This event, the second annual, was held at the Victoria Linden Community Club in the hopes of bringing seniors together to consult on issues of mutual concern.

After a great breakfast, prepared by the seniors themselves, the attendees broke into small groups to discuss the various activities, programs and services in which they are involved. The over 50 seniors in attendance provided many unique perspectives and offered many helpful suggestions on the resources offered in our community.

Community consultations such as these would not be possible except through the work of such organizations as the Fort Garry Senior Resource Council. With their goals of seniors' independence and well-being firmly in mind, they actively pursue the interests of seniors in the community at large. By working and linking up with all members of the community, the council has committed itself to being a strong advocate for the needs of seniors in Fort Garry.

Mr. Speaker, I would like to thank the Fort Garry Senior Resource Council for having helped organize this important event. I would also like to thank all the seniors who attended and provided vital information that is needed in order for seniors and their advocates to move forward in the right decision.

I would like to thank Age and Opportunity, the Fort Garry Senior Resource Council members and Deborah Lorteau, who is the seniors resource co-ordinator, for all their work. Community development exercises such as these are important for the simple reason that they build strong communities. Thank you, Mr. Speaker.

Manitoba Day

Mr. Kelvin Goertzen (Steinbach): As all honourable members of this House are aware, May 12 is a celebration of the 136th birthday of Manitoba. All across Manitoba, activities will be taking place in recognition of this very historic day. As Manitoba Day, it is a celebration of Manitoba's entry into Confederation. As a part of our shared history in the province, I am encouraged by the fact that there will be public festivals here at the Manitoba Legislature as well as around the province of Manitoba.

It is my understanding, as well, that many schools across the province are holding heritage fairs where students from Grades 4 to 9 create exhibits that showcase Manitoba's history. I am glad to see our young people getting involved in Manitoba's history, and I encourage this type of learning celebration of the 136th anniversary of Manitoba's entry into Confederation.

Mr. Speaker, often we forget how great of a province Manitoba is. We must take this opportunity to showcase all that our province has to offer and the great spirit of its residents. I would encourage all of my fellow members to take part in Manitoba Day festivities and show the rest of Canada that we are proud to be Manitobans.

Mr. Speaker, I want to mention for the House that this resolution was drafted by Jessica Duerksen, a Grade 12 student in the Steinbach Regional Secondary School, who is here today in the Legislature, in the gallery, job-shadowing as part of an assignment in school. I wish her well. She may some day want to run to be an elected member of the Legislature. I just hope that she gives me a few years and then I would welcome her to take my spot. Thank you very much.

WAU Group

Mr. Cris Aglugub (The Maples): Mr. Speaker, it gives me great pleasure to inform this House about an important celebration I had the honour of attending this past February.

This formal gathering celebrated the 30th anniversary of the arrival of the WAU group. That means people coming from Wehl, Amsterdam, and Ulft group in Winnipeg. The WAU group refers to one of the earliest waves of Filipino immigrants who came to Winnipeg. This group of 92 Filipino women originally immigrated to the Netherlands from the Philippines in order to work in the garment industry. This group was joined by many other Filipino immigrants in the Netherlands at the time. However, these women made a difficult decision once again, and, for the second time, uprooted their lives and moved from the various Dutch cities to Winnipeg.

* (14:40)

Settling here in 1975, the women quickly became active members of the Filipino community as well as Winnipeg's garment industry. With hard work and dedication, they forged a life for their families and relatives in a sometimes unforgiving world. Nevertheless, the lessons learned and the skill gained in those years showed themselves to be invaluable as members of the Filipino community became the accountants, nurses, teachers and business owners of today.

Mr. Speaker, I ask that all members join me in congratulating these women and this important milestone. Their trailblazing paths and brave daring opened the doors for a vibrant and thriving Filipino community in Winnipeg and have contributed to its continued success. They are the true builders of the province of Manitoba. Salamat po. Thank you.

GRIEVANCES

Mr. Speaker: Is the honourable Member for Inkster up on a grievance?

Mr. Kevin Lamoureux (Inkster): Yes.

Mr. Speaker: Okay, the honourable Member for Inkster, on a grievance.

Mr. Lamoureux: Mr. Speaker, I want to take this opportunity to highlight the fact that, as an MLA, one of the things that I take very responsibly is the idea of trying to provide ideas and constructive criticism of the government when it is needed. I thought I would use the opportunity of a grievance to actually talk about a few ideas that I believe the government should seriously look at.

We have introduced a number of private members' bills, Mr. Speaker, in which the government has the opportunity to, if not accept, take on in some other capacity and move forward. These are

ideas that I believe Manitobans as a whole would support, and I firmly believe that my constituents would support. These are the types of things that I think are important for us to deliver for our constituencies. I am going to make quick reference to a few of them.

One is the Bill 202, which is the Good Samaritan legislation. The Good Samaritan legislation, in essence, gives legal protection to a person who voluntarily and gratuitously gives emergency help to a victim at a scene of an accident or an emergency, Mr. Speaker. Other provinces have already done this, and this is something which we should be doing. After all, we have the best volunteers in the world, I would argue, and if someone wants to provide assistance for someone that has gone off into a ditch or some tragic accident occurs, it is good to encourage those people, those good Samaritans, to be acknowledged. They should not have to be worried about being sued because of something that they did in good faith. So I would suggest to the government that that is one example.

Bill 206 is a bill that I introduced earlier today, fetal alcohol spectrum of disorders, FASD. Mr. Speaker. This is a very important bill, and I do not understand why it is the government would not support a bill like this. Again, this is a bill that would do a lot. What we are asking for is that the government recognize the value of labels on alcohol containers in the same way in which we do in terms of cigarette packages. There are American states that have even moved in this direction.

The other part of the bill allows for signage in drinking establishments warning about the dangers of fetal alcohol syndromes. Mr. Speaker, the Province of Ontario has already done that. They call it Sandy's Law.

These are the types of things that could go a long way in education. Why is education so important? Because, when it comes to FASD, it is 100 percent preventable. All we have to do is put the emphasis on saying that, if you are pregnant, you should not be drinking in any capacity. That is the way in which we can ensure that this disorder is taken care of.

The cost of the government not acting on something as simple as this, Mr. Speaker, is immeasurable, because you are talking about the human size of it, plus there is also a dollar value that could be attached to it.

Why would the government not look at this as a very real piece of legislation that would make a difference? All they have to do is allow it to a vote.

Mr. Speaker, then I could talk about Bill 213. Bill 213, which is on the Order Paper, in essence, says that, look, if we can sell a bottle of beer for the same price no matter where a person lives in the province of Manitoba, why can we not do the same thing for milk? That is really what this bill is all about.

Mr. Speaker, how many health conditions are out there because our children are not drinking enough milk and they are drinking alternatives? No fault of their own. It is a message. It is a message that I think is important to send out and that is that we value the health and wellbeing of our children to the extent that we are going to say that there is value to having one price for milk no matter where it is that you live in the province of Manitoba.

Again, Mr. Speaker, if we can do it for a bottle of beer, why do we not do it for milk? Which one is more important to us as legislators, our children or our adults on this particular issue of beer drinking?

I would like to also suggest that we can go beyond private members' bills. The other day I had an opportunity to very briefly comment on the issue of final offer selection. I have a number of constituents of mine who I have had the opportunity to walk on the line, on the picket line with, on a strike line, and one of the concerns that they had raised was that no one wins when there is a strike situation. We talked about pensions, and we talked about final offer selection.

Mr. Speaker, I believe that we need to do more in terms of ensuring that there are adequate pensions out there in the private sector. A lot of that has to be done at the national level, but there are some things that we can be doing at the provincial level. Where we can, I would suggest that we should be acting.

Is there a way in which we can look at final offer selection as a piece, or as a tool, Mr. Speaker, in which both the employees and the employer could benefit from? I believe that there is an alternative that is worth our while in terms of exploring.

Well, Mr. Speaker, then I would also say about health care, people are concerned about the amount of money that we are throwing into the bureaucracy of health care, while at the same time we have a severe shortage of emergency doctors, while at the same time we have patients still in hallways of our

emergency sections and our facilities. Yet we just throw millions and millions and millions, tens-of-millions of dollars into health care bureaucracy. There is a need to look at that and to say that is just not good enough. Manitobans deserve better.

Mr. Speaker, I would have thought that a progressive government would have been more proactive at dealing with the types of issues that I am referring to. I see, in part, the role that I have inside this Chamber is to nudge the New Democrats, the New Democrats who are supposed to be more progressive into doing and taking actions that will make a real tangible difference in the province of Manitoba. I take that role very seriously.

* (14:50)

My challenge is that the members of the New Democratic Party that happen to have seats inside this Legislature, Mr. Speaker, start talking to more of their own members, because a lot of the ideas that I talk about are actually coming from members of the New Democratic Party. These are good, good ideas. I challenge the New Democrats to listen to what their members are saying. I would ultimately argue that a lot of these ideas that I just referred to cross all political party lines. You do not have to be a Liberal. You know, my leader and I are more than happy to share our ideas and see government take action in an appropriate fashion. It is interesting as regards the Good Samaritan legislation which was introduced by the Leader of the Liberal Party; a member of the government side saw it and said: You know, this is a good idea; I want to introduce a bill just like it. That is in essence what they have done.

Well, would it not be sad if neither one of those bills, in fact, passed, Mr. Speaker? I can tell you that it will not be because of the Liberals inside this House, because we recognize the value of the idea. We believe that this Bill 202, which happened to be introduced first, should ultimately be passed, but what would be sad is that if that bill along with other bills are not given the time of the day to allow to go to committee stage. Those bills that the government introduces at least get to go to committee stage.

Allow for a vote. Would that not be a nice thing to do? Allow for each bill to come to a vote, even the private members' bills. So if the government truly does not support a bill, then just vote against it, but sitting on the fence, I think, is the wrong way to go. I thank you, Mr. Speaker, for being able to put these few words on the record.

ORDERS OF THE DAY GOVERNMENT BUSINESS

House Business

Hon. Steve Ashton (Deputy Government House Leader): Mr. Speaker, first of all, I would like to ask that there is leave to interrupt the proceedings at four o'clock for the House resolving into the Committee of Supply.

Mr. Speaker: Order. It is time for Government Business. You do not need me for that. It is entirely up to the government.

Mr. Ashton: Okay, Mr. Speaker, I am also asking that, in addition to resolving into Committee of Supply at four o'clock, if you will canvass the House to see if there is agreement to change the Estimates sequence so that the Department of Family Services and Housing will be considered in Committee Room 255 and the Department of Conservation in the Chamber, with this change to apply permanently.

Mr. Speaker: Is there agreement to change the Estimates sequence so that the Department of Family Services and Housing will be considered in Room 255 and the Department of Conservation in the Chamber, with this change to apply permanently? Is there agreement? *[Agreed]*

Mr. Ashton: Mr. Speaker, up to four o'clock, I would ask if you could call the following motions for second reading: Bills 22, 36, 23, 21, and then the remaining bills in order.

DEBATE ON SECOND READINGS

Bill 22—The Elections Reform Act

Mr. Speaker: Resume debate on Bill 22, The Elections Reform Act, standing in the name of the honourable Member for Pembina (Mr. Dyck).

Is it the will of the House for the bill to remain standing in the name of the honourable Member for Pembina? *[Agreed]*

Any speakers? Okay, the bill will remain standing in the name of the honourable Member for Pembina.

Bill 36—The Youth Drug Stabilization (Support for Parents) Act

Mr. Speaker: Bill 36, The Youth Drug Stabilization (Support for Parents) Act, standing in the name of the honourable Member for River Heights, who has 12 minutes remaining.

Hon. Jon Gerrard (River Heights): Mr. Speaker, I continue my remarks on Bill 36. I wish at this time to talk about one of the areas where I have some very considerable concern. This is a section of the bill, let us put it this way, there is a part of the bill which deals with protection from liability. This is protecting the minister or addictions specialist or various other individuals from liability unless the person is acting in bad faith.

Now the concern I have is this: That this protects a minister who has done something which would be grossly incompetent. Because if a minister does something that is grossly incompetent, but does it without bad faith, then the minister would be protected from liability from her or his gross incompetence. I think this is hardly a good precedent to set. If there, indeed, is gross incompetence, then there should be the provision that the minister or other individuals, there should be the possibility of them being held liable and accountable for their actions.

This really is what accountability is about and that is the view that we have. Clearly, on the other side of this Legislature, on the government side, they are of the view that they want to protect their ministers even in situations where a minister or somebody else was grossly incompetent.

Now, we have seen, sadly, some experiences on this side of the House where ministers acted, probably in good faith, but rather incompetently. We do not believe that incompetence, particularly gross incompetence, should be tolerated. In fact, there needs to be some mechanism for accountability. If there is a minister or somebody else, an addictions specialist, you would protect an addictions specialist from gross incompetence in the practice of his or her specialty. I do not think this is a good idea.

We have various mechanisms that can hold people to account, but this legislation would protect people who have stature, like ministers, addictions specialists even when they are grossly incompetent. I would suggest, Mr. Speaker, that there has to be an accountability where there is gross incompetence. Clearly, one should have a situation where their liability is there or protection from liability, but it does not apply, not only when somebody is acting in bad faith, but it does not apply, that protection, where there is gross incompetence on the part of the individuals.

I would suggest to you that there is one other instance where there should not be protection from

liability. That is where there is gross negligence in the conduct of the duty, whether it is the minister, an addictions counsellor, co-ordinator, reviewing officer or any other person acting under the authority of this act. We need, at the minimum, to insert here a mechanism for proper accountability, rather than inserting in this legislation a mechanism to avoid accountability. This is really quite fundamental.

Indeed, it will actually raise some troubling issues here. Suppose you have an addictions counsellor who is a physician, will they be protected from liability in the court for medical malpractice if it was medical malpractice which was carried out in the course of carrying out the duties of this bill? Would the same thing apply to a nurse who did something that was grossly incompetent? Which legislation will have precedence, this legislation, or the legislation guiding the College of Physicians and Surgeons or the College of Registered Nurses of Manitoba?

* (15:00)

This legislation, as it is written, is quite troubling in that it is designed clearly to protect the government from normal processes of accountability.

I believe that there are a few other issues I would like to bring up. I cannot understand why the minister would wait to fix the date later on when this is going to be proclaimed. Should this not become law immediately when it is passed? Surely, this is of urgent and significant enough nature, importance for children, that it should become law right away when it is passed. If, in this legislation, we are dealing with prescribing conditions—those may be staffing, those may be questions about cultural appropriateness. We do not know what the minister is intending here. Will facilities be culturally appropriate for the children of whatever background, ethnic background? This is quite important. Is this a law of general application or will this law, in fact, only apply in part of Manitoba? We clearly need some clarification on these significant points from the minister.

That being said, we see that this bill, if it can be amended to be improved and make some of these changes which are clearly essential to have workable legislation, that this is a desirable approach; it is a good intention. It is based on a fundamental good thing to do, but it does need some work, I suggest, with some amendments.

Every community, or perhaps almost every community, in our province is affected by drugs. This is not a problem which is limited to

underprivileged children or children who have only one parent. Having a child who is addicted to drugs does not mean that the parent necessarily did a bad job raising the child. Circumstances may intervene or problems or issues—things may come up. The reality is that drugs are, in fact, all too prevalent in many of our schools and in our communities, and sometimes good children make bad choices. Drugs are not forgiving, and crystal meth and other drugs are very addictive and dangerous.

So, we as adults, parents and legislators have a responsibility to help these children and to help the parents and the families. A healthy society needs to be one in which citizens are encouraged to accept responsibility. There are opportunities for citizens, for young people who have gone astray, have got into trouble, to recuperate and to get back their life and to start again.

Bill 36 is important because it will give some power back to the parents under very difficult circumstance—power for the parents to make decisions in the best interests of their children whose judgment may be clouded by the circumstances of the moment and the disease of addiction.

Bill 36 ensures that the young person has a second chance, and it also allows for the family to be involved in providing or helping to give that second chance; this is good. Under the present time, the only way to force a person into drug rehabilitation may sometimes be by sentencing them and as a part of their punishment for being convicted of committing a crime, to make sure that they undertake a treatment of some form. But Bill 36 will provide an alternative, a positive alternative so that a child can be forced to take rehabilitation before they have committed a crime, before it is too late.

So this concept is a good one. It has been adopted in a number of states, and we certainly are supportive of the general concept.

Children who are abusing drugs are causing serious harm to themselves, but they are often causing serious harm to other members of society and to members of their own families, great difficulties. So it is important that we have this legislation which we are in supportive of. We have argued, and I have argued for a number of amendments which, I believe, will improve the quality of this legislation. Certainly, let us move forward together and get this bill to committee so that it can be looked at carefully and have other

expert testimony that we can make some changes to improve it. Then we can move on and have it implemented as soon as possible to protect children who have gotten involved with drugs before they end up committing crimes.

Certainly, Mr. Speaker, that is our hope and that would be our intent in supporting this bill. We are less concerned about where the bill came from, but more concerned about getting it passed and getting the best possible piece of legislation passed for the benefit of young people in Manitoba.

Mr. Cliff Cullen (Turtle Mountain): I certainly welcome the opportunity to make a few comments in regard to Bill 36.

We on this side do feel that it is a very important piece of legislation. I think the Member for River Heights (Mr. Gerrard) really touched on the heart of where this bill is coming from. I think we all, as Manitobans, have an onus to protect our children and to protect society as a whole.

I certainly thank the Member for Steinbach (Mr. Goertzen) for all the work he has done over the last year or so in terms of bringing this very important initiative forward. He has certainly taken a lot of time to travel to the United States to become aware of the situation and some of the up-and-coming drugs that we now have in Manitoba.

Mr. Conrad Santos, Deputy Speaker, in the Chair

We recognize that it is not just an issue in Manitoba, but it is an issue across Canada and, also, of course, in the United States. I think we are starting to realize that as people move back and forth, from province to province, from country to country, that we were impacted quite substantially by the changes in society. I guess when I was younger, the big drug of the day was marijuana, and it is something that we dealt with as a younger generation. It was the alcohol and marijuana issues that we dealt with.

As things moved on, it seemed in our society that we are facing more serious forms of drug problems. We talk about cocaine and some of those types of products that seem to be coming more and more prevalent. Obviously, Mr. Deputy Speaker, we are seeing now that crystal meth seems to be the drug of choice out in the communities. We are also finding some very, very serious health implications with crystal meth. We know that it is a serious matter in terms of people who are going out to actually produce the product to eventually sell to children.

There are certainly a number of health issues associated with the manufacturing of that particular drug. What we are finding is people can find that they have a lot of opportunities to make money from that particular drug. So what they are doing is they are going out and they are acquiring, or they are stealing products, and there are a number of different products that go into the manufacture of that particular drug, crystal meth. So we are really finding that the whole industry is impacting society in a very adverse way.

As a volunteer firefighter, I remember attending a course a couple of years ago. The course was put on by the Office of the Fire Commissioner, which, ultimately, is responsible for training firefighters and some emergency services personnel throughout the province.

* (15:10)

Quite frankly, Mr. Deputy Speaker, it was a real eye-opener a number of years ago when they brought forward the idea of crystal meth, and, in fact, the idea of these clandestine labs that were appearing throughout the United States, and, in fact, appearing in Manitoba. So it was certainly a real eye-opener for us in rural Manitoba who really had not been exposed to this particular product. It was certainly interesting to see the extent that these, I will call them drug manufacturers or drug dealers, were going to in terms of putting together this particular product for resale.

Now, clearly, the other issue that is very important here is we now recognize that when kids or adults are using crystal meth, the scary principle behind crystal meth is that it can become so very addictive. That, Mr. Deputy Speaker, is what makes crystal meth more of an important issue than maybe some of the other drugs that we did not think were quite as addictive. So I think it is very important that we have some type of programs in place that allow youth and, in fact, all Manitobans to deal with these very significant drugs as they come forward. We know that more and more drugs will become available, different kinds of drugs, and again the intent of these dealers is to get kids and youth hooked on a particular product. We know from there it just snowballs throughout society and it leads us into a real issue, in terms of not just addictions but also in the crime side of things. That is really where we are coming at in terms of a society.

So we have to be responsible as legislators to bring forward options, treatment options, for all Manitobans who may be hooked in terms of addictions, and I think we should make sure that there are resources available for all Manitobans. I think it is very important that we acknowledge there are different types of addictions there, whether it be alcohol or drug addictions, and that we should have those resources available for Manitobans, whether it be treatment facilities or whether it be actual people and personnel that are on the ground to address individuals who have encountered problems with these particular products.

I think that is part of the problem with this bill going ahead; we are not sure if we are going to have the resources there in place to actually do what we want to do in the context of this bill. So I think it is very important that we make sure the resources are there. I certainly am a proponent that we have an education program in place for all Manitobans, for our youth, in particular, a program that should be developed through the school system so that our youth are aware of the addictions that could come forward, in terms of not only alcohol but all of these other various drugs they may be exposed to over the course of time. So I think the education part of programming should be there. I think it is something that should be provided to all youth of Manitoba through the school system. I think that is very important, and I hope the Minister of Healthy Living (Ms. Oswald) will certainly take steps to address those resources that I think are very, very paramount.

I guess in conjunction with the addiction side of things, we also have the mental health issues that come along with that. I think it is important that we have the resources to deal with those mental health issues. A lot of times people suffering mental health will also turn to drugs or alcohol to deal with some of their mental health issues. So, again, I think it is important that we have the resources, the personnel there, to educate the youth, to address the youth, when they have these issues, when they bring them forward. So I think that is a very important part of the education scenario.

Mr. Deputy Speaker, we certainly support this legislation going forward. We, too, look forward to seeing it move on to committee. I am hoping we will have people in the know, in terms of dealing with these particular addictions, come forward so that we can get some insight to make sure that we are not

missing anything in terms of this legislation. I guess it really comes back to the resource side of things.

I know we talked today in the House about Operation Clean Sweep. The government appears to be locking in the resources to administer that particular program. We certainly hope, Mr. Deputy Speaker, that the province will look to get the resources in place to deal with addictions in Manitoba, and in particular this particular program that is being addressed in Bill 36.

I am hopeful that we can address a lot of these situations before we get to the situation that is dealt with in Bill 36, but, Mr. Deputy Speaker, if we cannot deal with it at the time, we know there will be the worst-case situations where parents will have to come forward and, granted, this is a last-ditch effort, but we certainly have to have a program in place. I understand other provinces are moving forward on this. They, too, are addressing, or trying to address, their resource issues that are associated with this particular bill, but it is certainly very important for all Manitobans.

I know the Member for River Heights (Mr. Gerrard) touched a very important aspect, too. It is not just a city issue; it is an issue that is a problem all throughout Manitoba. So, that, of course, will add to the resources that are needed to address the people in rural and northern Manitoba. So we hope the government will go forward in terms of addressing those particular situations as well.

So, just in closing, Mr. Deputy Speaker, we certainly are in favour of this particular legislation going forward, and we look forward to moving it into committee and to the hope that it will not be used very often, but with the hope that it will be successful in the long term to address some of those hard cases that we know will come forward.

So I thank you for the opportunity to put a few words on the record, Mr. Deputy Speaker.

House Business

Mr. Kelvin Goertzen (Official Opposition House Leader): On House business, Mr. Deputy Speaker.

Mr. Deputy Speaker: On House business.

Mr. Goertzen: Mr. Deputy Speaker, in accordance with Rule 31(9), I would like to announce that the private member's resolution that will be considered next Thursday morning is the resolution on Manitoba roads sponsored by the honourable Member for Arthur-Virden (Mr. Maguire).

Mr. Deputy Speaker: Thank you very much.

* * *

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

An Honourable Member: No.

Mr. Deputy Speaker: Who wants to speak?

An Honourable Member: Bill 36.

Mr. Deputy Speaker: Bill 36.

Mr. Peter Dyck (Pembina): The Minister of Health (Mr. Sale) is chirping whether we support the bill or not. Absolutely, we support the bill. But I do want to put a few comments on the record.

I want to thank the MLA for Steinbach, first of all, for instigating and illustrating to the House here the concern regarding crystal meth. I also want to thank him for coming into our community and meeting with church groups and youth groups, people who had parents who are very concerned regarding the introduction of crystal meth into the community. Any MLA here who would say that they do not have this problem within their communities would be simply hiding their head in the sand. And I know that everyone realizes that this is very important.

Mr. Deputy Speaker, the point I want to make was that the meeting that we had, that I helped organize within our community regarding crystal meth, there were some heart-wrenching experiences that were brought forward, and not by adults or parents, but by those who had been taken in by this drug. I will just give the very short version of a story of a young gal who was 14 years old. She had been lured into someone's vehicle and promised a great life and, to make a long story short, had gotten onto crystal meth. At the meeting that we were at, in January, she was telling us of the little child that she had and, of course, this was all with the promises, but was brought forward by the point that, you know, there was a great life out there for her. This was under the influence of crystal meth.

So we know that there are some heart-wrenching experiences out there of people who have succumbed to this drug. Again, it comes in various forms. I know that at that time the Member for Steinbach illustrated, from the experience that he had of going through to the U.S., to Minneapolis, some of the seminars that he had been at. But it comes in so many different forms, and there was another young

gal who got up and, again, talked about her experience of how she was struggling with weight. Someone had convinced her that this was a perfect pill to take for weight loss, and how she had become addicted, had to go to an addiction centre. This, of course, is where the problem was, that we do not have centres within the province here. She had to go to B.C. in order to get treatment.

* (15:20)

These are ongoing concerns, and I know that everyone in this Chamber here would be able to tell of the experiences and the stories that they have heard. So, again, I want to encourage the government to move forward on this. I think this is a good bill. We need to give assistance to our young people.

It is not only young people, there are others who are addicted as well, but certainly it is the young people who are caught into these kinds of traps. They are lured into them, and we need to be there to give them the information that they need so desperately.

So, Mr. Deputy Speaker, I guess in conclusion what I want to indicate was I was at a firefighters volunteer banquet last night, and they gave out a number of awards. I just want to indicate here that the gentleman who has been on the force for 40 years was recognized. His name is Ike Dyck. Now, he is no relative of mine, but a good man. He had—

An Honourable Member: He must be a relative then.

Mr. Dyck: Well, the Member for Inkster (Mr. Lamoureux) indicates he must be a relative then. That is fine, I will take that as credit as well, but he has served the force for 40 years. Non-stop. They did a tabulation of the number of hours that he had put in, and it worked out to he would have been working full time for four years.

So that is on a volunteer basis, and he got up and he sort of cheered them on by indicating that, if at least they would have paid for his gasoline, and then he started laughing. He said, no, he had not expected that there would be any monetary returns for that. The point I wanted to make here was that they recognized a number of the volunteer firefighters who had spent time this past winter on their own. They did this on their own.

They went to educational seminars and they were talking about crystal meth. So this is a part of their responsibility. When they meet with situations, trauma situations, they need to be ready for

everything, but they also need to be able to deal with the drugs that are out there and need to know how to identify the problems that are associated with it.

So, Mr. Deputy Speaker, with those few words I again want to just encourage the government to move forward with this bill. Let us get it in place. Let us help these people who need it so desperately. Thank you.

Mr. Kevin Lamoureux (Inkster): Mr. Deputy Speaker, I do have quite a bit I would like to be able to say about Bill 36. First and foremost, we acknowledge the principle of the bill is quite positive and we do want to be able to see this bill go into committee where hopefully, as the member who spoke prior to me indicated, that we will get some others that will come forward and possibly bring in some insights that could even cause the minister to make some amendments because, as the leader of my party has indicated, there are a number of concerns.

I noted that she was paying very close attention to what it is that he was saying. So, hopefully, maybe there will be some communication or some discussion in regards to what possible amendments might be on the horizon that would even give more strength to the bill, and I think that all members of the Chamber would like to see that.

Mr. Speaker in the Chair

In fact, I listened to the Member for Steinbach (Mr. Goertzen), who, I know, has been following this issue for a considerable amount of time, even before it was possibly even popular to talk about the issue, and he seemed to indicate that the Conservatives are going to be supportive of the bill. In principle, this is a bill in which we, too, in the Liberal Party also support.

So I do not believe that the minister is going to have a problem in terms of getting it through. The only question that is going to be out there is going to be, are there going to be any amendments. Are there some things that we can do that will make it a better piece of legislation?

Mr. Speaker, I wanted to take a bit of a different angle. I want to talk, maybe cite a couple of examples and also then talk about crystal meth. Hopefully, I will have enough time to do both.

First, to talk about examples. You know I am glad the Member for Southdale (Mr. Reimer) is here, because the Member for Southdale might be able to relate to some of the things I am going to talk about.

I know the Member for Burrows (Mr. Martindale) would definitely be able to relate to some of the things I am going to talk about. My first example is all about Gilbert Park.

Mr. Speaker, this bill is, in essence, an empowerment. It allows for more intervention on a young person's behalf. Of course, what we are talking about is after the fact, after the individual has been addicted to the deadly crystal meth. I would suggest to you that we need to be more proactive on the other front. I am very much concerned because I still have individuals from the Gilbert Park area that do make contact with me and my office, and it was not that long ago in which the individual here had said to me that they are concerned about the amount of drugs that are located in Gilbert Park. I had an opportunity to talk to a couple of people in regard to that, even some of the staff, individuals that work on site over at Gilbert Park. There is a genuine concern.

I want to talk a little about philosophy of dealing with issues of this nature, Mr. Speaker. When I was first elected back in 1988, one of the first things that was brought to my attention was broken glass, windows that were boarded up, the condition of life out in the Gilbert Park complex. In fact, I believe it was Robert Chartrand, at the time, was the one that had given me a call and said: You know, Kevin, we really need to do something about this; this is really serious. We thought, well, whatever I can do, I am more than happy to do.

They had a press conference. I participated in the press conference to try to heighten the issue. A lot of the concerns that were raised then were dealing with transients, individuals coming and leaving, the abuse of drugs. At the time, they did not have crystal meth nowhere near to the same degree that they have today. It was virtually non-existent at that point. At least, I could not recall anyone talking about crystal meth back in 1988. But there were still drug problems that were there.

It was a fairly well-attended press conference. There were a number of news stories that followed the press conference, Mr. Speaker. I believe, actually, the Member for Burrows (Mr. Martindale), I am not sure if it was at that exact time or it was shortly thereafter, he actually got involved in a non-profit housing association. So he was very much aware of the important issue of housing. What we saw was this very serious issue of an area of our wonderful city that was in need of some sort of intervention. By making the determination that we had to do

something, that we needed to get involved, we believe that it ultimately led to less drugs being inside Gilbert Park, fewer youth taking drugs. That meant, at the end of the day, I believe, a healthier lifestyle for those individuals that were living in Gilbert Park.

So I will go along to the example. One of the things that we did is we said, well, look, the current system does not work, where you have tenants not being involved in what was happening around the complex itself. To the credit of the government of the day, as opposed to not only receiving criticism, they decided that they would work in co-operation with a group of individuals that were there and myself to try to make a difference. What we ended up doing is we, over time, moved toward a tenant-management type of model for the Gilbert Park residents. You know, it was interesting, you started to see more flowers appearing. The boards on the windows started to disappear. For me, what was really important is that we got things like the recreational facility. This recreational facility provided opportunities for the young people to participate in, as opposed to taking drugs, Mr. Speaker, or looking or creating other alternatives, better peer management, if I can use that.

*(15:30)

It started to turn around, in good part, in Gilbert Park. Over the years, all the way up to about 1999, there was a move that ultimately saw significant changes, and those changes had a positive impact on the entire complex. I want to emphasize that because the types of complaints I am receiving today, in regard to drug abuse, have gone up significantly since 1999. So what we have is we have a bill that talks about dealing with the consequences of individuals who get addicted. There is another way of looking at it. Yes, it is important that we have legislation of this nature that will help those who are addicted, but government also has to play a role in prevention.

So, if you take a look at that particular initiative and you look at the positives, then you see what happened in the last few years and you draw the comparison. What is the difference? Well, there was a change in policy and over the last few years, once again, you have seen the residents being treated more like tenants as opposed to residents. You have seen more bureaucracy move in and you have seen some boards starting to reappear. But, most importantly, and the reason why I use this example, is that you

have a higher number of incidents related to gang activities.

Mr. Speaker, where you see gang activities today, you see the abuse of crack or ice or the multitude of names that have been given to this scary drug because it is so very, very serious in terms of addictions. Once you are on it, boy, it is difficult to get off it. We have a very serious problem in the province today because we were negligent in not recognizing this drug coming to our province; as a result, we did not have the types of programs that were necessary, particularly educational programs.

In certain areas we have actually moved backwards on the social scale. That causes great concern on my part because I believe, ultimately, that this is a community issue that we need to bring the issue into our communities. If we are prepared to do that, I believe we will have a higher rate of success. We need to support our communities, support the parents and so forth, because I will tell you, even though crack has an impact on all, no matter what the social implications of an individual might find themselves in, or economic strata in life, it affects us all.

But there are certain areas in which, I believe, that we really have dropped the ball in terms of not being able to address this issue. The gangs and the individuals who are being recruited in gangs and so forth, highlights that particular point. We are losing the battle. We are getting more and more young people who are getting roped into this. I see it, as I know you do yourself, Mr. Speaker, someone that is in your constituency. It is an issue that has to be addressed and I believe there are ways in which we can do it.

That is why I used the example of Gilbert Park, because had Gilbert Park continued on through tenant management and been encouraged to do so, who knows what it might be today. It could, in fact, be a housing co-op as opposed to what it is today. Under a housing co-op, you would have had far more participation, more control. I believe there would have been more flowers in Gilbert Park. There would not be nowhere near as many transients; there definitely would not be nowhere near as many drugs. I am absolutely, totally convinced that would, in fact, be the case today.

So, Mr. Speaker, when we look at a bill of this nature, you have to look at, well, what could we have done to prevent individuals, our young people from having the need to be apprehended, right. That is the example of Gilbert Park. The other example I want

to give is that it is wonderful to have a bill, and you pass the bill, and you say, well, look, the resources are out there. That is the assumption. You know, you pass a bill, you develop a program and no problem. You know it is going to be out there.

Well, Mr. Speaker, I would like to give a personal story of an individual whom I have known for a number of years now. Because it deals with young people, I am not going to talk about the names, but I would like to convey what I believe is a story that is repeated time and time again. In this particular case, this young girl was very fortunate that the care that she had was a very strong advocate because had it not been for, I believe, the parents in this case, this young lady would likely be on the streets today, and who knows taking what kind of drugs. I suspect that it would have been not only crystal meth, it would have been a lot of different types of drugs, not to mention in terms of the quality of life that she would be enduring. But, suffice to say, the parents are the reason why this youth actually has an opportunity, and this child, by the way, happens to be an adopted child.

Now, if I talk about this one, it is to say that here is a youth, through a school, an older neighbourhood school, that got somewhat caught up with some of the enticements. I believe it was the Member for Pembina (Mr. Dyck) who made reference to a young girl who was lured into a vehicle. Well, this young lady was lured into, you know, they say the pasture is greener on the other side of the fence type of thing, that mentality, and she was, in fact, seduced by an individual who had drugs, amongst other things, that were offered to this young lady. I believe she was either 13 or 14 and she bought into it.

The enticements ultimately lured her away and, in fact, Mr. Speaker, there are situations where this young lady would disappear. It is sad to see that when they wanted to get help, that help really was not there. This is not a reflection on our civil service or the bureaucrats. Because of the caseloads that they have to work under and the many different variables that are out there, I would not want any one of those individuals who were affected or who tried to help think that this is a slight on them, my comments, because it is about resources. It is about the communities in which these children are, in fact, being brought up.

Here is a situation in which, ultimately, the person ends up in Marymount and, ultimately, is released from Marymount. I will argue—because I

am not going into too much more detail on this, but I am going to go back to the Marymound situation, Mr. Speaker—this individual child today has, my best guess is probably an 80 percent chance or higher, in terms of being able to get back onto the right track. The reason for that is because she comes from what I would classify as a fully functional, loving family.

I believe, when I look at this bill, what we are doing is we are empowering parents, and when we talk about the empowerment of parents, more often than not, what we are really talking about is for those who really have those functional type of families. I have sat on a justice committee and still do, and I can tell you one of the biggest frustrations that I have had over the years is trying to help young people, whether it is on a justice committee or on a kids' club that I am involved with in our local church. You have individuals within communities who have a love and passion for our children. We have this one individual, Marilyn Wedlake who has a passion for children, and for a number of years, she has done her best to try to provide a loving atmosphere for many children who, I would ultimately argue, come from dysfunctional families.

* (15:40)

So what this bill does, Mr. Speaker, at least in good part, is it ensures that a parent who comes from, let us say, a relatively functional family has an opportunity here. But I will tell you the ones who are really falling through the cracks are, in fact, the dysfunctional families. It is the dysfunctional families that have children who are falling through the cracks in a very severe way, and when I talk about a serious problem, these are the children whom I want to speak out for because I believe that these are the ones who need to have voices. Their voices need to be heard inside this Legislature; it needs to be heard in Ottawa, at City Council. All levels of governments need to become more proactive.

Now, I say that because I believe the government does at times need to spend more money in certain areas, and one of those areas I truly believe that they need to spend money on—and you will not hear me say this too often, Mr. Speaker; I am going to be very, very specific—they need to spend more money on facilities like the Marymound centre. Let me tell you why: Individuals who end up going to the Marymound are individuals, young women, who have fallen on significant hardships, most of which is not because of them as individuals. It is because of the environment in which maybe they were brought

up on, from one foster parent to another foster parent, different types of care, being in hotel rooms, being, you know, the kid who sits in the classroom who has not been fed because mom or dad, or if they were fortunate enough to have a mom and dad, a parent, or even quite often it is a grandparent, has not provided any food for them. So they are inside the classroom.

We are talking about individuals who have been subjected to issues like fetal alcohol syndrome. Twice, earlier today, I had the opportunity to talk about that. You know, how many of those children—and they are children, Mr. Speaker, at 12-, 13-, 14-year-olds who are going through Marymound—have experienced hard times as they have grown up? They have not had the opportunity to be able to excel like the average child in our province?

So what happens, quite often, is that a child after they have gone through extremes, and you know we hear about extreme this, extreme that, extreme this in terms of sport analogies and all sorts of other things. Well, these are extreme situations in which these children have gone through, and once they have hit to a certain extreme where there is absolutely nothing else, and then they are thrown into the system saying that someone has to deal with it, because there are even some people who when they hit that extreme still continue to fall, but even those individuals then that get recognized will then somehow more often—well, not as often as it should, but will quite often end up into an institution like Marymound.

So what happens? Well, we will go to Marymound and after being in Marymound for a relatively short period of time, they are then forced to leave Marymound, and after the counsellors and the volunteers and those individuals who have demonstrated love and discipline and opportunities and have been able to get them on the right track, they are forced to leave. Why? Because there are more who have to be brought in at the other end. Well, you think about it. When they are forced to leave where are they leaving to? More often than not they are put into an environment, the very same environment that led them to Marymound in the first place.

So it is a vicious circle. What chance are you giving, you know, a 14-year-old or a 15-year-old to put him back into a group home or a foster home in which once they are outside of that home, quite often they are amongst individuals who hook them into

this situation. It is only a question of time before they are back into gangs, taking drugs, taking crystal meth, doing prostitution and all those other social problems. Marymound did a wonderful job, but what happens after Marymound?

So, when I read this legislation, Mr. Speaker, and I will go right from the explanatory notes, because that is the essence of the legislation. It states: "This Bill helps parents deal with a child who has a serious drug problem. They can apply to have a young person taken to a safe and secure facility for up to seven days, where his or her condition will be assessed and stabilized, and a plan for treating the drug abuse will be developed."

Mr. Speaker, can you see the analogy in this? In the Marymound, I think that it is very striking, so it is wonderful to have legislation. You know, it is wonderful to have legislation, but if you are not prepared to do the things that are necessary, you are setting up a false expectation, a false expectation that we know will never be lived up to because I will cite the Marymounds. I will talk about the children who are falling through the cracks.

There is no doubt, even if the government does follow through on the legislation and provide some resources for it, there is a very limited number of spots. To what degree is that going to help the young prostitute who is hooked on crack that is walking along Selkirk Avenue, or Ellice or Sargent? To what degree is this legislation going to really help those individuals?

I would suggest to you that the government needs to be far, far more proactive. The way in which you can be proactive is six years ago, they could have brought in things like labels for FASD. That is something that could have made a difference, and education, Mr. Speaker. How many of these young ladies have FASD? Does the government have any idea? No, because, as the Leader of the Liberal Party has pointed out, they do not even track it anymore. So these are the types of things in which you do not have to spend all of the resources strictly on the after-results of negligence of not doing what you should have done years before.

So it is nice that we see legislation like this come today. I applaud the minister in terms of bringing it forward, but you know, there is more to it than just this type of legislation. Mr. Speaker, would it not be wonderful if the FASD private member's bill passed at the same time as this legislation, because then what you are doing, if you allowed that bill to pass,

you are dealing with the issue at the same time. You are dealing with it in two different ways.

So here we have the Liberal Party, who recognizes a good idea in principle, supports it and wants to even provide amendments for the minister. What is the government's response going to be to a private member's initiative? Which one is going to be more effective? I will argue, Mr. Speaker, that the—

An Honourable Member: Louder, Kelvin.

Mr. Lamoureux: No, I am Kevin. Kelvin is over there.

Mr. Speaker, I would argue that the opposition parties, in particular, the Liberal Party, are being very responsible with this minister's bill. I wonder how responsible she is going to be on the fetal alcohol syndrome bill. Will she even speak to it? Will she even allow that bill to go to committee where it too can be heard? Or is this all about getting votes and nothing more than getting votes?

Is it all about propaganda and nothing more than a government that wants to get propaganda, and at whose expense? At the expense of the children of our province, and if that is the case, I say shame to this minister. I say shame to this government, if that is the case.

If that is not the case, I will apologize to the minister. I will apologize to the Premier (Mr. Doer). The proof is in the pudding. Let us see what happens to fetal alcohol syndrome bill, Mr. Speaker. Let us see the government have the courage to support a good idea, as the Liberals are supporting this idea.

* (15:50)

I will tell you something. The cost to the bill that we are proposing is nothing. It does not cost the taxpayers any money. The cost for this is significant and it is worth it. Hopefully, it is going to be done in such a way that it is going to have a real impact. Well, I will tell the Minister of Healthy Living (Ms. Oswald) that both bills could contribute immensely. The question is, will she allow both bills to be recognized for the value and recognize it is very good for our children?

Mr. Speaker, you know, I am afraid that I have not even been able to talk about the crystal meth, as a drug. I am told that I only have two minutes. So maybe what I will do, because I did a considerable amount of research, and I want to highlight just some of the things specifically that I pulled from the Net. So I am going to quote from *The Fifth Estate*, and it

is only because I am running out of time. Be aware, *The Fifth Estate*, and you can check on it, I am quoting right from their Web site, crystal meth is easy to produce in small clandestine labs set up anywhere from homes to hotel rooms by mixing cocktails of about 15 chemicals. The main ingredient is nothing more than a cold remedy. It is cooked with chemicals commonly found in the hardware store such as—and then it lists off a number of things. Police say an investment of about \$150 can yield up to \$10,000 worth of the drug.

You know, these are the types of things that we need to be aware of, that it is commonly sold on the street and cooked in clandestine labs. Crystal meth is a vile and poisonous drug, extremely popular in Canada. This comes from another Web site, Mr. Speaker. Severe side effects are associated with crystal meth: behavioural effects, cognitive effects, physical effects. You know, these are phenomenal issues as a direct result of that brutal drug. We need to be more assertive at dealing with it. We need to empower our police officers, give them the authority, give them the tools that are going to be able to hit the streets in a very real way. We need to get rid of crystal meth. We need an educational program.

You know, it was encouraging to see the video on crystal meth. There are things we can do. Let us do them. I look forward to the minister's support of the Liberal bill. Thank you.

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

Some Honourable Members: Question.

Mr. Speaker: The question before the House is second reading Bill 36, The Youth Drug Stabilization (Support for Parents) Act.

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

SECOND READINGS

Bill 23—The Safer Communities and Neighbourhoods Amendment Act

Hon. Dave Chomiak (Acting Minister of Justice and Attorney General): Mr. Speaker, I move, seconded by the Minister of Agriculture (Ms. Wowchuk), that Bill 23, The Safer Communities and Neighbourhoods Amendment Act; Loi modifiant la Loi visant à accroître la sécurité des collectivités et des quartiers, be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Chomiak: Mr. Speaker, I will deal very quickly with this bill, although I would like to discuss it in depth. There are a number of measures. Having had the seven-week delay of this House we are very anxious to continue on with the business of this House.

This bill fulfils the government's Throne Speech commitment to strengthen The Safer Communities and Neighbourhoods Act to apply to the use of property for a broader range of disruptive activities engaged in by criminal organizations, gangs and others. It is cutting-edge legislation that empowers citizens to take back control of communities that have been subjected to disruptive activities occurring on local properties. The act empowers law-abiding citizens to take an active role in their community well-being in a safe and effective manner. It is a tool whereby Manitobans can combat organized crime by having experienced teams investigate complaints received by concerned citizens. The act targets properties that adversely affect the safety and security of neighbourhoods by their habitual use for prostitution and related activities, the possession, sale and/or use of drugs, sale of liquor without a licence, the use or sale of intoxicating substances and the possession, use or sale of non-potable intoxicants.

The safer communities act makes property owners accountable for specific activities that occur on their property and that continually threaten the safety and security of Manitoba neighbourhoods. An order can be issued to the landlord requiring them to remove a tenant believed to be engaged in activities that are deemed a threat to the safety and security of the community.

Manitoba was the first province in Canada to pass legislation of this kind. Saskatchewan has now passed similar legislation, while Nova Scotia is debating, and Yukon is planning to introduce one. We are continuing to break new ground with these amendments and are leaders in the country when it comes to empowering citizens to ensure the safety and security of the neighbourhoods, Mr. Speaker.

Main provisions of the bill include shutting down property use to grower-produced illegal products. The existing SCNA permits the director responsible for the specific action to halt situations where a neighbourhood is being harmed by a habitual use of a building or land for the possession, use, consumption, sale, transfer, exchange of illegal drugs. The emergence of the use of poppy for

marijuana-grow operations and to produce synthetic drugs has highlighted the need to take action to protect neighbourhoods where the property is being used to grow or otherwise manufacture illegal drugs. Amendments in Bill 23 fill that gap and expand the scope of the SCNA to address these activities.

Secondly, Mr. Speaker, closing property use to store illegal weapons and explosives, a habitual use of property for the illegal possession or storage of restricted or prohibited firearms and possession or storage of other illegally imported firearms, stolen firearms, other restricted or prohibited weapons or explosives can pose a risk to the safety of neighbourhoods. Bill 23 provides authority for the director responsible for the SCNA to take action to stop the use of property for those purposes, including applying for a court order to shut down the property if there is evidence that these activities are having an adverse effect upon a community. The bill does not apply to rifles or shotguns unless they are illegally altered or sawed off, illegally imported or stolen or to handguns or other restricted or prohibited firearms that are illegally owned, possessed and stored.

There is also closing property use for child sexual abuse or exploitation. Mr. Speaker, I know members are paying rapt attention to this. As I say, Bill 23 includes provisions to permit the SCNA to apply to situations where a building or land is habitually being used by sexual abusers who exploit children. Unfortunately, there can be situations where pedophiles habitually use property to lure children for the purposes of sexually abusing or exploiting them or unscrupulous persons use property to lure and entrap minors into sex trade. The SCNA must be amended to provide the necessary authority to use the act to stop property from being used in this manner, and amendments in Bill 23 will accomplish that goal.

We are also clarifying wording of the prostitution provisions, Mr. Speaker. There is some uncertainty about whether action could be taken under the act if a property is habitually being used for prostitution-related activities, that acts of prostitution are not actually occurring on the premises. Bill 23 addresses that concern by clarifying that the SCNA can apply to property used for prostitution or property used for prostitution-related activities which are disruptive to a neighbourhood or a community.

Also, two investigators and a surveillance video analyst will be added to the Public Safety Investigation Unit, which is responsible for the

enforcement of The Safer Communities and Neighbourhoods Act and The Fortified Buildings Act. The investigators have extensive experience in dealing with crimes. As you will well know, Mr. Speaker, more than 150 drug-, prostitution-, sniff-related operations across the province have been shut down under the SCNA since 2002. We have enforced the move of unreasonable fortifications at 14 properties under The Fortified Buildings Act, which are all orders forcing the removal of barricades. PSIU has helped lead to more than 90 police arrests. The Safer Communities and Neighbourhoods Act is a safe and effective way to empower citizens to reclaim the safety, peace and security of their neighbourhoods. Law enforcement officers working in co-operation with the PSIU have brought many criminals to justice and uprooted organized crime in many Manitoba communities.

We announced, Mr. Speaker, \$2 million in four-year funding to make Operation Clean Sweep a permanent stand-alone unit that will be expanded to hot spots throughout the city. The new funding is in addition to the 46 police officers already funded in budgets 2005 and 2006. Budget 2006 funds two new police officers for Brandon and six to enhance the Aboriginal communities. We have increased Prosecutions funding by 80 percent since 1999. Eighteen new Crown prosecutors have been hired, seven for the Gang Prosecutions Unit alone. The unit has achieved 290 convictions or guilty pleas involving gang members since November 2003 and has added five more prosecutors to the unit.

We have established 36 Lighthouses which provide young Manitobans with a safe, fun place to go at night. We have committed or exceeded our election commitments for a total of 50 Lighthouses in this mandate. I commend all members to move quickly on this bill, as I have tried to do, Mr. Speaker. Thank you.

Mr. Kelvin Goertzen (Steinbach): The minister missed one thing in his speech, and I think that, to give credit where credit is due, we should call the bill the Vic Toews commemoration bill because, of course, there was that Minister of Justice, Vic Toews, who brought forward this groundbreaking legislation in, I believe, 1998, and there were naysayers. The NDP were naysayers at that time. They said, well, we do not know if it can stand up to a constitutional challenge. They were all concerned and worried—the naysayers on the other side again, the princes and the princesses of darkness, said it probably could not be done, it could not be put into

place. I give credit where credit is due to the now-federal Minister of Justice, the then-provincial—

Mr. Speaker: Order. When this matter is again before the House, the honourable member will have 29 minutes remaining.

The hour being 4 p.m., we will now dissolve into Committee of Supply. Would the appropriate Chairs please proceed to these rooms: in the Chamber will be Conservation, Finance will be in Room 254, and Family Services and Housing will be Room 255.

We will now move into Committee of Supply.

COMMITTEE OF SUPPLY (Concurrent Sections)

FINANCE

* (16:00)

Mr. Chairperson (Harry Schellenberg): Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Finance.

Does the honourable Minister of Finance have an opening statement?

Just a reminder that, in accordance with the rules, all speeches in Committee of Supply, including opening comments, are restricted to 10 minutes.

Hon. Greg Selinger (Minister of Finance): In view of the lateness with which we are starting the Estimates, I will dispense with my opening comments and get right down to business.

Mr. Chairperson: We thank the Minister of Finance for those comments.

Does the official opposition critic, the honourable Member for Lac du Bonnet (Mr. Hawranik), have any opening comments? The Member for Lac du Bonnet, the floor is yours.

Mr. Gerald Hawranik (Lac du Bonnet): I have somewhat of a brief opening statement. In fact, I believe I am restricted I think to 10 minutes in any event, so it is going to be brief, 10 minutes at most.

I think that one thing I would like to point out to the minister is the fact that competitiveness, the issue about competitiveness, the concept of competitiveness, is the single most important issue facing our province. I think that is confirmed by the Canadian Federation of Independent Business. It has been confirmed by the Chambers of Commerce, whether it

is the Manitoba Chamber of Commerce or the Winnipeg Chamber of Commerce, it is the single most important issue facing our province.

And why is that? Because we have to compete for manpower with other provinces. We have to compete to try to keep people, our young families, in Manitoba, and stop them from migrating from Manitoba into Alberta and British Columbia, in particular, because their economies are red hot.

So it is important, I believe, that we have a taxation system that is competitive in this province to ensure that our businesses can grow and so on. Any of the questions I posed to the minister, he has probably got the message already, many of the questions that I posed to the minister in the House, in fact, deal with competitiveness. There is absolutely no doubt that all economies across the country, indeed, in western Canada, in particular, are firing on all cylinders. We have to compete with everybody to the west of us, otherwise I believe we are going to fall behind in terms of economic growth.

I look at the personal income tax rates in Manitoba and I compare that to the rest of western Canada. I do not believe that we are competitive there. We are the highest taxed in terms of personal income tax west of Québec. Our manufacturing and processing income tax rates are among the highest in Canada. With respect to our corporate rates, we have seen some progress, and I do not say there is no progress in Manitoba in terms of reduction of taxes. My concern is that it is too late or not enough, and that is my criticism because we have to remain competitive with other provinces.

We have made some progress on small business taxes, but I note in the budget, that it is not this year. It is only next year and perhaps the year after. I draw the minister's attention to the fact that not all small businesses are incorporated. In fact, there are more businesses in Manitoba that are unincorporated than there are incorporated businesses. Most are not incorporated so the personal income tax rates apply. When we are not competitive in western Canada, that certainly has to be a concern.

When I look at corporate, personal, manufacturing taxes and all of those things, in fact, I believe we are among the highest taxed in Canada overall if not the highest. We have among the highest personal exemption in the country. We cannot keep up with federal exemption. The federal government has announced that over a period of time they are going to be increasing their personal exemption to

\$10,000. We are not even close to that. At this point, the federal exemption is about \$1,000 higher than we are. If we were to match the federal exemption alone, I think, according to my calculation, it would take about 20,000 Manitobans off the tax roll roughly, and that would put about an additional \$109 into the pockets of every Manitoban.

My question to the minister, of course, is: Why can we not keep up even with Saskatchewan? I think we have to put more effort into that and try to be competitive, at least, within western Canada.

Another issue that is of extreme importance, I think, to businesspeople and to Manitobans across the province is that we should at least index the brackets to inflation. I know that several presentations have been made to the minister's office by different interest groups about that, and at this point, he has refused to do that. I would hope that in subsequent budgets he would heed that advice and look at indexing those brackets at least to inflation. I know his answer is going to be, well, we increased the personal exemption by \$100 this year, but that is only a one-time thing. It is not an ongoing commitment, so I think we need an ongoing commitment like other provinces have made across this country.

*(16:10)

It goes without saying that, you know, we are into Estimates now in the middle of May, and perhaps we should have been in them at the beginning of April, but there is a very good reason for that. We believe that it was important enough to stall debate on the budget. Of course, it is still happening, regardless of what was said by members opposite. It still is happening, and the budget is still going to be passed. The fact remains that the NDP do have a majority. The point is that we wanted to draw attention to, and I think all Manitobans are concerned about it, the Crocus scandal. We wanted to ensure that there was a public inquiry. We obviously need one. We need one because we have to know the government's role in the Crocus scandal. We have to know that so that we can take various measures to ensure that it does not happen again, to bring confidence back to our capital markets because our capital markets create business investment in this province. The only way to get to the truth, we believe, is through a public inquiry, to force those who are responsible to put their hand on the Bible and swear to tell the truth.

I know the Premier (Mr. Doer) has pointed to the various methods by which he believes that a public

inquiry would be called, or would substitute for a public inquiry, but those are simply inadequate. The Securities Commission investigation is inadequate. The RCMP investigation is inadequate. The Auditor General's report is inadequate. The only way we are going to get to the bottom of that scandal, in my view, is to ensure that we do have an independent public inquiry. I think that is 10 minutes, anyway, probably.

Mr. Chairperson: We thank the critic from the official opposition for those remarks. Under Manitoba practice, debate of the Minister's Salary is traditionally the last item considered for the Estimates of a department. Accordingly, we shall defer consideration of this item and proceed with consideration of the remaining items referenced in Resolution 7.1.

At this time we invite the minister's staff to join us at the table and we ask that the minister introduce his staff present. Would the staff please come forward. Would the minister introduce his staff, please.

Mr. Selinger: Yes, I have with me the Deputy Minister of Finance, Ewald Boschmann. On my immediate left and to the left of him I have the Director of Administration for the Department of Finance, Erroll Kavanagh.

Mr. Chairperson: We thank the minister.

We will now proceed to the remaining items contained in Resolution 7.1 on page 81 of the main Estimates book. The floor is open. Does the minister want to speak?

Mr. Selinger: Yes. I was prepared to go directly to the specifics of the Estimates which we have in front of us here. But the Member for Lac du Bonnet (Mr. Hawranik) put some comments on the record which I think require some clarification.

He does identify competitiveness as being, in his mind, the most important issue for the province. Depending on how you define that we might actually be able to agree on that. It includes a broad array of initiatives the government has to take, along with other sectors of the community, including investments in education. Education being the key to competitiveness in the long haul, the member will note in this budget a \$60-million investment, 5.8 percent increase, probably the largest increase in post-secondary education since late 1980s, at least.

Yes, there will be increased competition for people in the workforce, not just manpower, but women as well. That involves providing supports to families so they can enter the workforce, one of the key ones being day care. The member has never, at this stage, declared where his party is on that matter. But we do note that we have a significant investment in day care in this province, probably one of the best systems in the country now. That allows people to go to work and have proper care for their children and enter the workforce. It is probably a contributing factor to the very high participation rate we have in the economy.

The member references personal income tax rates. He will know that on the personal income taxes, they have gone down 20 percent since we have come to office. The family tax reduction has been broadened and includes a wider array of families now, with more generous treatment.

On the manufacturing side, he says we are not competitive on taxes. In fact, the federal government and the C.D. Howe Institute have indicated that the marginal tax rate, the cost of an additional investment dollar in Manitoba, is among the most competitive in the country with our Manufacturing Investment Tax Credit, which, in this budget, has a refundable portion up front of 35 percent. It is one of the more innovative ways to help manufacturers who are competing with a stronger dollar get the cash they need in a timely fashion to reinvest in technology and the kind of equipment they need to stay competitive. So I would hope that he would acknowledge that.

Small business rates, yes, going to be the second lowest in the country, among the leaders right now at 4.5 percent.

The band of income covered has been doubled from \$200,000 to \$400,000. I would ask the member to acknowledge that.

He mentions the federal exemption and says that my response will be the increase of \$100 this year. Well, in fact, all the nonrefundable tax credits in our first budget, when the member was not yet a member of the Legislature, were increased by 39 percent.

When we went from tax on federal income to tax on income, when we moved off the federal system, we updated all those nonrefundable credits which had been languishing for well over a decade, and we moved well ahead of the rate of inflation on that when we did that.

He also mentions indexing as being a desirable objective. Well, indexing would not have allowed that 39 percent increase. It would have been much smaller. We would not have been there yet. The small business community that demands indexing now, their decrease in taxation on the small business rate will be about 67 percent when it goes to 3 percent, which far exceeds anything on indexing. I have asked them and pointed out to them that we have exceeded indexing in terms of reducing their tax rates.

Then the member makes many comments about the inquiry which we have debated ad nauseam in the House. I do not propose to respond to those matters at this stage of the game because I want us to keep focused on the Finance Department.

With those comments, Mr. Chairperson, I am ready to proceed.

Mr. Chairperson: The Member for Lac du Bonnet, the floor is yours.

Mr. Hawranik: Yes, I would like to propose at this point that we proceed on a global basis as opposed to a line-by-line discussion.

Mr. Selinger: I am not prepared to agree to that until I get some indication of how much time he proposes to take in the review of these Estimates. I have many officials here who have many things that they have to do. I am not going to keep them here for a broad global discussion unless I know that there is some reasonable limits on that and that we are going to get into the substance of the departments; otherwise I would like to release them so they can do the job that they have been paid to do.

Mr. Hawranik: Well, I expect that, overall, we will probably be doing eight to ten hours in Estimates in Finance. Clearly, it has been a tradition in this House that we proceed on a global basis.

First of all, my questions probably for today and tomorrow will be fairly general in nature and mostly directed to policy, so I suspect that the minister would be able to answer those questions likely even without staff. I am not going to get into too much technical detail at this point, and I expect that the last day, probably the seventh or eighth hour, we will probably be getting into the line-by-line discussion at that point.

So it is traditional in this House to have a global discussion, and I would appreciate the opportunity to do that.

Mr. Selinger: It has only been a tradition since I have allowed it and I do not want it abused. If you want to spend a lot of time on global discussion, I am going to release my staff now, except for a few people so they can get back to work, and I am going to have them called back after hour six, unless you notify me otherwise.

Mr. Hawranik: Yes, I do not have any real issue with that. It is going to be a lot of, within—well, I do not know about hour six, but certainly we maybe could do this on a day-to-day basis and see where we go. I expect that today will be a fairly general discussion and tomorrow as well in terms of policy.

Then perhaps we could review that on Monday and see where we go from there. That is what I would suggest.

Mr. Selinger: Okay, I will try to accommodate the member in that regard. I am going to suggest to the folks that are here for the line-by-line review that their presence is not needed. I am going to ask the fed-prov people to stay here on global policy discussion, and anybody else that wishes to carry on with other duties, they can do that.

* (16:20)

Mr. Chairperson: There seems to be a general agreement that we will have a global discussion today and tomorrow, and then Monday the Member for Lac du Bonnet will tell us in what direction we will be going.

The Member for Lac du Bonnet, the floor is yours.

Mr. Hawranik: I think that one of the important functions of government is to engage in effective tax relief for low-income taxpayers, low-income Manitobans.

First of all, I guess even before getting into the first question, I do have a bit of a comment with respect to what the minister said in his previous response. That is, while he may say that we are going to be particularly—he quotes from the corporate tax rates that are going to be in effect, not this year, but he talks about next year and the year after, and he compares the year after's rates to this year's rates in other provinces. And that is not how you do it. It is not a question of whether our 2008 rates are going to be competitive with Saskatchewan's 2006 rates. The question remains is whether we are going to be competitive with Saskatchewan in 2008 when we are in 2008. So really it is not a fair comparison. In a

couple of years we will see where we are, whether we will, in fact, be competitive.

So, my first question. I believe one of the important functions of government is to engage in effective tax relief provisions for low-income taxpayers. The ability of low-income taxpayers to generate assets is a real personal concern of mine.

When I look at what this government has done in terms of hiking the backdoor taxes over the last number of years, including, of course, the \$203 million special dividend out of Manitoba Hydro a few years ago, that obviously does affect rates down the line. And it affects low-income earners even more, tax hikes like the Pharmacare deductibles that have been increased over the last few years. I do not think the token increases to the personal deduction really alleviate low-income earners to any great extent.

When I look at the broadening of the application of the provincial sales tax, to legal fees, accounting fees, to labour on the mechanical and electrical contracts, those are things that affect all Manitobans.

My question to the minister is: How is he going to ensure that low-income taxpayers are able to increase their assets? What has he done to do that?

Mr. Selinger: First of all, if the member wants an apples-to-apples comparison of tax rates, I would direct him to pages D14 and D15 in the budget book which shows tax rates in effect this year, at the time that the budget was published. So I do not want him to leave the impression that I am trying to time-switch on rates. For example, our small business rate is lower than Saskatchewan right now, lower than Ontario's right now and lower than most other jurisdictions when you look across the country.

Our gasoline tax is significantly lower than Saskatchewan and B.C., exceeded only in the country actually by Alberta, lower than every other jurisdiction. I think the member would agree that most Manitobans drive a vehicle of some sort, so they are saving substantial money by driving their vehicle in Manitoba and gassing up here.

So, if he wants a straight comparison on that, he can take a look at those matters. He would also notice that our corporate income taxes this year in Manitoba are significantly lower than Saskatchewan, as is our capital tax rate in Manitoba, as in our bank tax rate in Manitoba. I just want to make clear that the record is published in the budget papers and he can take a look at that.

Now the member asked me to turn my mind to the question of what we have done to help low-income people in Manitoba this year. First of all, even before the budget came out, we increased the minimum wage. The minimum wage is one of the more essential items to help any low-income person.

This is a very dramatic difference from the way minimum wage was handled when his political party was in office. They raised the minimum wage no more than once every four years while they were in office, and usually just on the eve of an election, and usually 25 to 40 cents, once every four years.

We have raised it a minimum of 25 cents a year every single year and 35 cents this year, with a plan to move it up 40 cents next year to bring it to \$8. That is very significant support to low-income people working in the labour market. So I would hope the member would acknowledge that.

Also, we brought in this budget a shelter benefit that had been not moved at all for 15 years perhaps, at least. The shelter benefit will provide a benefit up to \$200 a month for people of low-income living in private accommodation to help them offset the costs of their apartments and other forms of accommodation that they are in, so there is a very significant element of that in this budget.

Of course, we did move up the basic exemption last year and this year, and I did already put on the record the nonrefundable tax credits which have been moved up. There is further movement on the middle bracket in the budget this year for the income tax rate. Then of course there is a very significant investment in opportunities for low-income people to get an education. We have funded the public schools at the rate of growth in the economy so that there are more opportunities for people to have their children educated with adequate resources. We have increased apprenticeship opportunities. We have increased investments in post-secondary education in the community college program. We have increased the trades opportunities for people, so there are a number of things that are in this budget.

In the Family Services Department there is a new training and employment assistance program that is being put in place that will help people that are on social assistance be able to get quick access to support while they get into a training opportunity that will generate a permanent job for them. I note for the member opposite that unlike the misinformed new leader that he has that the welfare rolls have declined by 2,500 since we have come to office, not

grown as is alleged by members opposite, so I would ask that they get the facts right on that. So we have reduced the number of people on social assistance and we are providing more opportunities for them to access the labour market and to access training and to access education.

We also have more housing programs in the budget, affordable housing programs which will help low-income people, things that did not exist at all in the nineties. So those are just some of the examples of things we are doing to help all Manitobans and, in particular, low-income people.

Mr. Hawranik: The Minister of Finance seems to take great pride in increasing the minimum wage rate, but in reality, because he is not indexing the brackets, he is not indexing the personal exemptions; in fact, he is only helping himself. All you have to do is increase—I mean it is almost a shame that people on minimum wage have to pay any taxes to the province. The fact remains that, if you increase the minimum wage, you, in fact, pad the government's tax revenue. *[interjection]* It is not wrong. What is your personal exemption? Seventy-eight hundred and some dollars. I mean, work it out—minimum wage, 40 hours a week—and see where it goes. I think that you can do better than that. I look at the economy and I do not deny the economy has grown. It has grown all across this country. That is not the issue. The point is whether we have grown in step with the rest of Canada. Have we created opportunities? Have we created opportunities for higher paid jobs? That is the question. If in fact increasing the minimum wage helps, why does Manitoba have the second highest child poverty rate in Canada?

Mr. Selinger: First of all, most people earning the minimum wage would not be paying taxes, so the member's allegation that we are just helping the provincial treasury which he personalizes to mean helping myself is completely fictitious and fallacious, and he should get his facts straight. You just have a continuing practice, the Member for Lac du Bonnet, to saying things that have no basis in reality. So, once again, just another example of incompetence on your part. You do not understand how the tax system works.

* (16:30)

Secondly, your question with respect to what else are we doing to help people in terms of the basic exemptions and stuff, we have moved it up; the nonrefundable part has been moved up. Another part that I did not mention was the National Child Benefit

has been fully made available to every low-income family in Manitoba. It is a \$14-million additional benefit to every family in Manitoba, and the members opposite would not do that. They seem to support that mean-spirited workfare program that was mentioned in the Legislature this week. So I just hope that the questions are more informed when he puts them to us.

Mr. Chairperson: Before you continue, address your comments and questions through the Chair.

Mr. Hawranik: I have to dispute the minister's numbers. In fact, I invite him to check with his calculator. You work out \$7 an hour at 40 hours a week. It works out to about \$14,500 of income annually. Our personal exemption is under \$8,000. They are paying provincial taxes. So, when he talks about having no credibility, I just ask him to look at himself in the mirror.

Another issue that we have, I think, in Manitoba is the payroll tax. I think that, when I look at some of the recommendations of the Manitoba Chamber of Commerce, the payroll tax has to go. I think it is wrong to tax a business for increasing staff in their wages. I am not suggesting at any point that it is an immediate thing that has to be looked at by the Province because, certainly, that is a long-term kind of project. At the very least, I think you have to declare, at least, your intent to reduce, if not eliminate the tax, and have a multi-year strategy to do it.

I am asking the minister why he is not addressing the payroll tax issue in any meaningful way.

Mr. Selinger: Yes, just before I do that, Mr. Chairperson, I draw the member's attention to page D13 in the budget papers. If he would have read the budget, he would have noted that the basic exemption is one element of making taxes affordable for low-income people, but there are a variety of personal tax credits that we also have in Manitoba including education property tax credits and other credits.

When you take all the credits and basic exemption into account, we are the fifth-best on tax savings for an individual. As I said earlier, most folks after they go through all the benefits they get, would be paying very little tax. As a matter of fact, I would be happy to provide some concrete examples in future sessions of individual taxpayers in the low-income range and what they pay in taxes.

I note also, in the budget book, that there is further information to confirm that. When you take a look at the personal levels of taxation starting on page E20, and you see the kinds of competitiveness for costs and taxes among various jurisdictions, Manitoba is consistently one, two, or three compared to all provinces on costs and taxes for family types of specific examples that are in here. The member can take a look at that table at his leisure.

Now there is also information for the member that he may wish to pursue on pages D10 and D11 in the book where you can show the amount of tax savings since we have come to office since '99. A single person has seen a 69 percent tax saving at \$10,000. A senior couple at \$30,000 has seen a 93 percent, almost a 94 percent tax saving since coming to office. A family of four with one earner at \$25,000 has seen a 66.5 percent saving, and a family of four with two earners has seen a 50 percent saving in taxes.

There is no government in the history of the province that has done as much to reduce taxes, certainly no government that has ever been a Conservative government.

Mr. Hawranik: I still go back to that same issue I talked about in my opening statement, and that is competitiveness. All provinces have experienced tax reductions and the question remains whether we are remaining competitive within the country. I think that is the issue more so than anything else.

He can quote whatever number he wants, but obviously some of the things we have seen in this province in terms of debt increases in this province, revenue increases in this province have never been seen before. A lot of it is due, of course, to the federal transfer payments being increased and so on. But that is another issue that we will probably get into at some point later.

I think collectively in this province we have to do a better job of sharing business success stories in a way that inspires and instructs businesses in terms of how they can expand and locate in this province. We need to celebrate our businesses and participate in them and build on those successes.

My question to the minister is, how much attention is really being paid to the successes of businesses by this government, and what is really being done in that regard?

Mr. Selinger: Once again, there is a really good discussion of the economy in budget paper A that

talks about some of the really interesting developments that are going on in the province in terms of growing the economy: the biotech sector, one of the most dynamic sectors in the country, one of the highest per capita rates of investment, one of the highest number per capital of start-up firms that are doing some very interesting things as they move forward in developing their products; the 60 percent increase in capital investment in the manufacturing sector this year; the aerospace sector working together on advanced composites; the initiative we financed with the private sector on helping the manufacturing sector become more productive; the lean manufacturing techniques that we are helping them adopt so they can stay competitive with the rising dollar. There are just a number of really interesting things that are going on in this province among a variety of companies.

The member may have noticed in the paper just in last week the big wins that New Flyer has got in terms of bus contracts. He will know that, even in terms of some of our big corporations, we have some of the finest financial institutions in the country. Just across the street he has to look to see one of the most successful insurance companies in the country. Our financial services sector, generally, is among the more competitive, more efficient, more innovative in the country.

He will notice in the paper today an announcement that is up in his area of the opportunity for further forestry development of the hardwoods in partnership with First Nations communities up in the Lac du Bonnet area, really providing some real opportunities there, up to 350 jobs. He will note the growth in the ethanol industry in the Minnedosa area where there is a dramatic expansion going on in that plant there. He will note that in Brandon there have been 400 jobs put there for the call centre industry in the last couple years, bringing lots of opportunities to the downtown of that city. He will note the biodiesel initiatives that we have supported in the budget with specific tax exemptions for the development of biodiesel in the province.

There are just so many things that we could talk about in terms of what is happening in this province. He will note the film sector in this province, its dramatic growth and its successes with the productions that they are putting forward and that are being developed in this province and Manitobans getting opportunities to work in the cultural industries in this province, among the best funded in the country.

So there are just many things that we can point to in terms of the economy moving forward. Many of them and the vast majority of the jobs, 65 percent of the jobs that have been generated since we have come to office, have been jobs in the private sector. The capital investment in the private sector is growing by over 10 percent this year.

Mr. Hawranik: Since the minister alluded to it, about that OSB plant being in Lac du Bonnet, exactly where is it going to be located? Does he have any idea?

Mr. Selinger: Stay tuned. Further information will be coming forward. I am sure the member will claim credit for it.

Mr. Hawranik: Obviously, if you have an effective MLA, they usually tend to locate in your constituency.

Mr. Selinger: I have noted the member takes credit for everything that happens out in this area by this government, and then comes down to the Legislature and accuses us of not doing anything. If I did not know better, I would think he was a Liberal.

Mr. Hawranik: There is certainly—*[interjection]* It is not going to work.

An Honourable Member: Keep trying.

* (16:40)

Mr. Hawranik: The ones that are in place in the province but are not enforced, I do not believe, serve any purpose other than to penalize the law-abiding employers. Can the minister point to any measure in the budget this year that will address the enforcement, the proper enforcement of provincial laws and regulations in this province?

Mr. Selinger: I would ask the member to clarify which laws he is referring to, criminal laws, civil laws, which kind of laws is he referring to.

Mr. Hawranik: Civil laws in the province and regulations.

Mr. Selinger: Well, just coming at it from another direction, one of the things that we identified in this budget is going to be increasing measures to reduce red tape, as it is often called in government, to allow business to be conducted more efficiently. An independent study of Manitoba in terms of competitiveness showed us that we had one of the lowest red tape burdens of any provincial jurisdiction. So we have taken a number of measures there.

In the Finance Department, for example, we have gone with the common business identifier so that a business registering with our tax department only has to have one number for all the various tax staff sheets that they access. So we have done a number of things in terms of investing in information technology which have made the cost of doing business in Manitoba much lower than in other jurisdictions and allow that to flow.

But in terms of enforcing civil laws the member will remember last year that we brought forward a major bill on all our tax statutes being streamlined, and it made it more effective and more efficient. We reduced the paper burden by 40 percent but increased the effectiveness of enforcing those types of laws in the province. So that is just one example that I can point to.

Mr. Hawranik: Talking about the regulatory burden, and the minister brought it up, he obviously has a submission by the Canadian Federation of Independent Business, as I have, and their report estimates that Manitoba businesses pay \$846 million a year simply to comply with regulations in the province. The burden is the highest really on the smallest businesses because they pay more per employee to comply with regulations than larger businesses do.

Does the minister have any reason to dispute these numbers and the statements by the Canadian Federation of Independent Business?

Mr. Selinger: I think that, if the member looks at that report, he will see that Manitoba was among the best jurisdictions in terms of red tape. We have done many things to reduce the paper burden on small business. For example, their filing of tax collections for the PST, we have reduced the requirement to do that on a monthly basis, for example, in the Department of Finance.

We have made it easier for them to access the regulatory requirements they have to fulfill when they are setting up or running a business through things like Biz Pal, which we are going to do with various local municipalities.

So there are a number of things and we are going to do more, as we announced in the budget, with not only Finance but through the departments of industry, trade and economic development. There will be more initiatives taken to reduce red tape in this province to make sure that we retain our strong position as being among the best in that regard.

Mr. Hawranik: The minister obviously believes that Manitoba is a leader in that regard, but when I look at some of the results of the survey by the Canadian Federation of Independent Business, a strong majority of Manitoba business owners believe that the red tape burden has grown, yet business owners in B.C.—and B.C. is regarded as the nation's leader in regulatory reform—they have the lowest percentage of people saying that the red tape burden has increased. So B.C. businesses and individuals believe that red tape has decreased, whereas in Manitoba we believe it has actually grown.

The B.C. government reduction in the regulatory burden was close to 40 percent since 2001. Does the minister have any numbers in terms of how much he has reduced the regulatory burdens since 2001?

Mr. Selinger: Well, first of all, the member should recognize there is a difference between perception and reality. He is quoting surveys that show what people perceive, not what in fact exists. I can tell you that a lot of the experience in B.C. was actually experience they learned off Manitoba. Some of the officials that they hired to help reduce the red tape burden out here were people that came from Manitoba and some of the practices they put in place were practices of long standing in this province.

I gave a very specific example on all our tax statutes. We reduced the tax statute burden of red tape by over 40 percent. The bill was streamlined, made much more understandable, much clearer. The business identifier is one single business number, the Biz Pal program. All of these things are ways to help businesses function more efficiently and be able to do what they have to do to make a living without excessive burden. Manitoba is among the leaders in that. We will look for ways to improve that in the future.

On the perception issue, the member, if he informs himself, could actually help the businesses understand that the paper burden here is, in many cases, less than in other jurisdictions.

Mr. Hawranik: The minister indicates that the tax statute burden has been decreased by 40 percent, but the B.C. government actually reduced their overall regulatory burden, not just the tax statute burden, but the overall regulatory burden, by 40 percent since 2001.

Does the minister have any information with respect to how much the province overall has reduced its regulatory burden?

Mr. Selinger: The best information I can provide the member is found in that CFIB report which showed us being very competitive with respect to all other jurisdictions on the amount of red tape we have. I do not have that report in front of me right now, but I will make sure I get it and quote him the specific comments they made in that regard.

Mr. Hawranik: Can the minister indicate how many regulations we have in Manitoba?

Mr. Selinger: I do not have a precise number.

Mr. Hawranik: I ask the minister: Have you counted the number of regulations in Manitoba?

Mr. Selinger: No, I have not counted them but I do note that they have been reduced. The CFIB, in their report, acknowledged that the paper burden in Manitoba, the red tape burden, was one of the least in the country.

Mr. Hawranik: Mr. Chair, the Canadian Federation of Independent Business also believes that counting and tracking and publicly reporting the number of regulations by ministry is something that 71 percent of their members would support. Is this something that the Minister of Finance would be in favour of and, if so, what does he plan to do about it?

Mr. Selinger: What I am in favour of is keeping the paper burden down to a minimum for any business and looking for new ways to move forward on that every year. In co-operation with the department of industry, trade and economic development, we are going to do that.

Mr. Chairperson: The floor is open for questions.

Mr. Hawranik: Back to the Chamber of Commerce document that was submitted to the minister. They believe that, and I think it is probably something that business would agree to and different interest groups, it would be that government, business and labour really should be working together to create jobs in this province. I do not think the minister would disagree with that, but I would ask the minister to point to something in the budget that would promote the co-operation of government, business and labour that would address the creation of jobs in Manitoba.

Mr. Selinger: One of the obvious vehicles is the Premier's (Mr. Doer) Economic Advisory Council, which brings together all facets of the community in a body that works away at a variety of issues, including issues of competitiveness, including issues of image, including issues of education, training, et cetera.

Another example I have mentioned two or three times already is the new BizPal program that we announced in the budget and the paper burden issue. There will be consultation with the community by the Department of Industry on how we can further streamline what we do in this province to reduce the paper burden for business.

* (16:50)

Mr. Hawranik: High marginal tax rates really discourage work effort, in my view, because many of the public transfers that people receive, which includes the child tax benefit, the GST rebates, the provincial sales tax credits, provincial property tax credits and so on, including social assistance, end up being clawed back as income rises. For many low- and modest-income families the effect of marginal tax rate, and I am quoting the Canadian chamber's 2005 pre-budget submission, is really higher than 60 percent and higher than the rate facing Canada's top income earners when you add all of that in there in relation to the amount of income that they earn. This is regarded by many as inequitable, and really sends out a negative message against the merits of working and saving and upgrading one's education.

Can the minister point to something in the budget that would address that issue?

Mr. Selinger: Well, there are a couple of things that we should discuss on that topic. First of all, in previous budgets we have allowed people who get benefits to retain more than before the tax-backs cut in, the national child benefit I mentioned to him earlier. In addition, we have actually changed the nonrefundable tax credits, which allows people to keep more of their income before taxation cuts in. The one really obvious one, the family tax reduction used to be taxed back at 2 percent. We have reduced that to 1 percent, which has allowed it to be available to many more families of low and modest means. That was a very significant move that we made actually in budget one, as we reformed the tax system and made it more equitable.

The issue of high tax-back rates is an interesting one in view of the fact that the federal government's new universal child benefit is fully taxable as it is rolled out. So, you know, it is going to be something that is taxed at a far higher rate. The first rate of taxation at the federal level is significantly higher than it is in Manitoba. Ours is 10.9 percent. The federal government is actually increasing their first rate from 15 to 15.5 percent. So they are actually making that situation somewhat worse in terms of

tax-back issues. We have no plans to do that. We are looking for ways to make it better.

Mr. Hawranik: In 2001, in Manitoba, we delinked our Manitoba tax system away from the federal tax system, meaning that of course we had our own rates of taxation at different tax brackets as compared to being a percentage of the federal rates. As well, we delinked ourselves from the personal exemptions that are given by the federal government. I am wondering whether the minister has done any analysis as to what effect that has had in terms of the amount of tax Manitobans pay now versus what they would have had we stayed with the federal linking system that we had before.

Mr. Selinger: Well, first of all, I would like to say that I think the member is wondering if we would have stayed on the old system, tax on federal tax, would we have been better off or worse off, versus going to the system tax on income, what we call TONI now in Manitoba. I think what I want to inform the member of is that when we came into office there was, at about \$30,000 income, a net tax and surtax that started cutting in on just about every Manitoban. Most modest-income Manitobans paid rates of taxation that were equivalent to the highest income earners in Manitoba. We restructured our tax system to give much more relief to middle-income and low-income families by eliminating the surtax, eliminating the net tax, and just going to a simple rate. The way the net tax and the surtax worked, it effectively generated literally hundreds of different marginal tax rates, depending on how it applied on your income. We eliminated all that complexity and brought it down to three rates, and then every year we have worked at lowering that middle rate so that now that middle rate is very competitive. It used to be among the highest in the country when you added the net tax and surtax on it. Now it is very competitive when you look at our tables. So we have taken it from 16.7 down to 13.5 and we are going to go 13.

So, simplification, less hidden taxation that had been going on for 11 years under the former government and more progressivity in the tax system so that lower- and middle-income people do not carry the same burden as people that earn more income.

Mr. Hawranik: I am not sure whether the Minister of Finance has ever prepared a tax return before, but I have prepared many of them. In fact, I have many accountants, as well, who are friends who have commented to me the same thing, that since 2001

actually people are paying more in tax now in the province than they did under the old system.

I realize that we are down to three rates, but my question really is: Was there ever an analysis done as to whether or not if we were under the old system with the existing federal rates as they are today and as they have come down over time or gone up over time, whatever the case may be, whether, in fact, as a province we would be collecting overall more taxes or less taxes?

Mr. Selinger: First of all, I do not know why the member picks the 2001 year. We came into office in '99-2000, brought our first budget down in the year 2000. In that first budget, we made dramatic changes to the system. We actually had a major overhaul by moving off the tax on tax of the federal system to the tax on income system in Manitoba. That was very significant. We designed that so that there were no losers. Nobody would be worse off in that process. It did cause some grey hair in the Department of Finance working it out that way, but after modelling it several times, we worked that out in that regard.

The other thing I think that might be somewhat confusing, all the federal tax reductions have been passed through to Manitobans. What we did do is we took responsibility for our own tax rates by simplifying them, eliminating the net tax, eliminating the surtax, and then increasing the nonrefundable tax credits and making the family tax reduction much more generous by reducing the clawback of the family tax reduction by 50 percent, going from 2 to 1 percent.

So all of those things were very progressive measures to reduce the tax burden on families in particular and Manitobans in general, and that is why the tables that I pointed out to the member earlier illustrate those points.

The member seems to suggest if we would have stayed with the tax on federal tax system, that somehow he suspects that taxes might be lower in Manitoba. I know he is a suspicious kind of guy and he thinks that we might have tried to escape out of that, but I can assure him that would not be the case because the provincial rates on the federal rates have to be changed by the province. If we would have left them the way they were when we came into office, yes, they would have got the benefit of the federal rates, but without any changes on our own volition of the provincial structure we would have still had a net tax; we would have still had a surtax, albeit on a somewhat lower federal rate.

But the member knows himself that the federal rate, the lowest federal rate is significantly higher than our second bracket. The lowest federal rate is going up from 15 percent to 15.5 percent. Our middle rate is currently 13.5 percent. The second federal rate starts at 22 percent. Nothing in Manitoba is that high. The third federal rate is at 26 percent. Our highest rate is 17.4 percent, and the last federal rate is 29 percent.

So it is no doubt that the federal taxation system is much more demanding in terms of what they ask for citizens to pay for taxes and it is sort of understood across the country they collect two-thirds of all the personal income taxes.

Mr. Chairperson: Order, please. The time being 5 p.m., I am interrupting proceedings. The Committee of Supply will resume sitting tomorrow (Friday), at 10 a.m.

FAMILY SERVICES AND HOUSING

* (16:00)

Madam Chairperson (Bonnie Korzeniowski): Will the Committee of Supply please come to order. This section of the Committee of Supply will now be considering the Estimates of the Department of Family Services and Housing.

Does the honourable minister have an opening statement?

Hon. Christine Melnick (Minister of Family Services and Housing): Yes, I do.

Madam Chair, I am pleased to present to this committee for its consideration the 2006-2007 Expenditure Estimates of the Department of Family Services and Housing. I look forward to engaging in a constructive discussion regarding the direction our government has set out for the department in these Estimates.

Recently, our government outlined its funding commitments for this fiscal year in the provincial budget. Our province's most important resource is its people, and this budget puts people first and promotes the safety and well-being of all citizens.

This year's budget provides over \$1 billion for the Department of Family Services and Housing. This represents an overall increase of \$62.3 million, or 6.4 percent, over the 2005-06 adjusted vote. One of our key areas for investment includes services for persons with disabilities where we have provided an additional \$30.6 million for programs serving adults

and children with a disability, including over \$13.6 million for supported living services.

Also, key in our investments for the 2006-07 budget, is an increase for programs and services for Manitoba's children and families, including the child protection programs. We also remain focussed on fulfilling the goals of Manitoba's five-year plan for child care and continuing to build on our strong commitment to child care. I will elaborate on these priority areas later on, when we look at the department's main operating divisions in more detail.

First, I would like to say a few words regarding the department as a whole.

The Department of Family Services and Housing is committed to improving the quality of life for Manitobans through furthering the social, economic and labour market inclusion of all citizens. We strive to ensure that diversity is respected, that people feel accepted and valued, and live with dignity and security. We work with the community to support Manitoba children, families and individuals to achieve their fullest potential. Family Services and Housing supports citizens in need to achieve fuller participation in society and greater self-sufficiency and independence. We help keep children, families and communities safe and secure, and promote healthy citizen development and well-being.

Our mission is accomplished through: provision of financial support; provision of services and supports that assist individuals to improve their attachment to the labour market; provision of supports and services for adults and children with disabilities; provision of child protection and related services; assistance to people facing family violence or family disruption; provision of services and supports to promote the healthy development and well-being of children and families; assistance to Manitobans to access safe, appropriate and affordable housing; fostering community capacity and engaging the broader community to participate in and contribute to decision making; and respectful and appropriate delivery of programs and services.

The department has three major program divisions: Employment, Income and Housing; Services for Persons with Disabilities; and Child and Family Services. In addition, the Community Service Delivery division is dedicated to the delivery of the department services throughout Manitoba, and the Administration and Finance division is responsible for maintaining a comptrollership function for the department and overseeing policy and planning

functions. The department has one internal service provider, Human Resource services.

Two other units report directly to me. The Social Services Appeal Board is an independent board that hears appeals for the majority of programs and services provided by the department. The Disabilities Issues Office co-ordinates disability policy across government and reports to me in my capacity as Minister responsible for Persons with Disabilities.

* (16:10)

The department will be undertaking a number of initiatives this fiscal year. Some of the areas we will be giving attention to include: expanding supports and services for citizens with disabilities living in the community, including funds to accommodate more adults with a mental disability in community settings and day programs; increased funds for respite and other support services; improving safety through the continued installation of sprinklers in residential care facilities, with residents who are non-ambulatory or unable to care for themselves; implementing the Manitoba shelter benefit program, which will benefit low-income families, seniors and eligible persons with disabilities, including some persons with disabilities on income assistance; implementing year five of Manitoba's five-year plan for child care, and further enhancing the child care system by directing available federal funding to five key areas, which include: workforce stabilization and development; sustainability of existing non-profit centres; affordability and accessibility of child care, including for children with disabilities; improving quality environments; and additional steps to enhance quality. Increasing support for residential care for child protection, as well as improving funding for family violence prevention programs and services.

Developing the Waverley West lands, from which profits will be directed to rehabilitate inner-city neighbourhoods. Working with community organizations and other northern stakeholders to address housing issues for northern Manitobans in conjunction with other social and economic issues that contribute to a lack of adequate and suitable housing in northern and remote communities. Continuing to implement initiatives to increase the supply of affordable housing in Manitoba under the federal-provincial affordable housing agreement.

I would like to take this opportunity to give my sincere thanks to the staff of the Department of Family Services and Housing and the people at the

Disabilities Issues Office. I know that a million great things happen every day in this province because of this department. I know that people work with dedication and they work with concern in some very, very difficult areas with some very, very difficult situations. I want to thank them for their professionalism and their commitment to all Manitobans.

I believe that the funding we have made available in the 2006-2007 Estimates addresses our priority commitments of providing supportive and preventive services for Manitoba families and children; supporting persons with disabilities to live and participate fully in community life; assisting persons with low income; and increasing and improving the supply of affordable housing throughout our province. These commitments support our government's goal of building thriving and safe communities in which to live and of keeping government affordable for Manitobans. I am very much looking forward to this committee's review of the Department of Family Services and Housing's Expenditure Estimates for 2006-2007, and I welcome the comments of committee members.

So I would now like to take the opportunity to introduce our deputy minister and members of the department's senior staff.

Madam Chairperson: We thank the minister for those comments. Does the official opposition critic, the honourable Member for Morris, have any opening comments?

Mrs. Mavis Taillieu (Morris): Yes, Madam Chair, just briefly. I want to thank the minister for her comments today. I look forward to some constructive discussion here and look forward to some answers to my questions. Also, I want to add my appreciation to the staff of the department, the whole Department of Family Services and Housing, as I recognize there are a lot of people employed in this difficult portfolio. I know that at times it must be very difficult going through the processes that are occurring. Certainly, they are to be commended for the job that they do.

Over the last year, I have had the occasion to speak with a variety of people on a variety of issues pertaining to issues within the Department of Family Services and Housing. There are many questions. I will be asking many questions, not only on behalf of myself, but on behalf of the many people and Manitobans that have expressed these questions and would like some answers.

The minister has said that there has been an increase in the budget for Family Services and Housing. We will want to look very closely at how the money is spent, because good governance does require accountability and responsibility and transparency. That is what we are looking for, transparency and accountability and responsibility, and, I think, that when we ask questions and receive appropriate answers to the questions, we get further along that road.

One billion dollars is a lot of money to be entrusted with for our department. I think that it must be probably the third largest department in terms of funding within the government, so there is a lot of money that flows from this department into a variety of other agencies. Certainly, we want to assure Manitobans that the money that their hard-earned tax dollars are collected for is being used in the most appropriate manner.

As a member of the opposition and as the opposition critic for Family Services and Housing I believe it is my responsibility and, indeed, my duty to hold the government to account and ask the appropriate questions and expect some transparent and accountable answers.

I want to say as well that I am appreciative of the fact that I have received the Estimates book ahead of time, had a few days actually to have a look at it because last year I was handed the Estimates book as I walked in the door and that sort of delays the process a bit. So I want to say I am thankful for receiving this book ahead of time. With that as the spirit of my questions of co-operation, I will ask questions and in the spirit of co-operation would appreciate answers to be given to me.

I know that everyone understands the process of Estimates and comes prepared to the table with the appropriate answers, and there should not be any reason to not be able to have them. Often after I have asked for questions it has been said, well, we will table that. Actually that does not really provide the answer into the record which I would like to have it provided into. So I am going to insist, I think, that I get timely and immediate answers to the questions wherever that may be possible.

So, with that, Madam Chair, I am prepared to go ahead.

Madam Chairperson: We thank the critic for those remarks.

Under Manitoba practice, debate on the Minister's Salary is the last item considered for a department in the Committee of Supply. Accordingly, we shall now defer consideration of line item 9.1(a) and proceed with the consideration of the remaining items referenced in Resolution 9.1.

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

* (16:20)

Ms. Melnick: Madam Chair, I would like to introduce the senior staff members from the department who are currently at the table. Other people may be coming up as our discussion proceeds, and I will introduce them as they come up.

Currently, we have our Deputy Minister, Milton Sussman here. We have the Associate Deputy Minister, Community Service Delivery, Martin Billinkoff. We have Assistant Deputy Minister, Child and Family Services, Peter Dubiensi. We have Assistant Deputy Minister, Admin and Finance, Grant Doak, and we also have the Managing Director of Strategic Initiatives and Program Support, Acting, Carolyn Loeppky.

Madam Chairperson: Thank you, Madam Minister. Does the committee wish to proceed through the Estimates of this department in a chronological manner or have a global discussion?

Mrs. Taillieu: I will go about it in a global manner, but I will try and go through it in an organized approach.

Madam Chairperson: Standard procedure is chronological. If you want to go global, then it requires the agreement of the committee.

Mrs. Taillieu: I will go global then, Madam Chairperson.

Madam Chairperson: Agreed? Is that the will of the committee, to proceed in a global discussion? It is agreed that questioning for this department will follow in a global manner with all line items to be passed once the questioning has been completed? *[Agreed]*

The floor is now open for questions.

Mrs. Taillieu: You will have to excuse me, but I did miss that last introduction. I wonder if the minister would repeat that.

Ms. Melnick: We have the Managing Director of Strategic Initiatives and Program Support, Acting, Carolyn Loeppky.

Mrs. Taillieu: Could the minister indicate on the organizational chart where that is, just for clarification?

Ms. Melnick: If we look at Schedule 2 in the current Estimates book, it is under Child and Family Services, Assistant Deputy Minister.

Mrs. Taillieu: Thank you. I would just like to clarify some of the positions on the org chart. First of all, there is a new area on this org chart from last year called Manitoba Housing and Renewal Corporation, and that did not appear on the org chart last year. I am wondering what the change is there. It was not on the org chart last year and it is this year. Is this a change and does this mean that the people employed under Manitoba Housing and Renewal Corporation are now brought into the department?

Ms. Melnick: The area that the member is referring to is an area that we are working towards, housing development, the Affordable Housing Initiative, the profits legislation that we have announced will come under this for the renovation or rehabilitation of housing.

Really, this area is focussing on housing development, as opposed to Manitoba Housing. So, for example, we have had quite frequent announcements around working with not-for-profits and for-profits, around different types of housing. It could be individual units, it could be multi-unit structures under the Affordable Housing Initiative. Hopefully, we will have some good projects under the Royalwood profits, as well, in the not-too-distant future. This is the area of the department which will be dealing with that sort of development.

Mrs. Taillieu: Is the department setting up a development arm, then, in housing?

Ms. Melnick: During the nineties, both the federal government of the day and the provincial government of the day walked away from social housing and the units that should have been built. There should have been 30,000 units built across the country of Canada every year. Because of the lost decade, we should now be building approximately 50,000 units of social housing across the country.

I credit the former minister, Tim Sale, for bringing Canada back to social housing through the

Affordable Housing Initiative. That, of course, has been ongoing since 2002.

We are wanting to step up the housing development in the province, and this is a continuation of the Affordable Housing Initiative—also, the profits that we hope soon to be realizing from Waverley West, that we are starting to realize from Royalwood, that we will be reinvesting back into areas of need around housing.

This part of the department will be continuing that work so it is not a new initiative as of this year. It is a continuation of the Affordable Housing Initiative and the housing development that has happened around that.

Madam Chairperson: Just a friendly reminder to all members that when referring to another member, we must use the constituency and not the name.

Mrs. Taillieu: What is the reason that it is now being brought into the department organizational chart, then, when it was not before?

Ms. Melnick: It has existed within the department under MHRC because we want to put more focus on the development of housing. We have simply moved the positions that are dealing with housing development, not MHA housing, but the housing development as I have described previously into their own area. So it is not new.

If the member has been watching in the papers and such, she has been seeing announcements for quite some time through the Affordable Housing Initiative. What we are doing is we have created an area where the people can completely focus on the much-needed housing development in our province.

Mrs. Taillieu: Can the minister tell me who is the director? Who is the Housing Services Director?

Ms. Melnick: Yes, Terry Wotton is the Acting Housing Services Director. Terry has been with the department for many years and has provided tremendous expertise. He has led the way on the Affordable Housing Initiative. I want to compliment him on his ability to work with a very diverse group of people who bring forward proposals envisioning improvement in housing in their communities. I want to thank Terry for the work that he has done around that, and give him a lot of credit for actually helping groups move from a vision to necessary housing, bricks and mortar, if you will, in their communities.

* (16:30)

Mrs. Taillieu: Can the minister tell me who the Land Development Manager is?

Ms. Melnick: Jim Gallagher is the Land Development Manager. Jim has focussed primarily on the Waverley West development. He has been a really good connection for us with the homebuilders of Manitoba. He comes from years of experience in his sector and again has been extremely good to work with. He is extremely knowledgeable in his area and we hope that we will soon be seeing, as I mentioned in my opening comments, the Waverley West development moving forward, profits coming from that and the ability to invest in needed housing around the city of Winnipeg.

Mrs. Taillieu: How many new staff are hired then into the Land Development area?

Ms. Melnick: The question was?

Mrs. Taillieu: How many new staff have been hired into the Land Development?

Ms. Melnick: The only one in Land Development is Jim Gallagher, whom I just spoke about. I want to give clarification. Joan Miller is the Housing Services Director, and Terry Wotton is the Northern Housing Executive Director.

Mrs. Taillieu: The first one was?

Ms. Melnick: Joan Miller, someone who has also worked for many years in the Department of Housing and has made a tremendous contribution.

Mrs. Taillieu: Is the Province in partnership for this land development in Waverley West?

Ms. Melnick: This is not a partnership. The Province of Manitoba, based on the vision of Ed Schreyer in his term of office, realized that there were land banks around what was then beyond the suburban areas of the city of Winnipeg, and his government bought these land banks so that—there was a lot of speculation going on with land, and Ed Schreyer wanted to make sure that the people would have good land to live on and to build homes on and to create communities on.

This is the last remaining large land bank that we have which was part of the heritage that we have of the Schreyer government.

Mrs. Taillieu: We certainly recognize the philosophy of the NDP, that they want to own the land instead of allowing it to be in private hands. But there are a number of private landowners still who own private land in the Waverley West area, but

there have been some that have been sold. I am wondering how much property the Province of Manitoba has purchased in the last two years.

Ms. Melnick: I think the philosophy that the member misrepresented is one of sharing the wealth so that all can live a good life and so that we do not have the sort of stratified societies that we see in other countries where there are very few with a lot and very many with very little.

In talking about the Waverley West land bank, the Province owns what could be a fair representation described as two thirds of the northern section. The bottom third is owned by Ladco, which is a private for-profit company which, I think, might please the Member for Morris (Mrs. Taillieu), unless there is some competition there. In the last few years, there has been a sale of two parcels of land, private land—[interjection] Pardon me? Two purchases, yes, to the Province, approximately 15 acres.

Mrs. Taillieu: I think those remarks are fairly uncalled for. I am simply asking about Ladco and how much the Province has purchased in land. Certainly, I know the people at Ladco very well. I am sure they will appreciate those comments.

But I am interested to know what the Province paid for the land that they purchased. Was it fair market value?

Ms. Melnick: Yes, I would like to introduce Henry Bos. He is the Corporate Services Director under the Employment, Income and Housing area of the department. I have been assured that the price of the land was fair market value.

Mrs. Taillieu: That is not an acceptable answer. I am not reassured by that answer. I would like the minister to table the details on that transaction.

Ms. Melnick: Well, I would have to get clarification on tabling that. That was a private sale. I have to seek clarification as to whether it would be appropriate or not to table that. So I will take that request under advisement.

Mrs. Taillieu: Can the minister tell me, was that land purchased from one land owner, from two, or how many land owners was it purchased from? I will leave it at that for the moment.

Ms. Melnick: I am advised that there were two separate parties.

Mrs. Taillieu: Were either of those parties the University of Manitoba?

Ms. Melnick: I am advised that neither were University of Manitoba.

Mrs. Taillieu: Is the minister actively looking at acquiring other land in the Waverley West portion?

Ms. Melnick: Right now we are very focussed on the process being led by the City. We are hoping to have lots come on stream this fall, and that is the main focus of the department right now. Based on the process and the development of Waverley West, we would look at the purchase of land only if it was necessary for us, only if it was strategic to the development of the MHRC lands.

* (16:40)

Mrs. Taillieu: I am wondering, just on the org chart, again, under Administration and Finance we have Financial and Administrative Services Director. Then we have, under Service for Persons with Disabilities, a Finance and Administration Manager. I am wondering why those are decentralized or split.

Ms. Melnick: The box that the Member for Morris first referred to, the Admin and Finance, Financial and Administrative Services position represents services that are provided across department. When we get into the area of Services for Persons with Disabilities, it is a large area. It is an area that, like other jurisdictions across Canada, is the largest growing area of service within family services departments. We wanted to make sure that there was the ability to focus on the finance administration in that area of the department. So that is why the member would see two boxes, under the Admin and Finance and under Services for Persons with Disabilities.

Mrs. Taillieu: Can the minister tell me how long Joy Cramer has been the assistant deputy minister for Employment, Income and Housing?

Ms. Melnick: I would like to recognize Joy Cramer, the Employment, Income and Housing ADM, who was briefly up at the table here. She has advised us that her date of employment in her current position was February 6, 2006.

Mrs. Taillieu: I am just wondering if the minister can show me on the organizational chart where the Southern Aboriginal Authority, the Northern Aboriginal Authority, the General Authority and the Métis Authority fall.

Ms. Melnick: The four authorities that the Member for Morris is referring to are incorporated bodies

under the act. They do not actually fall within the department.

Mrs. Taillieu: Then am I to understand that if they do not fall within the department, they do not answer to the minister?

Ms. Melnick: The four authorities are, again, the incorporated bodies under the act. They are not part of the department, as say the other areas that are represented on the chart would be. Under the act, the accountability of the Child and Family authorities ultimately is to the minister, but they are bodies that are incorporated under the act. They are not part of the department as, say, E and IA would be part of the department.

Mrs. Taillieu: Then, for clarification, if they are not part of the department, where do we see the funding that goes to the authorities then? I need to see in this book where the funding goes, because if they are not part of the department, where is the funding going and what is the accountability back to the minister?

Ms. Melnick: The funding flows to the Child Protection Branch. We have with each of the authorities service purchase agreements. Now, the member will remember that during the 1990s the previous government cut the accountability within the department, and that led to problems because there were no service purchase agreements. There was not the sort of accountability that we agree needs to be there.

We began to restore that accountability after 1999, and certainly we have established the Agency Accountability and Support Unit. We have a very high compliance of SPAs. There are SPAs being renegotiated all the time, and the four authorities each have a service purchase agreement.

Mrs. Taillieu: For clarification, then, under Child and Family Services, Assistant Deputy Minister Peter Dubinski. Then we have Strategic Initiatives, Child Protection (including Family and Community Support). Who is the executive director of Child Protection?

Ms. Melnick: The acting executive director is Jay Rodgers.

Mrs. Taillieu: For further clarification, the funding that goes to the four authorities goes to Jay Rodgers to distribute to the authorities. Is that correct?

Ms. Melnick: The funding goes through the Child Protection branch. There is accountability through the service purchase agreements, in which we

restored the ability to monitor within the department after the previous government removed it. There is also accountability through the act which I referred to earlier, the child and family authorities act, and those are the areas of accountability that we have to the four authorities, which I also mentioned, are the incorporated bodies under the act.

Mrs. Taillieu: Then, again, I am seeking clarification again from the minister because she is saying that the authorities do not appear on the organizational chart, and yet they receive funding through Child Protection. So I am wanting to know what the line of authority is, I guess, if you might put it that way, in reporting to the Department of Family Services and ultimately to the minister.

Do the authorities then report through Jay Rodgers?

Ms. Melnick: The Department of Family Services and Housing provides funding to many organizations, the four authorities being four of those organizations. We have restored the accountability monitoring within the department that was removed in the '90s.

The organizations that we fund through service purchase agreements such as with the four authorities do not appear on the org chart because they are not part of the department per se. This is not unusual. This happens through school divisions. It happens through the health authorities. There are again many, many organizations that we fund through this way. It is an area that we have restored accountability to.

So the service purchase agreements are one area that we have accountability through, but there is also the act, which I have referred to as having accountability for the four authorities.

*(16:50)

Mrs. Taillieu: Madam Chair, the organizations, for example, Macdonald Youth Services, do they have a direct funding agreement with the minister?

Ms. Melnick: They, too, would have a service purchase agreement with the Child Protection branch. So I do not, as minister, fund directly these organizations. It goes to the appropriate process and protocol within the department, depending on the services that they provide. But, as I say, we have great compliance with service purchase agreements now, Madam Chair, and we also have the various acts that would also be dictating the accountability of the organizations that we fund.

Mrs. Taillieu: For clarification then, organizations, and I am using the example of Macdonald Youth Services, or the example of Marymount, those organizations have a service purchase agreement with the Province of Manitoba, Department of Family Services and Housing.

Ms. Melnick: The service purchase agreements are with the department. They are negotiated with people in the department, depending on the area of services that they provide.

Mrs. Taillieu: Is this agreement going to continue, or is there an expectation that these types of groups will be changed in their funding agreements and will be funded through another avenue, such as under the authorities?

Ms. Melnick: These organizations are funded through service purchase agreements. That is the current status. There is no plan at this time to make any changes. In fact, we have just brought accountability back to the department, the accountability that was removed during the 1990s. I am very pleased that we have had a very positive response from organizations around the service purchase agreements.

I know that the Agency Accountability and Support Unit, led by Gord Greasley, does a very good job. I want to stress it is Agency Accountability and Support. We made sure that when we brought back the accountability component, that we also provided support so that organizations which may have some questions, that we could help them work through, we are certainly willing to do that.

Mrs. Taillieu: My understanding is that following the process of devolving into child protection, the process, into the four authorities, that that was sort of one stage and that following there would be a stage for the secondary service providers, such as Marymount and such as Macdonald Youth Services, to follow that model.

I am wondering if any discussions have taken place on that.

Ms. Melnick: I think the word that the member was looking for was devolution, the devolution of child welfare in the province of Manitoba. I also think the word that she is looking for to describe the organizations are the Group 2 resources. There have not been discussions under way about the Group 2 resources. There is a commitment from this government and from myself as minister that there will be a lot of consultation when the time is right, but I think

it is very important that we recognize that there have been five stages of the devolution of child welfare, and we have not proceeded with any further stage until everyone was ready to move forward. Now, we have just been through the devolution, the actual devolving of child welfare to the four authorities: northern First Nations, southern First Nations, the General Authority and the Métis.

I want to take this time to thank all the people who worked so hard through that process. It is the first time in any jurisdiction that it has been done and there was not a road map. What happened was people sat around a table and said, look, we have to really focus on the best interests of the children. We have to move at a pace that will have insurance that we are doing the right thing in the right way at the right time. I really commend those folks because I know they worked through many, many issues. They worked through many, many steps. They worked very hard and they worked on it for a number of years. In fact, the devolution roll-out was two years later than we had originally anticipated because we wanted to make sure and they wanted to make sure that we were ready to do that. I think a tremendous job has been done. I am quite awed by the commitment to go through this very intricate process in an already intricate system in the province of Manitoba, the child welfare system. I want to thank them and commend them for all their good work.

So are currently in the fifth stage, which is the post-devolution stage where the four authorities and the department continued to work together. There is a quality assurance initiative under way. I know that they are showing the same commitment to this stage as they have shown to all the previous ones.

Mrs. Taillieu: Can the minister tell me who the chief executive officer at Winnipeg Child and Family Services is at present?

Ms. Melnick: We have an acting executive director. Her name is Darlene MacDonald.

Mrs. Taillieu: I believe that Jay Rodgers was in this position. Can the minister say when he took over as the CEO of Child Protection Branch, or is he acting?

Ms. Melnick: Mr. Rodgers took over the acting position of director of Child Protection middle of February of this year. He too has a long history and long professional experience in child welfare. I was very pleased when he agreed to take this position. He has had a lot of front-line experience, as well as a lot of experience in management. He did a wonderful

job at Winnipeg Child and Family Services and continues to do a wonderful job in his current position. So I want to thank him very much for accepting that position and the good work that he does every day.

Mrs. Taillieu: Can the minister tell me when the Group 2 resources people, when will she be meeting with them to discuss further developments there?

Ms. Melnick: We have not set out a time frame for that. Again, we are in the post—

Madam Chairperson: The time being 5 p.m., I am interrupting proceedings. Committee of Supply will resume sitting tomorrow morning (Friday), at 10.

CONSERVATION

* (16:00)

Mr. Chairperson (Conrad Santos): Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Conservation.

Does the honourable minister have an opening statement?

Hon. Stan Struthers (Minister of Conservation): Mr. Chairperson, I am pleased to present the '06-07 Estimates of the Department of Conservation. I trust that members have had an opportunity to look through the supplementary information that I have provided. I want to begin by acknowledging the efforts and the hard work of staff in the department. I want to recognize all the service and the dedication that they have shown over a number of years but, in particular, since we last met for Estimates here at the Legislature. In particular, our front line staff interact with thousands of Manitobans on a daily basis, dealing with important resource and environmental issues. My department strives to address the needs and problems and challenges facing Manitobans. In fact, Manitoba Conservation is second only to the Department of Health in the number of public inquiries it receives. For the members' information, this budget marks the beginning of the third full year since Manitoba Conservation and Water Stewardship have been set up.

Our mission is to manage and protect the province's environment and rich, diverse natural resource base through working co-operatively with the public to strike a balance between the needs of the environment and the needs and demands of all Manitobans. In delivering our mission, I would like to highlight some of the progress over the past year

and touch on some of the new and continuing initiatives for this fiscal year.

As members likely know, more Manitobans are enjoying our provincial parks every year. We operate over 6,000 campsites for transient and seasonal camping and have over 80 parks in Manitoba. Providing the necessary park infrastructure and recreational opportunities for Manitoba families is an important responsibility that we take very seriously. We annually welcome approximately five million park visitors, including day users, campers, cottagers and organized groups. Over the past year, much has been accomplished to improve our provincial park system. In this next fiscal year we will continue to implement strategies to make camping and cottaging experiences even better for Manitobans and our visitors.

* (16:10)

The Province has made significant investment over the past several years in campground improvements and upgrades to many facilities. This includes the addition of over 350 electrical sites at locations such as Stephenfield, Hecla, Duck Mountain, Paint Lake and Whiteshell provincial parks. Environmental infrastructure upgrades were undertaken over the past year, including the completion of the Falcon Lake water treatment plant and initial construction of the Birds Hill waste water facility. For the '06-07 fiscal year, we are planning a major washroom and shower building upgrade at Birds Hill Park. This will enhance accessibility for people with disabilities. We will also be continuing campground upgrades with a further 120 electrical and water enhancements. A number of lagoon upgrades are planned for this fiscal year, initiated projects such as West Hawk Lake, Big Whiteshell and Hecla.

Camping light opportunities are being expanded this year. Twenty-four new yurts will be brought on-stream this summer with six each at Spruce Woods, Asessippi, Clearwater and Bakers Narrows provincial parks. These yurts are portable, year-round, hut-shaped shelters that I had the opportunity to stay in one evening last summer.

This fiscal year we have put in place a new and improved, made-in-Manitoba, on-line campground reservation system for the general public. Since the system was activated in early April, there have been over 10,000 bookings. Mr. Chairperson, in the first day we accomplished 6,074 bookings in one day. At one point in that day we were averaging a thousand camping sites booked per hour.

The department has been focussing on park safety and will be expanding our 911 emergency service to five heavily-used parks where the numbers of visitors and cottages and business is the greatest. These will be at Grand Beach, Birds Hill, Hecla-Grindstone, Whiteshell and Duck Mountain, taking in about three million visitors annually.

Our successful cottaging initiative continues. We provide Manitobans with new cottaging opportunities to enjoy the abundance of nature. To date, around 630 new lots have been offered through four cottage lot draws held in '04 and in '05. We will be announcing in due course a fifth cottage lot draw this spring.

We have continued to move forward on the East Side Planning Initiative over the past year and have reached, I believe, some important milestones. The East Side First Nations Council has been renamed Wabanong Nakaygum Okimawin, WNO, which means East Side of the Lake Governance. The WNO has determined that future planning activities will focus on developing community-based land use plans.

Over the past year negotiations have taken place with First Nations communities on the east side to establish a protocol to govern future negotiations on the appropriate uses of land on the east side of Lake Winnipeg. This agreement is nearing completion and I believe signifies a critical step for moving forward.

In our budget this year I am pleased to announce that funding to facilitate community land-based use planning for First Nation communities on the east side. Our government remains committed to the establishment of a system of protected areas that fully represents a tremendous biological diversity across our province. Since the program in 1990, over 5.4 million hectares, or approximately 8.4 percent of Manitoba's land, is now protected. Our network of protected areas includes 14 park reserves, two national parks, 43 protective wildlife management areas, 21 ecological reserves and two provincial forests.

Over the past year we have established three new ecological reserves, totalling over 1,000 hectares, at Brokenhead Wetland Ecological Reserve, Meadows Ecological Reserve and the Birch River Ecological Reserve.

In August of '05, a memorandum of agreement was signed with the Manitoba Naturalists Society to

protect 355 hectares of endangered tall grass prairie and associated ecosystems.

The department also extended designations to Fisher Bay and Birch Island park reserves for a further five years, effective November 1, 2005. We will continue to build on our existing network of protected areas here in Manitoba.

The department is continuing to put much effort into the UNESCO World Heritage Site nomination process on the east side of Lake Winnipeg, as well. We consider this an important initiative for the protection and sustainability of the east side boreal forest and Aboriginal communities that work and live in this area. This process is leading to the development of an innovative model for governments and First Nations people to build relationships and work together to protect the natural and cultural heritage values of our province.

To deliver on our mandate for environmental protection, we continue to take steps under the environmental livestock program to work with producers to better protect land and water. Last year amendments were made to the department's livestock manure and mortalities management regulation to provide for qualified persons to prepare manure management plans. Over 500 livestock operations in the province are required to register manure management plans annually. Many of these prefer to hire someone to prepare the plans on their behalf. This amendment will ensure that those hired are qualified to do so.

Public consultations have recently been held regarding proposed amendments to regulate the manure applications on the basis of phosphorus. As we all know, phosphorus is one of the key nutrients contributing to the problems in Lake Winnipeg.

Also, the government is committed to expanding economic development opportunities in the North and expanding Aboriginal participation in the forest sector of the sustainable forestry unit that was established in '03 to help deliver on this commitment, and continues to facilitate activities in this area, given also our announcement that was referenced earlier today with Ainsworth in terms of a hardwood project.

I could talk awhile about the partnership agreements that we have put in place, but I suspect we will be able to get into those as we move through the Estimates, Mr. Chairperson. I look forward to the advice from all members of the House.

Mr. Chairperson: We thank the minister for those comments.

Does the official opposition critic, the honourable Member for Portage la Prairie, have any opening comments?

Mr. David Faurshou (Portage la Prairie): Mr. Chair, I appreciate the opportunity for opening remarks. However, I believe that our time is short, and I would encourage the minister to invite staff to attend to committee so we can get under way.

Mr. Chairperson: Under Manitoba practice, debate on the Minister's Salary is the last item considered for a department in the Committee of Supply. Accordingly, we shall now defer consideration of item No. 12.1(a) and proceed with the consideration of the remaining items referenced in Resolution 12.1.

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

Mr. Faurshou: While staff is joining us, I believe we could get a procedural matter resolved at this point and juncture in time. It has been past practice that we were able to engage in a global discussion of Estimates. I would like to confirm that we can continue with that practice.

Mr. Chairperson: Is it the minister's preference or is it agreed that questioning for this department will follow the global manner with all the items to be passed once the questioning has been completed?

Mr. Struthers: Yes, I am agreeable to that. It is the Member for Portage's nickel.

Mr. Chairperson: The minister may now introduce the members of his departmental staff.

Mr. Struthers: Yes, Mr. Chairperson, I am very pleased to introduce the fine executive staff of the Department of Conservation, being led ably by the acting deputy minister, Don Cook. He is joined by Dave Wotton, assistant deputy minister; Bruce Gray, assistant deputy minister; and Acting Assistant Deputy Minister Steve Davis.

* (16:20)

I want to just take a half minute if I could to note that last year, we were joined by my Deputy Minister, Don Potter, who has retired after a whole number of years ably serving the people of Manitoba in the public service. I think we all join Mr. Potter in

saying, congratulations, and have a great retirement. We are ably represented here by the gentlemen in front of me.

Mr. Chairperson: The table is now open for questions.

Mr. Ralph Eichler (Lakeside): Mr. Chair, I have a concern in regard to—

Mr. Faurschou: Mr. Chairperson, I am still getting used to the venue of the Chamber in retrospect to our previous venue of the committee rooms. Two colleagues of mine have joined me. I would like to ask the permission of the committee that my colleagues are able to leave their assigned seating and to join us in the front row.

Mr. Chairperson: What does the minister say on this request?

Is there agreement? [*Agreed*]

Mr. Eichler: Last year we dealt with Bill 16 in regard to The Wildlife Amendment Act, and we did away with some serious concerns that we had in regard to the poisons that were going to be allowed to be used in controlling predators. Just last week we see now that the assumptions that we had in regard to predators coming into farms and taking over that the minister had to rethink those concerns. I noticed that you had predator control dollars that were allocated. Where are we going to be going with this in the future? Is this just a temporary measure to hand off the predators, or what is our long-term plan?

Mr. Struthers: That is quite the interesting spin that my friend from Lakeside gives to this. I can remember the debate over Bill 16 and, quite rightly, a number of members opposite expressed a concern that we were worried about as well on this side of the House, and that was the steps that farmers and ranchers could take to protect livestock. It is not a rethinking of anything. It was a commitment that I made at the time of the passage of Bill 16 to meet with the Manitoba Trappers Association, to meet with groups of farmers and ranchers who were expressing concern to me. We have done that.

We have carved out a number from the budget that we can put toward helping ranchers and farmers with the co-operation of the Manitoba Trappers Association in providing an outlet, a tool in the toolbox, for helping farmers and ranchers deal with predators. We have identified funds in the budget for that. We are very pleased that the Manitoba Trappers Association has worked with us on this. We have set

aside the amount of \$40,000 to do that, and we believe it is important to make sure that farmers are not left hanging out to dry on this.

As the member remembers, the necessity for Bill 16 came about because of some changes that the federal government had made in terms of the use of poisons. There were farmers that I have talked to, and I remember friends opposite also being concerned about the collateral damage that the use of poisons has had on wildlife and, in some cases, endangered wildlife. So we knew we had to move forward with Bill 16. We knew we had to have in place a safety net for ranchers. I believe, Mr. Chairman, that that has been accomplished.

Mr. Eichler: I was supposed to remind you we only had three hours, so we would like the short version in your answers.

Having said that, Mr. Chair, \$40,000 does not go very far when it goes to predator control. The money that you had talked about with the \$40,000, now is that going to be paid directly to the Trappers Association? Is that the way, the intent? Is it to be set up, and is it on a per-head basis? Can we have some clarification on that?

Mr. Struthers: Yes.

Short enough?

Mr. Eichler: That was pretty short. If you would just clarify a little bit more on whether or not, or how the money will be dispensed and to whom?

Mr. Struthers: The target is predators, problem critters that ranchers and farmers are worried about dealing with. We will in the regions have people from the Manitoba Trappers Association identified, easily identified and accessible for ranchers to contact. The payments that we make, I believe, are directly to the trapper.

This is in conjunction with other programs, winter and summer beaver subsidy programs that we do. We want to address the problem of problem critters, and that is what we believe this program will do.

Mr. Eichler: That covers that off, thank you, Mr. Chairperson, as far as the predator control.

I have another concern in regard to coming back to Bill 16, and that is with the growing population of gophers—not golfers, gophers. Without some type of controls, we are going to see that population grow, and I know that the only ones that can really do that

are the people with licences. For them to come out into rural Manitoba is going to be very expensive.

Does the department have some long-term plans in order to deal with this, rather than have to have licensed people to deal with that issue?

Mr. Struthers: I am very relieved that the member clarified his stand on controlling gophers. Golf, that is an important part of the rural economy, attracting people out to little communities, some of the best golf courses in all of Canada, I want to say.

Our program is specifically targeted at predators. Our program deals with some of the very focussed advice that we got from members across the way last year on Bill 16. What we do in terms of gophers is we work in conjunction with Manitoba Agriculture, Food and Rural Initiatives.

We understand that the gopher might be a very small little animal, but he does do damage in terms of the holes he makes and has cattle and livestock breaking ankles and breaking legs and those sorts of things. So we understand that that is a concern of the Manitoba producer. What we try to do is work cooperatively with the Department of Agriculture in terms of programs to control and compensate in terms of damage that is done.

Your turn.

Mr. Eichler: Is the department looking at easing up somewhat as far as regulations so that the farmers can do something with some type of a poison that would be available that would be licensed so the farmers can use it in the future?

*(16:30)

Mr. Struthers: We want to work with the farm community to make sure that every avenue is explored to be supportive of farmers and the problems that they have with gophers.

I want to point out, though, that in terms of poisons, the federal government still regulates. Just as they did with the poisons we were talking about in terms of predators, the federal government still regulates the use of poisons, and they are not permitting further use of poisons, whether it is gophers or wolves or coyotes. But we want to work with the agricultural community and with the Department of Agriculture to make sure that where we can be helpful in working with farmers to deal with gophers, that we do. But the use of poisons really is a non-starter as long as the federal government continues not to release those permits.

Mr. Glen Cummings (Ste. Rose): With permission to speak from a desk that is not my own, I would like to ask the minister about today's announcement. As our leader has indicated, it seemed like this was an attempt to grab headlines without necessarily much substance behind it.

While the concept of an oriented strand board plant is very interesting, and certainly would be looking to acquire the type of wood that is available in the area that is referenced, I wonder if the minister has any memorandum of understanding that he could table.

Mr. Struthers: I could not help but note how negative the Leader of the Official Opposition (Mr. McFadyen) was to a very good news story. I was quite disappointed in the attempts of the Member for Ste. Rose's leader in trying to skewer a good news announcement.

For too many years in this province, First Nations have been left out. We decided as a provincial government that we were going to fundamentally change the way we make forestry decisions in the province of Manitoba. That means, in 2002, that we put forward for everybody to see, including members opposite, a statement on forestry committing our government to Aboriginal participation.

By Aboriginal participation, I do not mean just a certain number of jobs being provided to Aboriginal people. That will be part of this, but, fundamentally, we wanted to approach First Nations differently. We want them to be involved in the decision making from the outset.

That is the good news that we brought forward today. That is what I am proudest of in terms of this whole project. We need to understand, Mr. Chairperson, that we are committed to fulfilling our duty to consult with First Nations, as set out in Section 35 of the Constitution of Canada, as underscored by Supreme Court decisions, the Haida/Taku case in B.C., which clearly stated that provinces have a duty to consult and accommodate, and we have to do it meaningfully. This government is committed to that.

The other process that will take place is an environmental licensing process. I want to be very clear that we will take both our duty to consult and our responsibilities to protect the environment very seriously as we move forward with this project.

It is a very good news announcement today. I was quite disappointed with the initial response from

the Leader of the Official Opposition to a good announcement like this.

Mr. Cummings: Well, Mr. Chairperson, I am generally the glass is half full type of person. I recognize the opportunity for jobs, and I recognize that the resource is there. Certainly, one of the challenges we have always had in this part of the continent is to bring the jobs to the resources, instead of shipping the resources elsewhere for others to get equal or greater benefit, and, particularly, in an area where there is underemployment.

But I really would like to press the minister on what he can lay out for the First Nations people for that matter. What can he put out there that shows this is imminent or that this is, in fact, anything more than a verbal agreement to discuss, and that the province has over three quarters of a million cubic meters of timber?

Is there a memorandum of understanding relative to the commitment of the timber that the minister could point to? Because I do not think—and this is where I hoped the minister would realize that I am not so negative on the concept. In fact, I would be bullish on the concept. But I want to know, has he committed and has he got any agreement with Ainsworth to commit that many cubic feet of harvestable timber?

Mr. Struthers: In terms of the question of fibre and amount of fibre, there are two things that I want to point out. First of all, we do our homework in terms of establishing the amount of fibre in that area that can be utilized by an OSB mill, and, having done that homework, we are confident that there is that supply there for use in this.

The second aspect of this is that we do have quite an amount of fibre right now that is leaving the province of Manitoba, taking with it jobs, taking with it income and taking with it hope that young people have to work in this province. So we have done that amount of homework.

We have also been working with Ainsworth in finalizing a letter of commitment. Ainsworth and the Province of Manitoba have been in discussions. The signing of a letter of commitment is imminent.

Mr. Cummings: Well, I want to continue to press. I think one of the greatest abuses of our First Nations people has often been that there have been promises made with no intention of them being kept, or that they might never be kept, but were hung out there with the expectation that this might amount to

something in the future. I can give several examples of that.

Is there an agreement in principle between Ainsworth and the Province of Manitoba?

Mr. Struthers: Maybe I was not as clear as I could have been. We do have a signed letter of commitment between us and Ainsworth. We have done the kind of initial homework that we need to do to ensure that we can move forward with the commitments that we have signed on a go-forward basis.

Mr. Cummings: That would be a non-binding letter of commitment?

* (16:40)

Mr. Struthers: The letter of commitment that we have commits this Province to a number of things to happen. As I have said, we have done the homework to give us the confidence that we have fibre, that we have the actual materials we need to move ahead. It commits us to a process in terms of our duty to consult. I want to be very clear that we do not move ahead on this project without an environmental licence, going through that whole process. From there, part of our commitment is not only allocation of the fibre but working out a forest management licence.

So that is what the letter of commitment leads to, and we have agreed to that with the company.

Mr. Cummings: What would the company's commitment be?

Mr. Struthers: Ainsworth will undertake, first of all, to build the plant once all the other processes that I have spoken of are completed. They have a commitment then to be part of the forest management licence agreement, follow within the forest management licence agreement, and of course they have the commitments on forest renewal that will be established as part of this process. They also have the commitments that they agreed to within the letter of commitment.

Mr. Cummings: Does the letter of commitment include their agreement to follow the conditions of forest renewal? Is that a correct assumption?

Mr. Struthers: It commits Ainsworth to entering into negotiations with us in terms of forest renewal,

in terms of the forest management licence agreement. It commits Ainsworth to that process.

Mr. Cummings: Is there any written commitment on jobs?

Mr. Struthers: There is not a commitment specified within the letter of commitment, but I want to point out to the Member for Ste. Rose (Mr. Cummings) that there will be people hired to work at the plant. There will be people hired to work in the Woodlands to gather the fibre that is necessary, and, as we move through the process, we will be reminding Ainsworth of the commitments that they have agreed to.

Mr. Cummings: Can the minister share the time frame that would be in a letter of commitment that would commit the company and the government to finalizing numbers and negotiations in a specific period of time?

Mr. Struthers: I want to stress that, at this early stage in the process, hard and fast time lines are difficult. Much of what we will be doing will be dependent on negotiations that we and Ainsworth have come to, sparked by the letter of commitment that we have spoken of. Our commitment, as always, is that, if the project is considered desirable, we go through the processes as quickly as we can, but as thoroughly as we can. The real challenge in this is to make sure that we do the Section 35 consultation thoroughly, and that we do the environmental licensing process thoroughly, and that we understand that those are the most important next steps in terms of the time line. Depending how those go will determine the day by which the plant is up and running and operational.

Mr. Cummings: The minister can indicate—earlier today there were comments made about a lot of this timber being available on traditional lands: Is there any commitment being suggested regarding jobs versus cutting rights?

Mr. Struthers: I am not sure exactly what the member is asking. Could he help me out here?

Mr. Cummings: Well, given that the Premier (Mr. Doer) committed that there was not going to be an election this year, especially this fall being municipal elections, then I would be entirely in error in interpreting this as a pre-election ploy.

Therefore, it is with true interest for the opportunity in the area that I want to know just where the government is heading. I guess both the member and I have been around long enough to

remember the dance that went on for quite some considerable time with Louisiana Pacific, the standards that they were expected to bring to the table as they were negotiating for fibre rights. They had a very large demand for cuttable, usable hardwood.

So I am concerned that what we have is an announcement that Ainsworth has been through town, and that, somehow, this is going to benefit a number of communities who very much need jobs, but also their land, their traditional lands. I am wondering if there are some of their actual treaty entitlement lands. Are we counting fibre that would be available off of those lands, or is that negotiation yet to occur, too?

Mr. Struthers: I want to assure the member that this is a real announcement. It is an announcement of the kicking off of a real process that could lead to real jobs, with a real building, with a real forest management licence agreement.

I can understand that the member might be suspicious on election timing and announcements and all that sort of thing, but when he hears of the next election call, I would like him to make sure that I am up-to-date on that as well. We are not making decisions based on that. We are making decisions based on including First Nations in forestry decisions. We are making decisions based on how we can maximize job opportunities.

* (16:50)

But all of this, I want to stress, is subject to the Section 35 consultation that we will be undertaking, and subject to the environmental licensing process that will take place as well. That is the important time line that I need to be concerned about and will be concerned about. That is my job.

Mr. Cummings: Well, it is my job to make sure that the minister and his government, and I would suggest probably more his Premier (Mr. Doer) than the minister himself—if they have not put us in a position where we are perhaps overly enthusiastic, well, we may be making announcements that are not yet full and complete, and might well be compromising any negotiating opportunities or stances that we can take in order to get the most benefit out of an enterprise such as this.

I am very concerned about whether or not we would compromise the opportunity to maximize the involvement in the area, because what I began to understand and I did not know before was the value

of this resource, Certainly, in the last 10 years it has become very obvious the value of this type of fibre to the market out there. The oriented strand board has become a building staple, if you will. You see it everywhere, and we are sitting on one of the last really large tracts that could be harvested. So we need not take a weak position. We need to take a strong position.

I am wondering when we have an offer of interest that has no particular time frame on it, is this an opportunity that the government sought out or were we sought out by this very large international corporation?

Mr. Struthers: I agree that we need to have a strong position, and I say that because we are dealing with, not just in terms of economics, but a very valuable part of our province, so we have to be strong in terms of protection of the environment. We have to be strong in terms of dealing fairly with the First Nations in the area. That is why we and the First Nations of the area got together and put out a request for proposals. It is not that Ainsworth is walking through town, as the member has indicated. Ainsworth responded to a request for proposals. Ainsworth has known from the beginning of our interest in moving forward. We have been up front with the company in terms of the processes that will need to be accomplished before a ribbon could be cut in front of a plant. We have a signed letter of commitment with Ainsworth and they responded to our RFP.

Mr. Faurshou: Mr. Chairperson, not being familiar with the timber industry, could you possibly indicate how many hectares or how many acres constitute an annual yield of 838,000 cubic metres of timber?

Mr. Struthers: In order to be accurate, I will get the conversion of the 838 cubic metres for the member and I will come back with that, but I want to indicate that the fibre itself is located in the Interlake region, into the southeast corner of the province and part ways up the east side of Lake Winnipeg. It deals with hardwoods and that is the geographical area that we are dealing with. It is 838,000 cubic metres of fibre altogether, some of which is the wood that I referenced earlier that is leaving the province that we would like to capture and add value to here in Manitoba.

Mr. Faurshou: Mr. Chairperson, I did not get real specific answers to area and I do know that there is variation in stand when based upon Mother Nature's plantings. But does this offer opportunity for

woodlot, from an agricultural perspective, being developed further here in the province of Manitoba?

Mr. Struthers: Yes. My friend from Portage la Prairie has his finger on something that, given past experience, has been very positive for local woodlot operators, and that will be the case in the geographic area that I have just outlined. It represents a good market for woodlot operators who are welcome to work with the company, with Ainsworth, should we ever get to the stage where we have a forest management licence agreement and all those things that I have spoken of.

Mr. Faurshou: Mr. Chairperson, the areas to which the minister referred to, Interlake, southeast and east side of Lake Winnipeg—are all the areas to which he has referenced now currently accessible by the present road network?

Mr. Struthers: I can add a little bit of detail, in terms of the amount of wood leaving the province that Ainsworth anticipates purchasing. It is in the area of 132,000 cubic metres that we could repatriate, if you please.

The question about the roads is yes. There are main roads there now. We would be involved in construction of some forestry roads, but I want to point out that every year the company will be coming forward with an annual operating plan, just like other companies in the province do. So we can do the planning in such a way to minimize the amount of money that we need to put into roads, and that way be much more useful for the project and much easier on the taxpayers of Manitoba. I want to point out that it would be the company that would build the roads.

Mr. Faurshou: As long as my colleague from Ste. Rose asked about consideration of involved treaty lands in the inventory which is considered by the department as available to Ainsworth, are there any areas that are currently of protected status or potential protected status? Because we do have an inventory of potentially protective lands that, to my knowledge, it has been a number of years since that inventory was updated. We will get to that in a later discussion, but any of those properties in consideration.

Mr. Chairperson: Order, please. The hour being 5 p.m., I am interrupting the proceedings of the committee.

This section of the Committee of Supply will now recess and will reconvene tomorrow (Friday) at 10 a.m.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 11, 2006

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