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of the

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

**Official Report  
(Hansard)**

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

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
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ALLAN, Nancy	St. Vital	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
ASPER, Linda	Riel	N.D.P.
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## LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, May 12, 2000

The House met at 10 a.m.

### PRAYERS

#### ROUTINE PROCEEDINGS

#### PRESENTING PETITIONS

##### Winnipeg Police Athletic Clubs

**Mrs. Myrna Driedger (Charleswood):** Mr. Speaker, I beg to present the petition of Marylou Hockley, Peg White, Shannon MacDonald and others praying that the Legislative Assembly of Manitoba request the Minister of Justice to encourage the Government of Manitoba to continue partnering with schools and law enforcement to ensure Winnipeg Police Athletic Clubs provide recreational and athletic activities for young people in a safe, supervised environment in 13 schools throughout Winnipeg for years to come.

#### READING AND RECEIVING PETITIONS

##### Winnipeg Police Athletic Clubs

**Mr. Speaker:** I have reviewed the petition and find that the petitioners have complied with the authorities and practices of the House. Is it the will of the House to have the petition read?  
[Agreed]

The Clerk please read the petition.

**Madam Clerk (Patricia Chaychuk):** The petition of the undersigned citizens of the province of Manitoba humbly sheweth:

THAT Winnipeg Police Athletic Clubs, located in 13 schools in Winnipeg, provide young people between from the ages of 10 to 17 an opportunity to participate in community sports under the supervision of university students and police officers; and

THAT the Winnipeg Police Athletic Clubs help reduce neighbourhood crime, enhance the relationship between young people and the

police and create positive alternatives to undesirable pastimes for youth; and

THAT total attendance at the Winnipeg Police Athletic Clubs in January and February 2000 was more than 8000; and

THAT the importance of athletic activity on a child's physical and cognitive development is well established and should not be overlooked; and

THAT during the 1999 provincial election, the New Democratic Party, led by the Member for Concordia, promised "to open schools after hours and expand recreation activities for children and youth"; and

THAT the Winnipeg Police Athletic Clubs provide an excellent example of communities partnering with government, schools and law enforcement to provide a safe place for youth to go; and

THAT many parents throughout Winnipeg are very concerned that the Government of Manitoba may choose to close the Winnipeg Police Athletic Clubs.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY THAT the Legislative Assembly of Manitoba request that the Minister of Justice encourage the Government of Manitoba to continue partnering with schools and law enforcement to ensure Winnipeg Police Athletic Clubs provide recreational and athletic activities for young people in a safe, supervised environment in 13 schools throughout Winnipeg for years to come.

\* (10:05)

#### MINISTERIAL STATEMENTS

##### Manitoba Day

**Hon. Diane McGifford (Minister of Culture, Heritage and Tourism):** Mr. Speaker, I have a statement for the House.

Mr. Speaker, today is Manitoba Day, and I would like to make a statement to the House since this day offers us an opportunity to celebrate Manitoba's history. It was 130 years ago on May 12, 1870, that The Manitoba Act created the province of Manitoba.

This date holds special significance for many of us, including most of us sitting here today. I believe Manitoba Day is a commemorative event and an opportunity to review our conception of ourselves as Manitobans, our sense of our past and our dreams of the future. As I said, this date is significant, but let me bring to your attention what this date misses, centuries of aboriginal history and culture which prevailed long before the proclamation of 1870.

I am sure every member will agree that our celebration of Manitoba's history can only be richer for including the experiences and contributions of all Manitobans, aboriginal and immigrant, past and present. So I make a plea for inclusiveness, for admitting to the dialogue those voices which have often been silenced or ignored. By accepting the experience of all Manitoba citizens, all who are shaping our unique identity as a province, we can build on the foundation we have inherited from past generations.

In coming to terms with our identity, I think it is important for us to understand the challenges posed by climate and rough terrain. Indeed, I think we might face one of those challenges today. Our ancestors faced blizzards, floods and drought. People were often physically isolated and lacked the communication tools we have today. Technology was undeveloped. Life was fraught with staggering challenges.

Considering the challenges and complexities, it is inspiring to remember the efforts made to build bridges of community and understanding among those diverse groups who shared the prairie landscape we call home. We have much to celebrate on this Manitoba Day. The contributions of all Manitobans have made our province a fine place to live, raise our children and enjoy growing old together.

As Manitobans, we are proud of today's sound social and health care programs, our

commitment to children, our promise and hope for the future, our greatest resource and the richness and diversity of our cultures, gifts to the present from the past. Thinking of the past, our heritage, I want to say that the struggle to imagine our past will allow us a clearer and fairer understanding of history and will in turn allow us as parents, grandparents and elders to pass our traditions and stories to future generations. We are indeed fortunate to have many heritage volunteers who are actively involved in ensuring our heritage remains a living memory.

Just last night it was my pleasure to present the 2000 Prix Manitoba Heritage Awards. I would like to mention the names of the recipients. Larry Kristjanson received the award in the Distinguished Service Volunteer, Individual category for his imagination, commitment and generosity in protecting and cherishing the heritage of Gimli. Canada's National Ukrainian Festival of Dauphin took the award in Distinguished Volunteer, Group category for its vision, dedication and unstinting support to what has become the largest Ukrainian festival in North America. Donalee Deck received an award in the Distinguished Service, Vocational category for her professionalism, dedication and enthusiasm as interpreter of Manitoba's rich archaeological heritage as the curator at the University of Winnipeg's Department of Anthropology.

The Clegg collection of horse-drawn vehicles in Arrow River was given an award in the Project category for ensuring that a significant portion of Manitoba's pioneer history is preserved and made accessible to future generations. The Manitoba Museum of Man and Nature's school program volunteers received an award in the Education and Communication category for their energy and devotion to the cause of promoting our province's diverse heritage to the children of Manitoba.

I would like to congratulate the award winners and thank them for their contribution to our province and its history. As well, I congratulate all nominees. Being nominated is a sign of commitment and dedication to the public good. As well, I thank Fabuki Daiko for their taiko drumming. Traditional Japanese music in

our Legislature but traditional music which combines traditional forms with the rhythms of jazz and funk is a symbol both of our rich cultural heritage and our rich cultural future. Thanks and congratulations to Naomi, Hiroshi, Kimi, Bruce and Michael.

Another large portion of our history became available to Manitobans last week when the Hudson Bay Company Gallery at the Museum of Man and Nature officially opened. It houses the Hudson Bay Company's entire collection of historic artifacts, some 10 000 items in all, donated to the Manitoba Museum in 1994. This collection helps make Manitoba the premier source of information about the cultures and histories of our Aboriginal peoples, as well as of the development of our province and nation.

\* (10:10)

I hope all Manitobans will have the opportunity to visit the gallery. You may also want to view the heritage displays created by Grades 5 to 9 students from across the province at the St. Boniface Arts and Technology Centre. The display is part of our annual Heritage festival.

I would like to congratulate 11 municipal governments, which have recently taken the initiative under the province's Heritage Resources Act, to protect heritage properties in their jurisdictions. They are the rural municipalities of Morton, Roblin, Franklin, La Broquerie, Armstrong, Shell River, Ethelbert and Gimli and the communities of Oak Lake, Arborg and McCreary.

Today I am pleased to announce the launch of my department's historic resources website. The website will make general heritage information accessible to Manitobans in a friendly-to-the-public electronic format. In addition to the online resources, the branch has mailed out publications, including a transportation brochure and a Red River Resistance leaflet. These materials were sent to about 300 libraries, municipal heritage advisory committees, and local governments in recognition of Manitoba Day. As we celebrate Manitoba Day, I ask that you join me in remembering the past, celebrating the present and dreaming our future.

It is a gift and blessing to live in Manitoba, and today we publicly declare our gratitude.

**Mrs. Louise Dacquay (Seine River):** Mr. Speaker, first, let me thank the Honourable Minister of Culture, Heritage and Tourism (Ms. McGifford) for her ministerial statement on Manitoba Day. It is my distinct pleasure to be able to put a few words on the record today as we celebrate Manitoba Day, the 130th anniversary of our province's creation.

As we begin the new millennium, this is a most appropriate occasion to consider the achievements of Manitoba and its people. This day offers us the opportunity to reflect on who we are, where we have come from, and what we have achieved. Our province is home to many different cultures, and our citizens represent a wide variety of languages and customs, but we are all proud to be Manitobans.

Some might say that our province's history is not unlike that of a patchwork quilt. Our society's rich fabric is a tribute to the diverse groups that have made Manitoba their home. Our original residents, the First Nations people, represent the first square of the quilt. Subsequent patches mark the arrival of the French, English, Scottish, Irish, German, Mennonite, Polish, Jewish, Icelandic and Ukrainian settlers. The Métis are also another vital square on the pattern. In recent decades, new immigrants have arrived: Chinese, Filipinos, Vietnamese, Chileans, Serbians, Croatians, Tamils, Iranians and people from Pakistan and India, to name but a few of the many people who have chosen to call this province their home and to contribute to our rich cultural mosaic.

All of our immigrants have had a tremendous role to play in this province's growth and success by contributing to the advancement and enhancement of the quality of life we enjoy today. So, gladly, our province's cultural and historic quilt continues to grow and become more colourful each year.

Indeed, our culture is so varied, our heritage so rich that we all should be very proud of the province in which we live. One does not have to go too far in this province to find a museum or an exhibit that pays tribute to some unique

aspect of our history. As an example, as the Minister alluded to, the new Hudson's Bay Company Gallery at the Museum of Man and Nature chronicles the fur trade.

The Manitoba Agriculture Museum in Austin provides working examples of the experiences of our agricultural pioneers. Elevator Row in Inglis represents Canada's golden age of grain handling. The Lynn Lake Mining Town Museum looks at the province's mining sector. Pinawa Dam Provincial Heritage Park offers visitors a close-up look at the province's first concrete hydroelectric dam.

Our province's ample festivals also showcase our roots. I know many members have taken in the wide variety of pavilions at the Folklorama in Winnipeg. Others have travelled past the Perimeter for events such as the Icelandic Festival, the Ukrainian Festival, Lukkenfest, the Red River Rendezvous and the many pow-wows held annually throughout the province.

We on this side would also like to congratulate the nominees and award winners of the 2000 Prix Manitoba Heritage Awards. This important recognition of outstanding Manitobans was started in 1988 by the Filmon government. I am pleased that the NDP Government of today is continuing this practice. I would strongly encourage all members of this House and indeed all Manitobans to take a trip and explore another region of our great province. By doing so we will gain a better appreciation of not only our similarities but also our unique differences. Manitobans are extremely proud of their past and constantly looking to the future.

\*(10:15)

A few short months ago, the world's eyes were upon us as we celebrated the Pan American Games. An overwhelming sense of pride and exuberance permeated our streets and sporting venues both in Winnipeg and in host communities such as Minnedosa and Gimli. Manitobans were practically bursting at the seams, ready to showcase our province and all that it has to offer. It was indeed a pleasure to witness.

It is our combined strength, determination and hard work that has given us our greatest successes and our greatest achievements. For 130 years, Manitobans have been leaving their mark both at home and around the world. Wherever we go we leave a little bit of the Keystone province with all those we encounter. I have lived in Manitoba my entire life, and I am very proud to be a Manitoban. Please join me in celebrating Manitoba Day.

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

**Some Honourable Members:** Leave.

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

**Mr. Gerrard:** I rise to add my voice in a chorus of celebration for Manitoba Day. I think that it is a time to remember the wonderful achievements, the many who have contributed to our province. It is also a time to reflect on whether we are doing enough to maintain some of the traditions, some of the infrastructure we have inherited from those who have gone before us and whether we are planning well for the future in the emerging century and millennium to come.

I take this opportunity to comment specifically on community safety and the concerns of making sure we have a safe province, given the presence of my former colleague Gary Kowalski here and the fact that he is now working among many Manitobans to try and make sure we have a safe province.

#### Introduction of Guests

**Mr. Speaker:** Prior to Oral Questions I would like to draw the attention of all honourable members to the gallery where we have with us today, from Churchill High, 19 Grade 11 students under the direction of Mr. Mike McWilliam. This school is located in the constituency of the Honourable Minister of Culture, Heritage and Tourism (Ms. McGifford).

Also, I would like to draw the attention of all honourable members to the loge to my left where we have with us this morning Mr. Gary Kowalski, former member for The Maples.

I welcome you all here today on behalf of all honourable members.

\* (10:20)

## ORAL QUESTION PERIOD

### Budget Income Tax Reductions

**Mr. Eric Stefanson (Kirkfield Park):** Mr. Speaker, we on this side of the House are very concerned that this week's NDP budget has now made Manitoba the highest taxed province for middle-income families in all of Canada. Of equal concern, based on a review done with some of the other provinces, is we will remain the highest taxed province for middle-income families in the years to come.

I want to ask this Minister of Finance: Why has he made Manitoba the highest taxed province for middle-income families, and why is he determined to keep us with the highest taxes going forward?

**Hon. Greg Selinger (Minister of Finance):** The tax relief that is being offered this year is the taxes that the members opposite have taken credit for, and because they have taken credit for it, they also have to take responsibility for the impact on a middle-income family. As a result of that we decided that we had to address the problem that we inherited, and we brought forward the family tax reduction as well as a 39% increase in the non-refundable tax credits. As a result of that, over the next two years a middle-income family earning \$60,000 will get, in the year 2001, \$601 of tax relief and, in the year 2002, \$680 tax relief.

**Mr. Stefanson:** Mr. Speaker, I remind the Minister of Finance he is government, and Manitobans expect him to do something to keep Manitoba competitive. In looking at the NDP budget's medium-term plan—

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

**Mr. Speaker:** Order, please.

**Mr. Stefanson:** Thank you very much, Mr. Speaker. This is a very serious issue for all Manitobans, and in looking at the NDP budget's medium-term plan on page—

## Point of Order

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, just like yesterday, the Honourable Member asked a question and the supplementaries contain preambles, and we have a couple of preambles now. I ask you to draw the Member's attention to *Beauchesne's* 410: Supplementary questions require no preamble.

**Mr. Speaker:** The Honourable Member for Kirkfield Park, on the same point of order?

**Mr. Stefanson:** Yes, Mr. Speaker. I point out very clearly there was heckling coming, probably from both sides of the House, so I paused. You then acknowledged me again and I started my question, and the Government House Leader stands up on a point of order. It makes absolutely no sense. I had just begun. I had said about eight words in my question. There is no point of order.

**Mr. Speaker:** Order, please. I would just like to take this opportunity, seeing it is the first question, to remind all honourable members posing a question that *Beauchesne's* Citation 409(2) advises a supplementary question should not require a preamble.

I would ask the Honourable Member to please put his question.

\* \* \*

**Mr. Stefanson:** Thank you, Mr. Speaker. I ask the Minister of Finance, in looking at his budget's medium-term plan, which shows virtually no room for future tax reductions, why is the Minister planning to spend our future revenue growth instead of providing some meaningful tax reductions to keep Manitoba competitive with all other provinces in Canada?

**Mr. Selinger:** Mr. Speaker, I think it is really important that the Member look at page C7 where we talk about our Family Tax Reduction. One of the things we recognized in coming into government is that middle-income families, as well all families, deserved a break on their taxes, and as a result of that, we increased the Child

Tax Reduction exemption from \$250 to \$300 per child. That generates \$600 of tax relief next year and \$680 the year after that for \$1,200. That compares extremely favourably to the \$269 tax reduction that the members opposite are taking credit for this year.

**Mr. Stefanson:** Mr. Speaker, I ask this minister: Why is the Minister of Finance creating a situation where, by 2002, as he is just referring to, Manitoba will be far behind our neighbouring provinces? A middle-income family in Yorkton, Saskatchewan, will pay approximately \$1,000 less in taxes. The same family in Kenora, Ontario, will pay approximately \$2,500 less in taxes. I ask this minister: Does he believe that that is fair to all Manitobans?

**Mr. Selinger:** Mr. Speaker, the 50-50 plan that was proposed by the previous government in the year 2000-2001 had zero personal income tax cuts.

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

**Mr. Speaker:** Order, please.

**Mr. Selinger:** Our budget provides \$68 million of income tax cuts targeted at families in the same year.

#### **Physician Resources Pediatric Ophthalmologists**

**Mrs. Bonnie Mitchelson (River East):** Finally, after questions being asked in this House yesterday, the Minister of Health has attempted to contact Mrs. Kostiuk-Hein, small comfort to her after he publicly questioned her credibility yesterday. Can the Minister tell this House whether, when he spoke to her husband last evening on the phone, he apologized for the misleading information he put on the record yesterday?

**Hon. Dave Chomiak (Minister of Health):** Mr. Speaker, as I indicated yesterday, I would prefer not to get into a discussion in the Chamber about issues that were raised inaccurately, I might add, by the Member for River East with respect to the particular matter. I did not want to get into a discussion of "he said, she said," but I will say this, the Member asked yesterday in her

question, she said: Did you set up two press conferences with Mrs. Kostiuk? I do not recall setting up two press conferences with Mrs. Kostiuk.

I do know I attended a press conference with her. If Mrs. Kostiuk and the Member insist that I set up two press conferences, because I did attend a press conference with her, I only recall one that I was involved in. That was my memory yesterday. That is why I said no. If she is of the view that I set up two press conferences, then I am not going to dispute that. What I do dispute is the fact that in November I sent a letter to the regional health authority asking them to be vigorous in their attempts to secure a pediatric ophthalmologist.

I did have a meeting on November 12 with Mrs. Kostiuk, which she failed to attend. We phoned her house and said: Why did you not attend at my office for the meeting we set up, and she said she had forgotten and she would get back to us. She contacted our office in April, we talked to her. We also talked to her again in May. Last night, as a result of the issues raised by the Member, I also attempted to contact her to discuss the situation. So those are the facts as I recall.

\* (10:25)

#### **Miranda Kostiuk-Hein Apology Request**

**Mrs. Bonnie Mitchelson (River East):** Mr. Speaker, is the Minister today denying that his staff, Shauna Martins, called? Well, this is extremely serious because—

**An Honourable Member:** Ask the question.

#### **Point of Order**

**Mrs. Mitchelson:** Mr. Speaker, on a point of order.

**Mr. Speaker:** The Member for River East, on a point of order.

**Mrs. Mitchelson:** Yes. It is unfortunate, Mr. Speaker, that for some reason or other, the



Minister of Health seems to believe that he was not involved in any way when his staff called—

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

**Mr. Speaker:** Order, please. The Honourable Member is up on a point of order.

**Mrs. Mitchelson:** Thank you, Mr. Speaker. Again, I will try to indicate that the Minister of Health appears to be very selective. He uses "we" in the context of his staff calling individuals, but he uses the term "I" when he personally does that.

**Mr. Speaker:** Order, please. Would the Honourable Member please put her point of order.

**Mrs. Mitchelson:** I will complete my point of order—

**Mr. Speaker:** Put the point of order.

**Mrs. Mitchelson:** —by indicating, Mr. Speaker, that the Minister of Health has misled this House and a Manitoban, and he should stand up and apologize.

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

**Hon. Dave Chomiak (Minister of Health):** On the same point of order. As I indicated to the Member, she inaccurately put the question yesterday when she said to me: Did you set up two press conferences? I said today that I did attend a press conference, and I knew that yesterday, Mr. Speaker. I do not recall—because I set up lots of press conferences—setting that up. Someone from our staff in fact did set up at least one. Maybe someone from our staff set up—*[interjection]* Someone from our staff may have set up two. I do not recall the second one. If that is what the Member is saying, then I will accept that. But the Member ought not to ask one question one way and then attempt to put it another way in her point of order.

**Mr. Speaker:** Order, please. The Honourable Member does not have a point of order. This is a dispute over the facts.

\* \* \*

**Mr. Speaker:** The Honourable Member for River East, to please put her question.

**Mrs. Mitchelson:** Thank you very much, Mr. Speaker. Will the Minister then consider apologizing publicly in this House today to Mrs. Kostiuk-Hein for the fact that he used her twice last year when his staff, I would presume on his behalf, called Mrs. Kostiuk-Hein and asked her whether she would be willing to do a news conference, brought her into the Legislature, bought her lunch, took her into the NDP caucus office, and when the Minister of Health walked out the door, sort of moved her out into the hallway to confront him? Will he apologize for using her in that manner when she was trying to get needed help for her five-year-old child?

**Mr. Chomiak:** Mr. Speaker, I thank the Member for actually clarifying the issue that she raised yesterday, because yesterday she raised it in a totally different manner.

Mr. Speaker, I did attend press conferences with Mrs. Kostiuk, and if Mrs. Kostiuk is under the impression that I set up two press conferences and attended them with her, I will accept that fact. But I will not apologize for the fact that when the former government did not make valiant attempts to hire pediatric ophthalmologists, we did. What we always try to do is to help individuals. I will not apologize for the—

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

\* (10:30)

### Point of Order

**Mr. Marcel Laurendeau (Opposition House Leader):** On a point of order, Mr. Speaker, *Beauchesne's* 417: Answers to questions should be as brief as possible, deal with the matter raised and should not provoke debate. Will he apologize today? That was the question.

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

**Mr. Chomiak:** No, Mr. Speaker. There is no point of order.

**Mr. Speaker:** On the point of order, I would ask the Honourable Minister to please conclude his remarks.

\* \* \*

**Mr. Chomiak:** Thank you, Mr. Speaker. I will indicate that we attempted, as valiantly as we could when we were Opposition, to move the issue forward when the Government was not listening. I can indicate that within weeks of coming to office, we wrote a letter to the health authority asking them to endeavour to attract a pediatric ophthalmologist. I will indicate I set up a meeting with Mrs. Kostiuk in November. I will indicate my office has had numerous discussions and conversations with Mrs. Kostiuk since then.

**Mrs. Mitchelson:** I would ask today that the Minister of Health show some respect for Mrs. Kostiuk-Hein and stand up today in this House and apologize for what she says: "the lies that he put on the record yesterday."

**Mr. Speaker:** Order, please.

#### Point of Order

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, on a point of order. I am surprised at the Honourable Member's use of a word that she knows full well is unparliamentary. I refer to *Beauchesne's* Citation 489 and a recent ruling by—

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

**Mr. Speaker:** Order, please. The Honourable Government House Leader, on a point of order.

**Mr. Mackintosh:** Mr. Speaker, on a point of order. The Honourable Member knows full well that her use of that word is unparliamentary. It has been held so many times in this House, it has been held unparliamentary many, many times in the House of Commons and is referred to in *Beauchesne's* Citation 489. I ask that you ask the Member to withdraw the use of that word.

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

**Mrs. Mitchelson:** Mr. Speaker, those were not my words, those were a quote from Mrs. Kostiuk-Hein. I am sure, if members of this Legislature had listened to CJOB Talk Radio this morning, they would have heard those exact words quoted by Mrs. Kostiuk-Hein.

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

**Mr. Mackintosh:** The Member talks about respect, and yet she gets up now and shows disrespect, not only to this House, to the rules, but to yourself, Mr. Speaker, who just a few days ago made a ruling in this House that unparliamentary words used by a third party and communicated in this House are still subject to a point of order and are unparliamentary. I ask that you ask the Member to withdraw the word used.

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

**Mr. Marcel Laurendeau (Opposition House Leader):** Well, I am not sure if we are on the same point of order anymore, Mr. Speaker. I notice the House Leader has risen twice on the same matter. But it was clear that the Member was quoting from a statement of the individual that is raised this morning, as these members did, when they were in opposition, on many occasions, quote. There were no points of order at that time. If I have to, I will peruse the past Hansards and bring forward a number, a large number of times that the First Minister brought words that were unparliamentary as quotes, a large number of times that the Minister of Justice brought forward these same words. I can find you 100 times at a minimum that they used these words. So, for them to stand up today and to say that it is wrong for this member to use that word in this context, that is what is wrong. I do not believe he has a point of order.

**Mr. Speaker:** Order, please. I do not want the House to get into a debate. If the Honourable Government House Leader has new information to add to the point of order, I will hear him.

The Honourable Government House Leader, on the same point of order.

**Mr. Mackintosh:** I was wondering, Mr. Speaker, if you had heard the remarks of the Opposition House Leader or not. He was, I believe, reflecting on a ruling made by you with regard to comments made by the Minister of Education (Mr. Caldwell) in respect of a quotation attributed to the Member for Fort Garry (Mrs. Smith). You have made this ruling in the last number of days, and insofar as former comments made in this House, the time to raise objections is by way of point of order at the time they occur, which is what we are doing now.

**Mr. Speaker:** Order, please. The word "lies" is out of order, and the reason it is out of order is when you use unparliamentary language and attribute that to another person as a quote. I ruled last week it was out of order to do that.

I would ask the Honourable Member for River East to withdraw the word "lies."

**Mrs. Mitchelson:** It is with regret that the Minister of Health is not being held accountable, but I will unequivocally withdraw that comment.

**Mr. Speaker:** I thank the Honourable Member for River East.

\* \* \*

**Mr. Speaker:** The Honourable Minister of Health, to respond to the question.

**Mr. Chomiak:** If my comments to the Member's statement yesterday caused any discomfort or inaccuracy, I will apologize for those comments with respect to attending those press conferences. But the other aspects of the Member's questions were patently not accurate from the information that is provided to me. I do not even recall two press conferences, but, having said that, I will apologize for any misunderstanding that may have occurred because the main issue here is getting treatment for the daughter. We are endeavouring to do everything we can and look at it.

### **Budget Income Tax Reductions**

**Mr. Harold Gilleshammer (Minnedosa):** With great fanfare, the Government announced the

Manitoba Century Summit, with the Premier (Mr. Doer) going so far as to say the ideas exchanged during the Summit will direct future economic policies. With this budget, the Minister is rejecting the Summit's final report that, in the section entitled "What can we do to expand investment to realize Manitoba's future economic success?", the overwhelming response was the need for competitive taxes.

In light of the fact that the Manitoba Business Council's comment that the budget does not substantially improve Manitoba's competitiveness, why is the Minister of Finance rejecting his own advice?

**Hon. Greg Selinger (Minister of Finance):** Once again I would draw the Member's attention to the plan we have put forward on personal income tax reductions. As you know, during the election we promised a \$75 property tax reduction, and we have gone beyond that in redesigning our new system to have no surtax as a mechanism for collecting taxes, no net income tax or flat tax as a mechanism to collect taxes. We have simplified it to three brackets, and we have introduced a family tax reduction which targets benefits to families, including middle-income families, so that they will have a very affordable cost of living here in Manitoba.

\* (10:40)

**Mr. Gilleshammer:** Why has the Minister ignored the advice given by people like Rob Hilliard, Irene Merie, Chuck Loewen, and Paul Moist on pages 24, 26, 29, 30 and 32 of this report, their report? Why has he rejected their advice?

**Mr. Selinger:** We certainly have not rejected the advice and the opinions of people expressed during that conference. We found them very valuable. We believe we have brought forward a new tax regime in Manitoba which was an opportunity that the previous government had 11 years to address. They did not, and we in our first seven months have taken a major initiative to improve the simplicity, the transparency and the affordability of our tax system.

**Mr. Gilleshammer:** Why has the Minister of Finance, who has talked about a balanced

approach of priority spending, debt repayment and tax reduction, completely ignored the tax-reduction portion of that balance that he has so often spoken about?

**Mr. Selinger:** Once again, just taking a look at the comparables of what the previous government offered and takes credit for in the year 2000, our tax relief more than doubles that in the next couple of years, so it is very substantial.

**Mr. Speaker:** The Honourable Member for Kirkfield Park, on a point of order.

### Point of Order

**Mr. Eric Stefanson (Kirkfield Park):** On a point of order. I do not know, Mr. Speaker, how the Minister of Finance has the audacity to stand up and say that, when he took the initiative of delinking our tax system from the federal system one year early, and did not allow Manitobans to get the tax relief of \$30 million that would have flowed to each and every Manitoban this year, had he not taken that unprecedented step.

**Mr. Speaker:** Order, please. I would like to remind the House about the purpose of points of order. A point of order is to be used to draw to the Speaker's attention any departure from the rules or practices of the House, or to raise concerns about unparliamentary language.

A point of order should not be used to ask a question, to dispute the accuracy of facts, to clarify remarks which have been misquoted or misunderstood, to move a motion, to raise a point of order.

I would ask the co-operation of all honourable members, please.

### Budget Income Tax Reductions

**Mr. John Loewen (Fort Whyte):** Mr. Speaker, in his budget on Wednesday, and indeed again today, the Finance Minister has indicated to this House that his government was providing tax relief to Manitobans.

I would ask the Minister then to explain to Manitobans why middle-income earners, in fact,

a family of four earning \$60,000 or more, are paying more tax today than they were prior to his budget.

**Hon. Greg Selinger (Minister of Finance):** If the Member opposite believes that, he would actually be contradicting the fact that his side of the House has said they have offered tax reductions for families this year. I really wish they would try to get it clear. They are trying to have it both ways. They are trying to suggest that a family is paying more taxes on the one hand, and on the other hand they are saying that they have offered tax relief to Manitoba families.

**Mr. Loewen:** Mr. Speaker, I can assure the Minister of Finance that I do believe what I am saying, and it in fact is accurate. The Minister should be aware, should be well enough aware of his own budget document that he also understands the figures.

My question to the Minister of Finance is why a Manitoba family earning \$60,000 with two children today pays more than they would have paid. Prior to the budget, they paid \$6,349. In his own budget document, he says they pay \$6,394. So, in fact, it is accurate, and I would like the Minister to explain to these families why they are paying more tax today than they were prior to his budget.

**Mr. Selinger:** Mr. Speaker, it is very clear that a family with \$60,000 with two children will get a combined income tax and property tax saving of \$269 this year, and that is a substantial saving that will be more than doubled the year after that.

**Mr. Loewen:** Mr. Speaker, it is very unfortunate that the Minister of Finance does not even understand his own numbers that he has put forward.

I would ask the Minister in light of this: What plans does this minister have to retain and attract our best and brightest, and in fact to be able to attract new people to Manitoba, when he is punishing them and punishing their success by imposing upon them the highest taxes in the country?

**Mr. Selinger:** I am enjoying very much the question from the Member opposite because he has to, if on the one hand say that he is providing tax relief for the budget that they prepared last spring to Manitobans this year, take responsibility for the fact that their tax relief left a middle-income family in an unfavourable position on a comparative basis.

As a result of that, Mr. Speaker, what we did is we redesigned the tax system and we targeted tax relief for families by introducing the family tax reduction, by eliminating the use of the surtax, by eliminating the use of the flat tax and coming up with a program which will reduce taxes for middle-income families by \$601 in the year 2001, by an additional \$680 in the year 2002.

If there are any families out there that have any doubts about this, I would invite them to go to our Finance web page at [www.gov.mb.ca/budget2000](http://www.gov.mb.ca/budget2000), and they can calculate and estimate what their tax reduction will be.

#### **Highway Maintenance/Construction Funding—Southern Manitoba**

**Mr. Glen Cummings (Ste. Rose):** It is becoming increasingly evident that this NDP administration is preparing to abandon the economic engines of rural Manitoba.

This Premier is presiding over a budget that will see the Highways construction budget reduced by \$10 million. At the same time, he added to that concern by saying he was going to spend 25 percent more in the North. The Member for The Pas (Mr. Lathlin) said he would be happy never to see a nickel spent in southern Manitoba for five years.

How much is left for the asphalt lifeline in southern Manitoba?

**Hon. Gary Doer (Premier):** There is certainly additional support for rural Manitoba throughout the budget. There is additional maintenance in the Highways budget. At the same time we were preparing our budget we were negotiating with the federal government for the transportation

policy that will put more income into farmers' hands. We have now negotiated some more support for roads.

Obviously, we would want more. We think the whole federal gasoline tax rebate should have been spent in Manitoba, well over a hundred million dollars a year, but this new announcement we have negotiated along with our budget we think will improve highways and maintenance in rural Manitoba.

#### **Post-Secondary Education Capital Funding**

**Hon. Jon Gerrard (River Heights):** My question is for the Minister of Education.

I was pleased to listen to the Minister of Education yesterday acknowledge that there exists at the present an infrastructure deficit at the post-secondary education institutions of approximately a billion dollars.

Given the budgeted expenditure of approximately \$13 million for universities and colleges, it would appear that this would take about 80 years to address the infrastructure. Will the Minister confirm that that is his plan?

**Hon. Drew Caldwell (Minister of Education and Training):** The Member for River Heights was a little bit out in his remarks.

There is a quarter-of-a-billion-dollar deficit in the post-secondary system, not a billion dollars. Deloitte and Touche give the assets as a billion dollars, of the post-secondary institutions, but there is a capital deficit of about a quarter of a billion dollars. That deficit is a consequence, as the Member for River Heights knows and understands, of the misplaced policies of the past decade.

I was very pleased yesterday, as the Minister, to further explain the budget decisions we made this year to provide significant injections of funding into the post-secondary system, the largest such increases in quite a number of years, and we will continue along that course in the future.

\* (10:50)

**Mr. Gerrard:** I am pleased to have that correction from yesterday. The situation with capital expenditures are that they will be unchanged from last year.

Will the Minister not confirm that the capital expenditures for universities and colleges will not even address the urgent needs at Wesley College and in the engineering at the University of Manitoba, as examples?

**Mr. Caldwell:** We will be working with our partners in the post-secondary institutions in the province of Manitoba to aggressively address the capital deficit that exists within the system throughout the term of our mandate. We have some very interesting discussions in place right now to begin to address capital needs, and, in due course, I am sure announcements will be made in that regard.

**Mr. Gerrard:** Will the Minister not admit that the amounts in the budget are completely inadequate not only to address the existing infrastructure but build that new infrastructure which would be essential if you are going to double community college spaces?

**Mr. Caldwell:** Mr. Speaker, as the Member knows, again, we announced in the budget this year funding for the college expansion initiative, which is the single largest initiative for college expansion in the history of the province of Manitoba. We will begin to address, and we began to address in the budget this year, the great shortfall that has existed in post-secondary institutions over the last decade. As we move forward through our mandate, we will be making announcements to address the capital shortfalls that exist within the system.

#### **Health Care System**

##### **Northern Patient Transportation Fee**

**Mr. Gerard Jennissen (Flin Flon):** Mr. Speaker, my question is for the Minister of Health. Last Wednesday's budget announced the removal of a \$50 user fee, a nasty, onerous and vindictive transportation fee that was imposed on northern patients by the former government. Could the Minister indicate when the removal of this much hated fee will come into effect?

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

**Hon. Dave Chomiak (Minister of Health):** I do not know if members opposite want to hear the answer, Mr. Speaker.

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

**Mr. Speaker:** Order, please.

**Mr. Chomiak:** Thank you, Mr. Speaker. We were very pleased to announce the removal of the \$50 user fee to northern residents that was put in place by the previous government, which has long been a very sore point with people in the North. The effect of that change will be immediate with the budget. We are putting in the administrative mechanisms to do that, and it is effective with this particular budget.

#### **First Nations Casinos Public Consultations**

**Mr. Edward Helwer (Gimli):** Mr. Speaker, recently, the Reeve and Council of the Rural Municipality of St. Andrews withdrew their support for the casino because of local concerns about the proposal. Moreover, the president of the Saskatchewan Indian Gaming Authority says community support is essential to the creation of native casinos. Yesterday, at the Canadian Indian Gaming Summit, he stated: We will not go into any rural or urban municipality without the full Council's support.

Will the Minister of Consumer and Corporate Affairs now follow the lead of the Saskatchewan Indian Gaming Authority and ensure that full public consultations will take place before the expansion of First Nations casinos are allowed to proceed?

**Hon. Ron Lemieux (Minister charged with the administration of The Gaming Control Act):** Mr. Speaker, I thank the Member opposite for his question.

As we mentioned previously many times, we have a non-political independent selection committee put in place to address this issue on First Nations casinos. We also mentioned previously that we looked at the Bostrom report

as a guide, and we also looked at the Saskatchewan model as a guide. I would just like to state that, having depoliticized the process, I believe that all Manitobans realize that this is very important to depoliticize the process. An important criteria within the request for proposal was that First Nations proponents and all proposals should be consulting with and certainly should have support of host communities as well as local governments. Thank you.

**Mr. Helwer:** Mr. Speaker, given that the editor of the *Canadian Gaming News* has said that it is to no one's advantage to force casinos on anybody, will the Minister of Consumer and Corporate Affairs respect the concerns of Manitobans and assure that the expansion of First Nations casinos will only take place after extensive public consultations?

**Mr. Lemieux:** Mr. Speaker, what I would like to do is make it as clear as possible that within the request for proposal an important criterion states that the host community and adjacent local governments should be certainly—

**An Honourable Member:** Take the gag order off.

**Mr. Lemieux:** Mr. Speaker, with regard to the comment that was made from the Member opposite, there is no gag order. There never was. With the request for proposal, within that it clearly states that there should be some discussions with regard to matters of mutual concern. Thank you.

**Mr. Helwer:** Mr. Speaker, a final question: Given the overwhelming concerns raised in St. Andrews and other communities about the expansion of gaming, will the Minister of Consumer and Corporate Affairs today commit to holding public consultations on the expansion of gaming?

**Mr. Lemieux:** Mr. Speaker, since the Member opposite wanted to refer to the *Gaming News*, the *Gaming News* also specifies specifically that First Nations communities deserve an opportunity for economic growth, for economic activity, jobs and so on and how important those jobs are to those communities that have lacked

any support whatsoever from members opposite for a decade.

### **Budget City of Winnipeg**

**Mrs. Louise Dacquay (Seine River):** In Wednesday's budget, the Minister of Finance (Mr. Selinger) failed to provide a clear vision for the future of the city of Winnipeg. The budget failed to provide any sort of plan for addressing Winnipeg's issues to such an extent that the Mayor of Winnipeg stated: "It is with regret and disappointment that I read the fine print in the provincial budget. We got more from the previous Tory government."

Can the Minister explain to the people of Winnipeg why funding for only one additional ambulance and staff was provided when the Province's own study says the City requires at least four new ambulances?

\* (11:00)

**Hon. Gary Doer (Premier):** Mr. Speaker, the budget which is dealing with the citizens of Winnipeg includes areas directly in the Urban or Intergovernmental Affairs section of government and also deals with areas outside of those departments.

I would suggest honourable members opposite look at, for example, the leadership we have taken on rebuilding the inlet of the floodway so that we can increase the capacity—*[interjection]* Mr. Speaker, this is a priority for our government. We are investing over \$2.5 million to increase the capacity of the floodway between 6 percent and 10 percent for all the citizens of Winnipeg.

It is not in the Intergovernmental Affairs Department, it is in the Conservation Department. I would suggest to members opposite they look beyond just the pigeonholes of each department to look for the total citizens of Winnipeg.

Secondly, Mr. Speaker, in February we announced a \$4-million expenditure with the City of Winnipeg to deal with the conflict from the takeover of social services. Part of that

money was to deal with ambulance services in the city of Winnipeg.

The Mayor of the City of Winnipeg in a press release in May of 1999 asked that the Province of Manitoba take over interfacility transfers of patients in the city of Winnipeg. This budget delivers on that request that was denied by members opposite.

Finally, the City of Winnipeg has lowered property taxes by 2 percent this year. Certainly the tax transfer established by the Schreyer government, which went up 10 percent this year from \$40 million to \$44 million, was a factor in that decision to lower taxes. We are pleased that we can keep our promise to reduce homeowners' property taxes by \$75 in this budget, something members opposite never did.

**Mrs. Dacquay:** Yes, my supplementary question, Mr. Speaker, is to the Minister of Finance: Can he explain why \$2 million was cut from residential roads in Winnipeg?

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, the money to which the Member opposite refers was money drawn from the Fiscal Stabilization Fund on a one-time basis, in a run-up to an election, for residential street renewal. What we have done is we have made a permanent decision at the \$3-million level and put an additional \$2 million into ambulances through the Department of Health and the Winnipeg Regional Health Authority.

**Mrs. Dacquay:** My final supplementary, Mr. Speaker, is: Will this minister explain why, as the Mayor of Winnipeg has pointed out, total grants to the City of Winnipeg are \$200,000 less than the City had projected?

**Hon. Gary Doer (Premier):** The City of Winnipeg plugged in a number of numbers for their budget for consideration of the Province of Manitoba, and some of the numbers that we have, both directly in Intergovernmental Affairs and in other departments, exceed some of the predictions of the city. Some of the numbers for the City's direct budget are lower by \$200,000 out of close to a hundred million dollars in programs.

Mr. Speaker, the members opposite should recall that every year for the last 10 years the cutbacks in education funding, combined with no recognition of property taxes, has meant that the education portion on property taxes has doubled while they have been in office.

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

**Mr. Speaker:** Order.

#### Point of Order

**Mr. Marcel Laurendeau (Opposition House Leader):** On a point of order, Mr. Speaker. *Beauchesne's* 417 clearly states: "Answers to questions should be as brief as possible, deal with the matter raised and should not provoke debate."

Mr. Speaker, the question had nothing to do with education. The question was the \$200,000 shortfall that the city now has because of their budget.

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

**Hon. Dave Chomiak (Minister of Health):** Mr. Speaker, on the same point of order. The Member asked a question with respect to revenue and expenditures of the City of Winnipeg, which the Premier was attempting to explain to try to make members understand. He never understood, when they cut back on the City of Winnipeg the past decade, the effects that their policies had on the budget and the expenditures for the City of Winnipeg.

I daresay the problem with the Opposition is every time they hear an answer they do not like, they jump up on a point of order, rather than facing the truth.

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

**Mr. Speaker:** Order, please. On the point of order raised, it has been Manitoba practice to allow a little more leeway to leaders of recognized official parties in this House. It has been.

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



**Mr. Speaker:** Order, please. It has been the previous practice of the House, and that is all I am following, and if—

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

**Mr. Speaker:** Order, please. So I have allowed a little more leeway to both leaders of the official parties that are recognized in this House. I will continue until we have other directions.

\* \* \*

**Mr. Speaker:** The Honourable First Minister, please conclude your remarks.

**Mr. Doer:** Mr. Speaker, for the first time in decades, people in Winnipeg both through the good work of City Council, numbers that were close to the numbers that we provided to them earlier will get the 2% property reduction in the city of Winnipeg, and a further \$75 reduction for homeowners will mean that people who own homes in Winnipeg will get a modest—for the first time in a long time—property tax decrease. Members opposite should be applauding that instead of condemning it.

#### **First-Time Homebuyers Tax Credit Extensions**

**Mr. Jack Reimer (Southdale):** Mr. Speaker, I have a follow-up, as the First Minister has talked about just in his last reply, in regard to home ownership. I would like to ask the Minister of Finance. Back in 1994, our government established the first-time home buyers tax credit, which has benefited both residents and the local construction companies. In fact, over 1500 Manitobans have benefited from the credit since its inception.

I would like to ask the Minister of Finance if he would continue to offer this valuable tax credit to first-time home buyers in Manitoba.

**Hon. Greg Selinger (Minister of Finance):** I thank the Member opposite for that. In last year's budget, that first-time home buyers program was extended 12 months. It lapsed March 31.

#### **Replacement**

**Mr. Jack Reimer (Southdale):** Mr. Speaker, I can assume then that it has not been extended.

I will ask the Minister of Finance then what types of incentives, as a follow-up to the comments made by the First Minister (Mr. Doer), help the first-time home buyers here in Manitoba? What will they do to increase the valuable assistance to these first-time home buyers here in Manitoba?

**Hon. Greg Selinger (Minister of Finance):** The Member opposite will note that in the budget we partnered with the city and the federal government in a \$22-million program for housing renewal, of which our contribution will be \$8 million, and it makes the other program that the Member opposite mentioned pale by comparison.

\* (11:10)

**Mr. Reimer:** Mr. Speaker, I should point out to the Minister of Finance that that was a program that was initiated by this government, at the same time keeping the first-time home buyers credit.

My question to the Finance Minister is: Does he not recognize the spider-web effect of purchases when people buy a new home, especially first-time home buyers, young families in Manitoba that want to buy a home that the taking away of this credit is going to stop the first-time home buyers? Is he planning on introducing any other type of tax credit to the first-time home buyers here in Manitoba?

**Mr. Selinger:** Mr. Speaker, the release that we promised in the election for people buying homes was the property tax credit. We have also gone beyond what our election commitment was with an \$8-million contribution to a \$22-million fund to address the serious problem of housing renewal in older parts of Winnipeg. In general, the real estate market is doing quite well in the home buyers market right now. As all members opposite will know, including members of this government, we have among the most affordable housing prices in North America for a city of over half a million people.

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

## MEMBERS' STATEMENTS

### MARN Nursing Awards

**Mrs. Myrna Driedger (Charleswood):** Mr. Speaker, last evening I and six of my colleagues had the privilege of attending the Manitoba Association of Registered Nurses Professional Achievement Awards Dinner. Congratulations to all of the recipients of the 2000 Excellence in Professional Nursing and MARN Community Caring Awards. Each of last night's recipients has made a significant contribution to the profession of nursing and the enhancement of health in their communities.

The Excellence in Professional Nursing Awards celebrate the outstanding contributions that individual registered nurses have made to the practice of nursing. By nominating the recipients, their nursing colleagues have taken the opportunity to acknowledge and share their accomplishments and contributions to nursing. Those recognized with the MARN Excellence in Professional Nursing Award include Dr. David Gregory and Mary-Anne Robinson. Those recognized with a MARN Excellence in Professional Nursing Clinical Award include Barbara Gregoire, Barbara Lewthwaite, Lyn Seward and Dennis St. Laurent. The MARN Community Caring Award that salutes the accomplishments and commitment of individuals who served to enhance the health, social, economic and cultural well-being of individuals in their community was presented to the Main Street Project staff. They have truly made a difference in the lives of the people that they touch on a daily basis. I applaud their caring and commitment.

I would like to congratulate all of the award winners for setting a wonderful example for the profession. Thank you, Mr. Speaker.

### Child Care System

**Mr. Jim Rondeau (Assiniboia):** Mr. Speaker, I would like to bring the entire House's attention to a number of activities I attended last week in Assiniboia: St. James-Assiniboia Preschool Fair and the Heritage Park Children's Centre Spring Fashion Show. These were wonderful, won-

derful activities created by preschool and day-care organizations.

I would like to state our government's support for day care in preschool. Early childhood development is essential. Lifelong results are created from good day care and early childhood education programs. All research shows that each dollar is multiplied many times. Literacy, numeracy foundations are built, and support for parents can make lifelong contributions to our entire province. Previously, the funding was dismal over the past decade with no increases and very, very little support to these centres. I would like to applaud our government, and I am very proud of our government for the strong commitment and support that they made to child care in this last budget.

The additional funding of almost \$9 million will go a long way to support the staffing and our programs in the province. The wages had remained almost constant for the last decade, and finally day-care workers will get a raise they deserve and the support they deserve. Hopefully, what we will do is have more and more people enter the profession, which makes a critical difference to Manitoba's future. I applaud all day-care workers, and hopefully we can get some positive support in the future. Thank you.

### Student Employment Resource Centre

**Mr. David Faurshou (Portage la Prairie):** Mr. Speaker, it was my pleasure yesterday to cut the ribbon at the opening ceremony of the Portage la Prairie Student Youth Human Employment Resource Centre. As summer is rapidly approaching, all members of the Legislature should be enthusiastically promoting student and youth employment in our communities and our constituencies. Hiring a student provides benefits to both young, youthful individuals and employers. It is important that we encourage people to actively support this program and to ensure its success. I would like to congratulate Bryan Mintenko, Cheryl Gnanapragasam and Erica Halmarson, who have undertaken the challenge to provide that enthusiastic assistance to the young people of Portage la Prairie. I am certain that this opportunity will benefit both local youth and

employers alike, and I am certain that all concerned will have a rewarding experience.

Mr. Speaker, I know first-hand the experiences gained through youth employment can carry us throughout our lifetime. The employment opportunities provided by the resource centre often spawn career decisions for young Manitobans. Personally, my first summer job, in 1974, was working for the City of Portage la Prairie fire department along with a gentleman by the name of Dennis Nodrick. I am very proud to congratulate Mr. Dennis Nodrick on recently being named the new fire chief of the Portage la Prairie fire department. I trust that his tenure as fire department chief will be rewarding and of great benefit to all residents of Portage la Prairie.

Mr. Speaker, unfortunately, this government feels that keeping young people in Manitoba is not a priority. This government's first budget lessens the motivation for Manitoba's young people to choose their career here in Manitoba and to provide our province the promise that they offer in the future.

#### Post-Secondary Education

**Mr. Harry Schellenberg (Rossmere):** I rise today to acknowledge our government's strong commitment to post-secondary education. In the past election we promised to give students hope by reducing tuition fees from current levels by 10 percent. This financial relief for the students will be effective the 2000-2001 academic year.

\* (11:20)

In order to ensure that institutions do not have to raise tuition, we have further increased operating grants by \$10.8 million. We are doubling community college enrolment over four years in order to address skill shortages and low student enrolment. Our government's \$5-million college expansion initiative is a long-term approach to building these important institutions. This budget also acknowledges the steady increase in college and university tuition fees across the country. The establishment of a new \$5.9-million Manitoba Millennium Bursary Program will provide better access to programs in conjunction with the Canada Millennium Scholarships.

University fees in the province will now be the third-lowest in Canada, while college fees will now be the lowest in the country, thanks to these initiatives. Our government recognizes that a well-educated, highly skilled workforce is necessary to meet the growing needs of the Manitoba economy. The budget reaffirms our government's commitment to ensuring that high-quality, post-secondary education is both affordable and accessible to all Manitobans.

#### Granny's Poultry

**Mr. Jim Penner (Steinbach):** Yesterday morning I had the pleasure of attending the official opening of the expanded production facility of Granny's Poultry in Blumenort. As many of the members in this Chamber know, it was only about 18 months ago that Granny's was in the news for less pleasant reasons as they suffered the effects of a devastating fire. I am pleased to report that Granny's Poultry has not only recovered from that tragedy; they have moved forward, and, with yesterday's official opening, they now have 145 000 square feet of production space.

Granny's is a company that began 44 years ago with nothing more than a vision. Today more than 300 local residents are employed at the company, and I am pleased to say that management expects more to come in the future. Granny's is proud of its mission, which is to be a leader in the Canadian poultry industry, and, with the foresight demonstrated for the past 44 years, I am certain they will continue to achieve this goal.

I am pleased to note that the kind of perseverance and vision that is employed by the board and management of Granny's co-op is indicative of the entrepreneurial spirit of my constituents. On behalf of all the members of this Chamber, I would like to congratulate Peter Doerksen, the plant manager of Granny's; Wayne Morrison, chief operating officer; and Randy Schroeder, president of the board; and all the staff that have done this marvellous thing. They have proven once again the tremendous things that can be achieved in the face of adversity.

We trust the new government will license the needed lagoon expansion, and we trust the Government will provide funding for the

crumbling roads needed for the infrastructure around the plant. Thank you.

## ORDERS OF THE DAY

### BUDGET DEBATE (Third Day of Debate)

**Mr. Speaker:** Adjourned debate on the proposed motion of the Honourable Minister of Finance (Mr. Selinger), and the proposed amendment of the Honourable Member for Kirkfield Park (Mr. Stefanson), standing in the name of the Honourable Member for Elmwood, who has 10 minutes remaining.

**Mr. Jim Maloway (Elmwood):** Mr. Speaker, I am increasingly concerned about the absolute negative attitude of the Opposition as regards to the budget. I mean, you would think, after listening to them for the last 11 years talk about how great it was to live in Manitoba and how great the economy was doing and how great their policies were in the government, to have them turn around in such a short period of time and see nothing but doom and gloom in the economy is absolutely astonishing. They used to talk about the duke of despair. They all look like dukes of despair over there. As a matter of fact, it is sour-pussed Tories over there who are going to scare people out of the province, not the budget of this government.

Yesterday Gordon Thiessen, Chairman of the Bank of Canada, indicated that the growth rate for Canada may be as high as 4.5 percent this year. The unemployment rate, the opposition members know, is the lowest it has been in 20 years. The picture is improving on a day-by-day basis.

The members opposite have not read the budget book. If they were to look at D1, The Manitoba Advantage, they could see and they could understand that there is more to living in Manitoba than just looking at income tax rates. There we indicate a balance of cost of living in Manitoba which compares very favourably with other jurisdictions across the country. I do not think anybody is going to simply pack up and move to Alberta to save a few hundred in dollars in tax when they will be hit with a health

premium tax, when they will have to pay a medicare premium tax. I do not think anybody is going to pack up and leave for Toronto when the price of housing will be doubled.

I had indicated yesterday that I was at a conference recently in which one of the speakers talked about the quality of life in Manitoba, about how he could sell his house in Toronto, he could buy a better house in Manitoba, a cottage at Lake of the Woods, a car and still have money left over. He was surprised at the negative thinking of some people in Manitoba. I would not want to invite him to the gallery and listen to the Opposition, because he certainly would not want to come here listening to them. Talk about scaremongering, talk about fearmongering. All you have to do is listen to the members over there.

Not only that, Mr. Speaker, the misinformation that these members continue to put on the record is simply not helping the situation here in Manitoba. When you get newspaper articles that they are continually aiding and abetting and feeding misrepresentation about the situation here in Manitoba, it is not a credit to them that they are doing this sort of thing.

I wanted to point out a few aspects of this budget that the members opposite seem to be ignoring. One, 15 000 lower-income people will cease to pay income tax in Manitoba completely. That is a positive, positive change to Manitoba. In fact, taxpayers will save \$68 million in the year 2001.

*Ms. Bonnie Korzeniowski, Acting Speaker, in the Chair*

There will be an extra \$34 million in income taxes saved in the year 2002. After that there will be an annual total saving of \$102 million. That is a direct response to what the other provinces are doing. We are not living in isolation here. I can tell you that if the trend continues over the next couple of years, Manitoba will be forced to adjust its taxes with the other provinces. We are not living here on an island. We fully understand that. But for the Opposition members to overreact, to pick only what they consider the negative aspects of the budget—I think, you know, when we were in

opposition for the last 12 years, I think at times we did recognize good things they were doing.

I remember other colleagues standing up during the budget debates in past years recognizing that there were some good things that the government was doing. By the way, I have heard one or two opposition members reciprocate this time around. The Member for Ste. Rose (Mr. Cummings) yesterday made some favourable comments about things that the Government was doing.

So I think that we should be looking at balance here. Not everything is negative about this budget, just like everything was not negative about your budget. As a matter of fact, last year we thought so highly of your budget, we voted for it. So we are looking for reciprocal treatment this year. We invite you to vote with us. Let us move forward rather than dwelling in the past. Thank you very much.

\* (11:30)

**Mr. Jack Penner (Emerson):** Madam Acting Speaker, it is certainly a pleasure to rise in my place today to address the budget. It is always enlightening to sit here and listen to my colleague in the Legislature from Elmwood. The Member for Elmwood (Mr. Maloway) always has a colourful presentation, and we certainly enjoy that on this side. If he ever chose to leave his colleagues on that side, I think that is one member that we would welcome with open arms because he does have the ability. Most of us think that the Honourable Member for Elmwood should truly be a member of their cabinet. I think the Premier of this province truly missed an opportunity to put a very intelligent person with some business acumen into their cabinet. I think that it is sad that that did not happen; but, as I say, if he chooses to just walk that three feet over to his right, then I think we would be glad and willing to accommodate him.

Madam Acting Speaker, I would like to, first of all, maybe in a question to the Premier of this province, ask why he and his government, and his Finance Minister (Mr. Selinger), so crassly ignored the needs of people in rural Manitoba. This budget is, if anything, as close to a disaster as far as agriculture is concerned, the agricultural

community, and especially those that suffered because of flooding in 1999.

Agriculture, farming is an important, extremely important aspect, economic aspect of this province. The amount of revenue that is generated for export and many other ways leads to a tremendous ability to balance payment in this province as it does in the rest of the country.

As has been repeatedly addressed in this House, the Government, of course, will take no responsibility in taking action on the lack of assistance that has been provided, especially to those farmers who suffered severely last year for lack of income because of a natural disaster. That is the flooding.

We had some of our beef producers in the southeast area last year lose virtually their entire hay crops. Many of the farmers in the St. Jean area, east of St. Jean in what is traditionally known as the Lake Roseau area, had virtually no crop at all, although they were able to put their crop in very late. Many of them, after the first crop insurance deadline—and that was extended—were able to put their crop in and incurred the expenses of seeding that crop. Yet, when it came fall time, there was virtually nothing left there. The crops did not grow and produce. There was nothing there to harvest. That added a double whammy to those producers.

Similarly, in southwest Manitoba, there were millions of acres that were either left unseeded or seeded very late. Those that were seeded very late are probably having a more dramatic effect, and feel more of a dramatic effect, because of the flooding that others might have.

I think, it is absolutely imperative, that this government show some heart. They have constantly, when they were in opposition, put themselves off as the party with heart, whether it was on health care issues, whether it was in supporting agriculture, supporting the efforts, and now they are clearly demonstrating, Madam Acting Speaker, how crass they are. They have not brought forward one dollar of support for those that suffered the disasters.

The previous administration, the Filmon administration, the Progressive Conservative Party, saw what was happening in the southwest area, and they came with seventy-some-odd million dollars to help those people that had not been able to seed a crop in July of last year. They said, we recognize the difficulty you are in. We will have heart and we will support you.

They put in place \$50-an-acre non-seeded acreage program. They put in place a \$75-an-acre forage crop restoration program to allow those cattle producers and livestock producers to provide feed and reseed their hay crops. They provided \$25 an acre to ensure that the cattle producers, the livestock producers, would be able to secure feed supplies for their livestock herds. They provided \$10 an acre for a Custom Seeding Program to those people who did not have the equipment that was able to transverse across the soggy, wet ground that some people could actually see. So, we provided a Custom Seeding Program to those people to assist them in putting a crop in the ground.

Yet, when we ask time and time again, this government—and, by the way, Madam Acting Speaker, that initiative was taken without any agreement from the federal government that they would participate in any way, shape or form, when the announcement to the farmers in western Manitoba was made. I was at the meeting when there were 3000 people standing there, standing in the arena telling us how dramatic an impact and how adversely affected they were. The Filmon administration, the Progressive Conservative Party, agreed and we opened our hearts to those people. We demonstrated not only with words, but we demonstrated with action and put \$70 million-plus on the table to ensure those people would at least have money to buy food and clothing for their families for the winter.

Now, this government has constantly said we will stand by our farmers. I indicate to you that they do. They do stand by them, but they will not even hold their hands. They have not come with any support. They have had the opportunity time and time again to stand in this House to announce support for the western, the eastern, and the central farmers who suffered severe losses last year to compensate them for a

flood program under the JERI program, under other kinds of initiatives. Yet they constantly blame the federal government for not coming to the table.

In 1988 when there was severe flooding and severe damage caused by flooding in the Swan River area—and I was a brand-new minister; I think I had been in office for three days—my colleague the Minister of Agriculture and my colleague the Minister of Municipal Affairs and Natural Resources flew into Swan River. We stood with those families who were suffering in Swan River and said, yes, we will support you, and announced the program right then and there without question or without asking the federal government participation, recognizing full well that they would as they have always done.

In 1997 the same thing happened in the Red River Valley, and our government was there immediately. Our government was there, and the federal government participated in the programs that were offered. In 1999, again; in 1998, there was support for the agricultural community by the provincial Progressive Conservative government. Yet this NDP government does not have the will. They talk a fast talk, but they do not walk the walk. People across this province are beginning to realize the huge mistake they made last election. I hear this time and time again.

\* (11:40)

By the way, I was out at a meeting in Rossmere last night and spoke to a group of about 60 or 70 people. It was unusual to come to a meeting that was called as an information meeting. There were 60-70 people who came to Rossmere to listen to what we had to say. They agreed with us that they had made a dramatic error in judgment last election. This budget demonstrates the error in judgment that most Manitobans made, because it is clear that this Minister of Finance (Mr. Selinger) does not even understand what is at stake here.

When I look at the budget, I need only look at the Department of Agriculture's budget. I look at the line dedicated to MACC, Manitoba Agricultural Credit Corporation. It indicates that this government is going to decrease the funding to agriculture through MACC by 28 percent.

The research element under agriculture—look at it—which is the backbone of our future family support to ensure that new products are developed, that the products that we currently have lend and tend to add to diversification, will no longer be there because we are withdrawing 30 percent of the budget in our ag research area. Why? That is the lifeblood of the continuation of the future generations in agriculture. Why would we cut 30 percent out of that portion? That is ludicrous.

The farm communities put their hands in their own pockets and support research on a continual basis to a much greater degree than they ever have, and here is our newly elected provincial government, which said they would stand by farmers, cutting the umbilical cord, because that is the essence of the future livelihood in agriculture in this province, research and development. Look at what is going to happen to the food lab in Portage la Prairie. What is going to happen to the new research centre that we built, or helped construct jointly with private industry at the University of Manitoba? This government is walking away from all that. Why are we doing that? Why?

Let us look at highways. Highways and roads in rural Manitoba are the arteries that connect and deliver the lifeblood to the farm community. They are the ones that deliver the energies of diversification to the small communities. Roads and highways, Madam Acting Speaker, are the essence of transporting the goods that were produced on those small, little farms to the marketplace.

What is this government doing? This government is saying, and I quote on page 105 under Highways and Government Services, item (c) of the infrastructure budget. Last year's item under that budget was \$110.5 million. This year's budget is \$100.5 million, an exact amount of \$10-million reduction in highways construction.

I find it very interesting that at the same time we have a news release from the federal government which indicates that the federal government is going to contribute to highway construction \$175 million additional dollars. This is only the second time since I have been in

government that the federal government has announced any kind of contribution to our provincial highways road network, and here we have an announcement that will add at least \$35 million to highways and road construction in Manitoba. That is almost \$7 million a year.

I find it rather ironic that this same Minister of Finance (Mr. Selinger) saw fit to add \$7 million to infrastructure works, construction and maintenance of all-weather winter roadways, northern airports and municipal assistance programs. We are removing \$10 million from the capital while the feds are adding \$7 million to the capital, and then we are putting \$7 million into northern airports and northern roads. That clearly demonstrates to the agrarian community in this province that their efforts are not being recognized. If they will hear our minister or our Premier one more time saying we stand beside our family farms, they will be laughed out of the room, Madam Acting Speaker, because it is clearly an attempt to mislead the young people and the farm community in this province. Never before have I seen an abandonment of the foundations of the economy of our province the way we see under this government.

I wonder what is going to happen with the diversification initiatives that were announced and promoted by the previous government. Are we going to abandon those initiatives as well? When I look under Industry and Trade and some of the other departments that would affect the operations of the diversified economy in rural Manitoba, it would appear to me they are also abandoning that sector in society.

It is extremely important to recognize that after the federal government abandoned western Canada by taking \$750 million of transportation assistance money. That was an annual contribution that the federal government made to transport grains and oilseeds out of the Prairie region. Then, when they withdrew that it was very evident that one thing would have to happen, that agriculture would have to change, and change it did.

I have never seen as dramatic a change in agriculture as we have seen in the last seven years in this province. The cropping procedures in my part of the world that I live in have

virtually totally changed. It has caused farmers to have had to have made a huge investment in their own infrastructure, on farm infrastructure, new equipment to cultivate rows because beans are now in Manitoba. Manitoba has now become the largest bean producer in all of Canada. It is fast approaching being a larger bean producer than the largest bean-producing state in the United States. So it has become a very, very important part of the economic community in rural Manitoba.

Livestock production, we have heard time and time again members opposite when they were in opposition less than a year ago condemn us for allowing the expansion of the livestock industry. We have seen cattle numbers grow in southeast Manitoba to where the two municipalities of Stuartburn and Piney are the largest cattle-producing municipalities in Manitoba. That has only happened in the last seven, eight years that that tremendous growth has taken place. It is largely because they are close to a feed supply and they are able to grow a feed supply that will sustain that cattle herd.

\* (11:50)

Similarly, central, southeast and western Manitoba, southern Manitoba has become a very large hog producing, pork producing area in this province. Again, part of the diversification, farmers are investing and spending millions and millions of dollars building large operations to produce pork for the slaughter industry in Brandon. The Honourable Member opposite says, how did it help the family farm? Well, I am surprised that he says he comes from a rural part of this province, because I will name you five operations that are within eight miles of my farm that are all owned by small family farms. The largest producing barn has 5000 hogs in it, but there are 11 small farmers that own that barn. They combined their resources and built one large barn instead of building 11 small ones. *[interjection]* There are not 11 numbered companies, my dear friend. They are farmers. I can name them: they are Derksens, they are Giesbrechts, they are Heinrichs. They are all small local farmers. No numbered companies, my friend.

I think the Honourable Member for Interlake (Mr. Nevakshonoff) demonstrates how naive he

is and how ill-informed he comes to this Legislature, because most of the hog operations and pork producing operations that we see in this province today are not owned by numbered companies or are investors in those numbered companies. My friend should know most of the investment is made by small farmers, but they are changing the way they do business. They are changing the way they are making their investments.

I think, Madam Acting Speaker, it is important for this Legislature to note that those same farmers, still many of them, operate 300- and 400-acre grain farms. *[interjection]* The Honourable Minister for Industry and Trade (Ms. Mihychuk) says, oh, not many. We do not have many 200- and 300-acre farms left in this province.

**An Honourable Member:** How many?

**Mr. Jack Penner:** Well, Madam Acting Speaker, she should know. It is amazing that she does not, because she was born and raised in southeast Manitoba in my riding. Some of her family are still there. Some of her family are still 200- and 300-acre farm operators. *[interjection]* She said, oh, well, well. Yes, that is right. It is right. It is important to note that the majority of our farms in this province are small operators, but many of these operators have found it almost impossible to continue operating the way they did before and now are diversifying, and they are joining forces. They are partnering and investing in operations that will tend to add millions, and I suggest to you, billions of dollars to the economy of this province. They are the true investors. They are small investors, but they are the true investors. They are the lifeblood of this province. This government does not recognize the importance of maintaining an infrastructure that will lead towards further diversification.

I wonder, Madam Acting Speaker, whether our Minister of Industry and Trade truly recognizes the impact of the pork processing plant that was built in Brandon. I wonder whether that Ministry of Industry and Trade has toured the plant there, as three of my colleagues and I did just a few weeks ago. We toured the pork processing plant in Brandon. I would suggest to you that she should do the same thing,



because she would find that there are hundreds and hundreds of people employed. They told us there that around 20-some-odd percent of those people employed there were Native-origin people.

We talk about the need to build casinos on reserves. Well, Madam Acting Speaker, the initiative taken in Brandon by the hog industry, by the pork industry, leads to meaningful jobs, jobs for Native families, Aboriginal families. Many of those people working there, and she should go look, are Aboriginal and Native-origin people working at meaningful jobs, supporting their families, probably some of them for the first time in the history of their families. They are proud employees.

The manager of the plant said that they were great employees, but those are not gambling employees. Those are not people that pour loonies into machines or take loonies out of machines. These are people that make their living at providing food for the world, and they are proud, proud people.

I think it is absolutely imperative that this government immediately reinstate the research funding that was taken away because, had it not been for the research that has traditionally been supplied through government to the industries and the universities, we would not have seen the dramatic changes in our agricultural sector.

I only look at the canola industry. I always have to think back to Mr. Baldur Stefansson. Mr. Baldur Stefansson was a researcher at the University of Manitoba who I knew well. I sat on an advisory board at the Canamera Foods plant in Altona for about 11 years. Mr. Baldur Stefansson came to us, and he said, I think I have something that will change the nature of the rapeseed crushing industry, as it was at that time called. He said, I think I can manipulate and change the plant to change the structure of the oil.

At that time the rapeseed oil that was produced in this province could not be exported other than as an industrial oil. So Mr. Baldur Stefansson, using the funds that were provided to him by the industry, by the producers and government, made some dramatic changes to a

plant. He altered a plant to produce a different oil that became known as the world's best edible oil and is used now worldwide and is without question the best edible oil used all over the world, thanks to Baldur Stefansson and his efforts in research.

So he manipulated a plant, and he changed it for the betterment of society. And here this government says it is no longer necessary to support research. We will withdraw 30 percent of our funding from our research ability, and I think that is shameful. I would beg this government, I beg this government to reconsider that position and reinstate the \$2.6 million that they have removed from agriculture research in this province. We are now contributing as a province or will be contributing this year under this new NDP regime \$1 million toward research. I think that is an absolute shame.

**An Honourable Member:** What was your legacy of R&D on spending, Jack?

**Mr. Jack Penner:** Madam Acting Speaker, \$3.6 million was the last contribution that the Conservative government made toward ag research, plus many other areas. I think sustainable development is the essence of what the farm community has strived for as long as I have been a farmer. I have lived on a farm all my life. I was born and raised there, and my father lived there all his life, and my grandfather lived there all his life. The homesteading that took place took place on a very raw prairie. But the advancements that have been made and the essence now in my family is to ensure sustainability. Sustainability can only be done through proper research. If you have proper research, you can ensure that the products that we use to either control our weeds, to control insects and all those kinds of things are the kinds of products that will give society the comfort that they are safe.

\* (12:00)

When you withdraw the research funding, sustainability goes right out the front window, because then, if you do not do the proper research, you do not have the ability to ensure that you are going to have the kind of quality you need to go into the marketplace to provide

the kind of quality of food that our consumers are demanding these days.

So then you put the question out there to those that are in opposition to agrarian production on the Prairies. We have seen many of these groups come forward. The animal rights movement, much of the information that they put forward is unfounded, but we listen. We as a society listen to those groups. Society in general thinks that the information they have put forward is factual. Much of it is not. So proper research is required to ensure the information that goes out there and the products we use are in fact safe. So sustainable development, sustainable agriculture, is tied directly to proper research. I beg again that this government recognize the mistake they have made in withdrawing those funds.

For the small agricultural business and young farmers there is little financial incentive to remain in the province, and this is the saddest part about agriculture. I have a young neighbour who has two young children and his wife. They are both university-trained, well educated. They were farming a 600-acre farm, and this spring they came over and they said: we are leaving. We are leaving the farm.

**An Honourable Member:** One hundred-acre farm.

**Mr. Jack Penner:** A 600-acre farm. The interesting thing is that this person told me that under the current regime and the current price structures we are having and the constant withdrawal of funding for agriculture and the flooding they had experienced over the last couple of years, the constant withdrawing of support for agriculture, as is demonstrated in this budget again, they said, we are leaving.

My next-door neighbour to the northeast said: Jack, do you want to farm my farm? We are leaving as well. He is not quite as young as Larry and Cheryl are. The third farmer to the southeast said to me: this is my last year; I am packing it in. By the way, he is an 1100-acre farmer. He is packing it in. My young friends to the west of me have packed it in. So these young people, it is not the older farmers that are leaving. They are going to have to hang on, but

these young farmers are leaving. The small farmers are leaving because of actions this government is taking, removing research, removing funding for roadways, removing funding for infrastructure, abandoning the farm community. I think it is a shame. They need to reinstate the monies that they have withdrawn in this budget for agriculture in rural Manitoba.

I want to spend a bit of time on safety nets. Our Minister of Agriculture (Ms. Wowchuk) has been to Ottawa a number of times, and the first time, right after she was appointed minister, took it upon herself, she and one other minister, I believe, took it upon themselves to attend an ag conference of ministers in Ottawa. One of the key issues on the table was safety nets. It became very evident that Ottawa was going to change the way they funded and addressed the safety-net issue. What did our minister do instead of staying and negotiating and debating and putting our point across? What did she do? She stormed out of the meeting. In other words, she said: I am going to take my little blocks and I am going home. Boy, is that a way to demonstrate support for the agricultural community? Is that a way to support it?

Well, a couple of months later she went back. She was convinced to go back to that same kind of a meeting, and what did we end up with in Manitoba? We ended up with 25 percent less funding for our agricultural community in a safety-net program than Ontario did, than Alberta did, and all the other provinces except Saskatchewan. Our NDP prairie provinces ended up with 25 percent less funding than those other provinces did. Why?

Is that a demonstration of how well our government, our new NDP government, can negotiate with Ottawa? And they called Ottawa their friends. They called the Liberal Government in Ottawa their friends. *[interjection]* Now the Minister for Industry and Trade said: This is your legacy, Jack. Well, let me remind the Honourable Minister of Industry and Trade that she is now the Government. It is her minister that negotiated 25 percent less funding for safety nets for farmers in Manitoba. It is her minister that did that. It is her Premier that said that is fine. It is her Premier who is saying, yes, we will withdraw \$10 million from capital in Highways.

It is her Premier who says we will withdraw \$2.6 million from research. It is her Premier who is abandoning the agricultural community in Manitoba. I think this is a legacy that the NDP Government will not be able to live down, Madam Acting Speaker. I believe that it clearly demonstrates the inability of this new administration to negotiate on anything.

Let us look at the eight-month legacy. They went to Ottawa and asked for co-operation on a flood compensation program, and what have they come with yet? Nothing. What have they spent as a province? What have they offered the flooded farmers, the 1999 flooded farmers of Manitoba? Nothing, absolutely nothing. What have we negotiated for infrastructure? \$10 million less for the agrarian community in Manitoba, \$10 million less. What have we done in research? It is \$2.6 million less. What have we negotiated with our friends in Ottawa that has helped agriculture? Absolutely zero, not only zero, but a minus zero. In safety nets, 25 percent less than the other provinces got. Why? Are we not Ottawa's friends? *[interjection]* Well, we could say the same thing about Ottawa, the Liberals in Ottawa. They took \$750 million away from our farmers in western Canada.

When the Progressive Conservative government was the government, there was no requirement, quite frankly, when we did the Special Grains Program. When the federal Progressive Conservatives in Ottawa did a Special Grains Program, there was no requirement for provincial funding. It was a federal program, but that was a commitment by a federal government that understood western Canada, understood agriculture. It was an indication that they clearly would support the agricultural community, because that federal government recognized the importance of the contribution that agriculture in the western Canadian provinces made to the balance of payment and the importance of the lesser amount of exchange that had to be paid on the trades. They are also the ones that created the trade environment that we live under today, which has benefited Manitoba dramatically.

If it was not, Madam Acting Speaker, in conclusion, for the infrastructure that the former Progressive Conservative government in

Manitoba has built, for the programs that we put in place to cause diversification, encourage diversification, for the support that we have continually led to those that faced disasters, this province would not be what it is today. I fear that this current government truly does not understand, nor do they have the ability to negotiate, nor do they have the will to put in place the underpinnings and the pillars to support the agricultural community to enter this new millennium and demonstrate clearly that we are and can be self-sufficient and will proceed down a path of economic restoration. But it needs the support of this government, and I do not see it here.

\* (12:10)

**Hon. MaryAnn Mihychuk (Minister of Industry, Trade and Mines):** Madam Acting Speaker, it is a real pleasure for me to stand up today and talk about our first budget as a new government. I want to focus on areas that I have some impact and had an honour to work on for this budget, which includes the overall economic picture of Manitoba, some of the initiatives that we are doing in terms of the new economy and the number of initiatives that we are going to be moving on in terms of the mineral sector.

We can be very proud of Manitoba's economy, and the good times are here. We have seen record unemployment levels; they are at their lowest ever. The unemployment rate has averaged 5.3 percent, and last month it fell to 5 percent, the lowest since 1980. That is good news for Manitobans. You can argue that some of the statistics have been moved around, but there is still challenge to get more and more people working.

I am pleased to say that our government has been instrumental and worked with a number of private sectors to see some significant growth, the first being, for example, the Schneider's expansion in St. Boniface, a move that is going to help diversify our agricultural economy, which is very important to Manitoba. It is going to provide good jobs for over 1000 people in the city of Winnipeg and the Capital Region, and it is going to provide economic hope and opportunities for a number of spin-off industries that we are seeing already. In fact, I understand

that the price of hogs has risen substantially, and, in fact, until our production of hogs increases, we may see some fairly healthy prices for hogs. We are moving on the construction of more hog operations, and that is an opportunity for Manitoba farmers.

We need to look at agricultural diversification. We need to go into livestock. Just yesterday I had an opportunity to go to Blumenort and celebrate Granny's rebuilding after the fire 18 months ago. They rebuilt, they expanded, and now already they are dreaming of expansion again, looking at value-added products. We are proud of those firms. We are proud of the co-op there that has supported that industry. There are, I believe, approximately 120 poultry producers that support Dunn-Rite and Granny's. Those two are significant operations in Manitoba's agricultural sector.

So we are very proud of Manitoba's economy. We are pleased to see that it is growing and that will continue. In fact, based on an average of seven major forecasts, Manitoba's economy will grow by 2.7 percent in real terms. This is up from 2.2 percent in 1999. Manitoba continues to be one of the best and most affordable places to do business and live in North America.

I would like to briefly talk about some of the initiatives that we are focussing on that have come out of the very successful Century Summit. In that summit we looked at several different measures; a theme that was reinforced through the Century Summit was to develop a workforce by making strategic investments to improve our skills, increase access and address workforce shortages, chronic problems basically created by underfunding of an education system over the last 11 years. You know, it is difficult to make up the gap, and the gap is substantial. Eleven years of underfunding is not going to be recovered in one budget, but our commitment is there to invest in education.

It is very interesting if you look at the Ireland example, a country which has turned itself around and is now often cited as one of the examples that we should all follow. When we asked the people from Ireland—and they were just here last week talking to Manitobans about a

successful economic strategy: What was their No. 1 commitment? Investing in education. Not reducing taxes, not cutting programs but in fact enhancing their investment in education. Well, that is a pretty wonderful coincidence. We can look to successful expansion and growth in our economy because that is precisely what our government has promised in the election. That is precisely what the people of Manitoba endorsed in the election when they said they wanted a government that is going to invest in education, that is going to deal with the strategic problems that we have with workforce shortages and deal with the challenges in the IT sector.

We also will be enhancing the investment environment so that new and established businesses can grow and thrive, including responsible tax relief and maintaining a sound and reliable infrastructure. You know, Manitoba needs more venture capital. We all know that, and, as we strive to find new and more effective tools to provide that capital, we will be working with the financial institutions, the private sector and labour to find innovative and new ways to ensure that our businesses and innovators have the access that they are going to need.

We will also be promoting the new economy and leading-edge industries with the support for high-tech venture capital, biotechnology, information technology and advanced manufacturing. Manitoba has got a solid base when it comes to economic positioning, and the growth looks very promising for the future.

In terms of the new economy and IT, I do want to put on record that we are moving on a number of fronts in this sector. We are creating more community college spaces and we are reducing tuition that will have a significant effect in having the number of students coming in to our post-secondary education. This will allow our young people to access the technological education that they need and address the skill shortage. In partnership with the University of Manitoba and EITC, we have worked together to develop a strategy along with private sector in the IT component to develop a strategy where we are going to be doubling the number of computer graduates out of the University of Manitoba by the year 2005.

One of the most significant challenges is finding the graduates and keeping them here. I think we have been successful at that, and we are proud to be announcing that we are going to be doubling the number of graduates in computer sciences.

We have taken the initiative to redirect the Manitoba Call Centre Team from looking at base operations providing support into the new economy. Our new focus is going to be called Access 204. It is leading edge; it is new; it provides service centres for e-commerce industry; and we are very proud of the new initiative and the transformation of the Manitoba Call Centre Team. We have made amendments to our provincial nominee program by expanding Manitoba's complement from 200 to 500. This will allow technology firms easier access to skilled workers and investors from other countries.

Madam Acting Speaker, I am pleased to announce that part of that program is also 50 business nominee spots where we have individuals that will be able to come to Manitoba, set up their businesses, create opportunities and employment opportunities right here in Manitoba.

\* (12:20)

We will be introducing important e-commerce legislation later in this session, which will instil consumer confidence in investing on-line. We cannot develop a high-tech economy in Manitoba unless our citizens and businesses take this initiative on and get wired.

We have also taken steps to remedy the digital divide by creating 400 Canada Access Program community internet sites. The CAP program is a joint provincial-federal program. We are pleased to announce that 400 new community sites will be created in schools, community centres and libraries.

We have also expanded and refocused our initiative with the Canada-Manitoba Business Service Centre partnership and will be announcing a major new initiative with that centre coming up at the end of June.

I know that there are many people who want to see a review of a number of the advisory committees when it comes to IT and economic development. This process is ongoing. There has been consultation with the private sector, with our academic institutions, and with government, and we will be addressing the issues that make these advisory committees relevant and focused to Manitoba's growth and economy.

Madam Acting Speaker, I also want to highlight some of the initiatives that we are taking in terms of the mining sector. The mining sector is second only to agriculture, worth approximately a billion dollars to Manitoba's economy, a primary resource, and it affects nearly 20 000 jobs in Manitoba. Over the years, we have heard for the call for additional geological information on Manitoba's resources over and over again from industry members. We are pleased to announce in this budget that the call has finally been heard. There will be more geological information provided to industry, to agricultural needs, to environmental concerns. It is an important fundamental infrastructure and a responsibility of government to provide that information so that we can do comprehensive planning, so that there is information that industry and members that are interested in prospecting have the base information to go out and make their investments. This commitment will mean that we will be increasing our supports to the Geological Services Branch allowing us to provide valuable field experience to young people in our universities and graduate programs. This is an area that has been significantly underfunded for the past 11 years.

*Mr. Speaker in the Chair*

We have also kept our commitment to the communities of Lynn Lake and Leaf Rapids who are facing serious depletion of known mineral resources, an area that has been attempting virtually on their own to deal with the pending closures of the two operating mines in that region. We are proud to fulfil our commitment to increase the amount of geological support for that area, to concentrate on an area that we built with infrastructure, that people have built their lives around and are now facing serious economic challenges.

We are also proud to take on our responsibility of dealing with the matter of orphaned mine sites. These are sites that were left in conditions that are unacceptable in today's standards. These are sites that were abandoned and left for naught by the previous government. Their talk left no money in the budget to deal with these serious issues. We are proud to say that we will be dealing with these tough challenges. We will be dealing to try to remedy the safety and environmental concerns left by orphaned mine sites in Manitoba.

To deal with the issue of fraudulent claim staking, which was prevalent during the previous administration's term because of chronic underfunding in terms of claims inspectors and those responsible to ensure that regulations are met, we are proud to announce that we will be doubling the claims inspectors in Manitoba to ensure the laws and regulations passed by this House are enforced and that there is fairness and security of land tenure for those interested in exploring our great province's mineral wealth.

We are also very proud to be moving forward and advancing our relationship with Aboriginal peoples by moving forward with the Aboriginal minerals protocol through our development of the Manitoba minerals guideline. This process was stalled for over a year by feelings of mistrust by Aboriginal peoples for the previous government. We are very pleased to join hands with Aboriginal people and move forward on a strategy that will see them become more involved and an integral partner in mineral exploration and development in the future of Manitoba.

We are also proud to announce our continued support for the Manitoba mineral incentive programs which are designed to stimulate exploration activities in Manitoba, the lifeblood of a healthy and sustainable mining industry in Manitoba.

Manitoba is recognized worldwide as a good place to explore and conduct mining operations. In fact, this past year the Fraser Institute has rated Manitoba as the 4th best place in the world to invest your money when it comes to mining. That is a very impressive record.

Mr. Speaker, we strive to improve that record. We will continue to work with industry, with the stakeholders, to improve the situation for investing in mining in Manitoba. It is a proud day for me to be standing on the Government side to be supporting our first budget. A budget that is balanced, a budget that provides tax relief to Manitobans, a budget that has a heart, a budget that invests in young people, takes care of our sick and elderly and provides hope and opportunities for the future of Manitobans.

Mr. Speaker, I am very proud to be a member of a government that has found a balanced view and shows opportunities and economic growth, jobs and a bright future for Manitobans. I think one of the things that we ask from across the House is to get over their negativity, look at the positive things happening in Manitoba. Try to recognize that a balanced approach is exactly what the people of Manitoba wanted and voted for in the last election and we are proud to deliver on. Thank you.

**Mr. Speaker:** The Honourable Member for Fort Whyte.

**Mr. John Loewen (Fort Whyte):** 12:30, Mr. Speaker?

**Mr. Speaker:** Is it the will of the House to call it 12:30? [*Agreed*]

When this matter is again before the House, the debate will remain open. The Honourable Member for Fort Whyte will have 40 minutes.

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

# LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, May 12, 2000

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