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of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Seventh Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, April 26, 2002

The House met at 10 a.m.

PRAYERS

ROUTINE PROCEEDINGS

MINISTERIAL STATEMENTS

National Day of Mourning Workplace Accidents and Deaths

Hon. Becky Barrett (Minister of Labour and Immigration): Mr. Speaker, I have a statement for the House.

Sunday, April 28, is the National Day of Mourning for workers killed and injured on the job. It was officially proclaimed 11 years ago. On this day, workers across Canada set aside time to mourn the individuals who have died or have been injured on the job over the past year. It is also a time to recognize injured workers for their contributions to society prior to their accident and their ability to contribute after their accident. It is through a relatively small gesture of proclaiming a day of commemoration and recognition that we may truly convey our gratitude to these people. We believe that they have made a difference to the health and safety of future workers and can continue to contribute to society and its well-being.

This Day of Mourning is also a reminder to all Canadians of the tremendous challenges we still face in eliminating death and injury in the workplace. It motivates us to work even harder to reduce the number of workplace-related injuries and death. However, even one injury or death is too many.

The Manitoba government remains committed to doing all we can to improve safety and health in Manitoba workplaces. We share this considerable responsibility with Manitoba employers and workers. We must all do our part to eliminate death and injury in the workplace.

April 28 is a day of mourning, an opportunity for all Manitobans to pause in remembrance of those whose lives were cut short. We

pay our respects to their memories and the memories of those who preceded them. Our hearts go out to their families and friends. Though we can never truly share their feelings of pain and loss, it is important that they be acknowledged and respected.

On Friday, April 26, a moment of silence at 11 a.m. is being requested of all government departments, and on Sunday, April 28, flags at all government buildings will be lowered to half mast. I am asking all Manitobans to honour the memories of individuals injured or killed in a workplace accident this past year by observing a moment of silence at 11 a.m. on Sunday, April 28, 2002. I would like to ask that at the end of this statement and any responses that members may have for all members to stand for a moment of silence in the Chamber today.

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, I would like to thank the minister for her statement and join with her on behalf of members on this side of the House in honouring those who have been killed or injured in the workplace. To remember Canadian workers killed, disabled or injured in the workplace and workers afflicted with industrial disease, the federal Conservative government passed the Workers Mourning Day Act in 1991.

Each day millions of Canadians go to work. Sadly, some of them do not make it home safe and sound. On occasion, the events responsible for workplace injury or deaths are preventable. Other times unforeseeable events take life and limb. The tragic events of September 11 in which 3112 people, most at work in New York, Washington D.C. and Pennsylvania, perished in unconscionable acts of terror remind us now that no matter how safe we feel in the workplace the unthinkable can happen. Some 343 firefighters and 23 police officers were killed at the World Trade Centre while serving and saving the lives of others. We should always remember the risks that police officers and firefighters take in order to do their jobs to keep us safe and protected.

On behalf of my caucus colleagues, I would like to thank Manitoba's finest for the job that they do. We should also take this opportunity to remember the four members of Canada's Armed Forces who were tragically killed in the line of duty, serving their country and fighting to preserve the freedom we cherish and hold dear. Our condolences and thoughts are with their families.

* (10:05)

I would also like to extend our sincere condolences to the family members and loved ones of workers who have been injured or killed. As members of the Legislative Assembly, we must ensure that all Manitobans take workplace health and safety seriously and work to ensure that the number of workers we remember on this day of mourning ceases to grow.

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

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

Mr. Gerrard: Mr. Speaker, as the minister and the Leader of the Opposition have indicated, workplace safety is important, and it is very important that we recognize where injuries and death have occurred and that we do whatever we can to prevent this. It is time to reflect on the events of the last several years and the injuries and the deaths that have occurred in the workplace, to offer our condolences to those who are affected and to think not only of those injuries and deaths which have occurred in accidents like the mining accidents but injuries and death which have occurred because of things like smoking in the workplace.

Smoking was brought to our attention in the Workers Compensation Board study. It has been the subject of debate from time to time in this Legislature, and clearly, in terms of numbers, is probably one of the major contributors to poor health and death when there is smoking in the workplace.

I think that it is also timely to pick up on what the minister said, even one injury or death is too many, and reflect on the fact that in the

last year there were seven suicides in the community of Pukatawagan and that this is not an isolated incident. Here again, one death is far too many. This is something that needs the attention of this Legislature, just as the attention of this Legislature should be brought to bear on injuries and deaths which occur in the workplace. Thank you.

Mr. Speaker: Please rise for a moment of silence.

A moment of silence was observed.

* * *

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, is there leave of the House to revert to Ministerial Statements and Tabling of Reports?

Mr. Speaker: Is there leave of the House to revert back to Ministerial Statements? *[Agreed]*

TABLING OF REPORTS

Hon. Drew Caldwell (Minister of Education, Training and Youth): Mr. Speaker, I would like to table the following reports, copies of which have been distributed intersessionally: Manitoba Text Book Bureau Annual Report 2000-2001; Apprenticeship and Trades Qualifications Board Annual Report 2000-2001; Manitoba Education Research Learning Information Networks, MERLIN, Annual Reports 2000-2001; and The Public Schools Finance Board report for the year ending June 30, 2001.

ORAL QUESTION PERIOD

Chiropractic Care Coverage Reduction

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, the Doer government has overspent their Health budget by millions of dollars in only two and a half years of government, and now Manitobans are going to have to pay for their spending spree.

Can the Minister of Health tell us how he can justify increasing user fees for patients who need to see a chiropractor?

* (10:10)

Hon. Dave Chomiak (Minister of Health): Mr. Speaker, as we indicated both in our public consultations and during the Budget process, there was a variety of important issues, important health concerns that we had to address. We indicated to the public, and we indicated both in our Budget, that we would put resources back to nurses, back to doctors, back to patient care. We have expanded that probably greater than any other time in provincial history. At the same time, we have to make savings.

Chiropractic is not a recognized totally core service under the Canada Health Act. It is not a decision we wanted to make, but we had to achieve some savings. We achieved savings in administrative areas, and they criticize us.

Mrs. Driedger: Mr. Speaker, I would like to ask this Minister of Health if he can explain his flip-flop because, in Opposition, he called this a user fee. He said it was, and I quote: Fundamentally wrong. And he said that such a move would, and I quote: Decrease access for women and families. Can the Minister explain his flip-flop? It is so hypocritical.

Mr. Chomiak: Mr. Speaker, one should be very careful about words uttered from the member.

Yesterday she brought her argument by tabling in this House a newspaper article making her argument that it was written in 1998 and characterized somehow an issue today.

Mr. Speaker: Order.

Point of Order

Mr. Marcel Laurendeau (Official Opposition House Leader): Mr. Speaker, *Beauchesne* 417: Answers to questions should be as brief as possible, deal with the matter raised and not provoke debate. The minister had the opportunity to answer that question yesterday. If he could answer today's question, we would appreciate it.

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

Mr. Chomiak: I am simply pointing out with respect to that point of order that twice

yesterday, not just in the article but with her inaccurate statement about Wade-Bell, the member was wrong two times yesterday. One must be very careful about the comments that she is making or the quotes that she attributes.

* (10:15)

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

* * *

Mr. Chomiak: Mr. Speaker, we had some very difficult decisions, but despite that I think Manitobans generally are very pleased that we have been able to increase the budgetary capacity to nurses, something members opposite demanded that we do. In fact, they asked for more. We have increased services. Unfortunately, some areas, administrative areas, have had to be sacrificed and some chiropractic visits had to be limited. It is not something we wanted to do, but given all of the difficult choices we had we thought it would be appropriate. We are not deinsuring chiropractic. We are limiting the number, the payment for the visits.

Mrs. Driedger: I would like to ask this Minister of Health why he is ignoring the almost 10 000 petitions or the surveys that came signed to his Government asking them not to cut services for chiropractors. He is saying he is listening to Manitobans, he is listening in his consultations, and he has 10 000 surveys that he is not listening to and cutting services to Manitoba patients.

Mr. Chomiak: Mr. Speaker, I might point out to the member opposite that the present agreement with chiropractors that we have been functioning under was an agreement where the previous government reduced the number of visits from 15 to 12. In addition, there was an overpayment on the cap of the agreement entered into by members opposite of about \$1.75 million that members opposite tried to recover and that we have tried to recover as a result of an

overpayment with respect to a contract entered into when they reduced chiropractic visits from 15 to 12.

Clearwater Lake Provincial Park Land Development

Mr. Harry Enns (Lakeside): I direct this question to the Minister of Conservation. Mr. Speaker, being the eternal optimist, I do believe that the weather will warm up and thousands of Manitobans joined by many thousands of other tourists from across this land will come to enjoy our beautiful provincial parks. One of the parks, by the way, that was mostly created by former Conservative governments, surely one of the most beautiful parks we have in our system, is the Clearwater Lake park at The Pas, which the Minister of Conservation (Mr. Lathlin) proposes to carve some 950 hectares out of the park to give to his friends, his former friends at the band that he used to be chief of, I believe, at OCN in The Pas.

Will the minister consider, and in The Parks Act it calls for extensive public discussion, will the minister heed and listen to the requests of the many interested parties to extend the deadlines for further public discussions before this land transfer takes place?

Hon. Oscar Lathlin (Minister of Conservation): I thank the member for the question. I think the member is well aware that, when we came into office in November of 1999, there had already been a process that was started by his government. In fact, in 1997, a framework agreement was signed off by Cabinet, and that framework agreement set out the parameters for negotiations with respect to TLE in that area that he refers to.

So, Mr. Speaker, I inherited the process. I am following through with the process, and that process has not been completed yet.

Mr. Enns: Mr. Speaker, I thank the honourable minister for his answer, and I am fully aware of that appropriate process that was put in place by the former government. It is called The Treaty Land Entitlement Framework Agreement which specifically says that—

Mr. Speaker: Order.

Point of Order

Hon. Gord Mackintosh (Government House Leader): On a point of order, Mr. Speaker, reluctantly, there is not a rule, of course, that one gets an additional preamble for every year of service in the Legislature. We will propose that to the Rules Committee; we will see how we do then.

Mr. Speaker, would you please remind the member, who I know never carries a rule book, but I am sure it is because it is embedded in his mind, just remind the member that he must remain the beacon, the reminder to all members of the rules and conventions of this House, and that one is that there is no preamble on a supplementary.

Mr. Speaker: On the point of order raised by the honourable Government House Leader, he does have a point of order. I would like to remind all members that *Beauchesne's* Citation 409(2) advises that a supplementary question should not require a preamble. I would ask the honourable member to please put his question.

* * *

Mr. Enns: I accept your admonition, Mr. Speaker, but I was trying to be, as other rules in the book say, specific in the questioning, and I was referencing the actual agreement that the minister referenced in his response. The question is: Is the minister aware of development plans that the OCN people have for the land in question?

Mr. Lathlin: Mr. Speaker, since this issue came about I have had meetings with the executive of the Colliers Association in Clearwater Lake. I have met with several people as a matter of fact. I have received a lot of letters. I have received phone calls. My response so far has been to advise them that there is a process that had been started by the previous government, and I am merely waiting for that process to be completed, after which time I will be getting a report from staff. At that time, I will be able to make a

decision as to whether an extension will be granted.

* (10:20)

Mr. Enns: Mr. Speaker, I am asking the question very specifically, because of the fact that his Clean Environment Commission is on record as saying that past Clean Environment Commission orders from past hearings state that the lake is too sensitive to support any further development, and to marry that with his friend's statement, the interim development co-ordinator of the band, one Mr. Vince Sinclair, who demands: We want full control for development purposes. There is an inconsistency here or there.

I am asking the minister to take this very seriously, as minister responsible for the maintenance of our parks, and to commit at this stage that full hearings will take place prior to any development.

Mr. Lathlin: Again, I advise the member that there is a process in place, an Order-in-Council approved process. I respect that process and I must advise the member that until that process has been completed I cannot prejudge anything. So I am going to wait for the report that the department is preparing. I am advised that I will be getting that report probably mid-May, end of May, at which time I will make a further decision.

Manitoba Learning Tax Credit Elimination

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, in 2000, each student from universities and colleges in Manitoba was receiving on average approximately \$622 per student annually from tuition rebates. Now those same students in 2002 will be receiving only \$300, a decrease of approximately \$322, annually per student, or almost 108 percent.

I would like to ask the Minister of Advanced Education if she can confirm for this House today and indeed for the post-secondary students in Manitoba that an average of \$322 per year per student has been taken out of the pockets of our post-secondary students in Manitoba with the Doer government's recent decision to very quietly eliminate Manitoba's learning tax credits.

Hon. Diane McGifford (Minister of Advanced Education): Of course, I am always very pleased to talk about post-secondary education. Let me begin by congratulating the Member for Tuxedo on her new responsibilities, of course, bidding a fond farewell to the member from Roblin-Russell, pardon me.

Having said this, Mr. Speaker, I want to point out—*[interjection]* I do apologize to the member from Dauphin-Roblin. We are very proud of the supports that we supplied for students. Let me just outline some of those for the edification of the House. Let me begin by saying that students in this province are better off than they have ever been. That is because this Government has a commitment to post-secondary education and to our—

Mr. Speaker: Order. Time is up.

Mrs. Stefanson: Mr. Speaker, how can this minister and the Doer government honestly stand before Manitobans and say they are on the side of post-secondary education students when they have just cut Manitoba's education tax credit, and they are 108 percent worse off today than they were two years ago?

Ms. McGifford: Mr. Speaker, we have nothing to learn from those people on the other side of the House. When these people were in government they raised, in 10 years, tuition 138—

Mr. Speaker: Order.

* (10:25)

Point of Order

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

Could you ask the minister to answer the question and not provoke debate?

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

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, we understand why the

Opposition may feel provoked after raising tuition fees 138 percent.

Mr. Speaker: On the point of order raised by the honourable Official Opposition House Leader, he does have a point of order. Citation 417: Answers to questions should be brief as possible, deal with the matter raised, and to not provoke debate. I would ask the honourable minister to please answer the question.

* * *

Ms. McGifford: Rather than raising tuition 138 percent, this Government has held tuition at a reduced rate of 10 percent for the past three years.

Also, the 10% reduction is a part of a package of benefits which include not only the reduced tuition but the \$6-million government bursary, which was cancelled in the dead of the night in 1993-94. So a \$6-million bursary increases access to bursaries. We also, last session, introduced The Student Aid Act in order to protect our students from middle-of-the-night decisions as took place in '93-94.

Mrs. Stefanson: Mr. Speaker, will the Minister of Advanced Education simply admit for this House today and for post-secondary students in Manitoba that they have taken \$322 out of the pockets of each post-secondary student in Manitoba? That is a 108% reduction in tuition rebates.

Will the minister just admit that to Manitobans today, that they have done away with Manitoba's learning tax credits?

Ms. McGifford: Mr. Speaker, the package of benefits and—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Ms. McGifford: Thank you, Mr. Speaker. The package of benefits that I have just outlined are of course all testaments to our policies of accessibility and affordability, and the results of these benefits are a 12% increase in enrolment. This Government is committed to developing the

economy in the province, and we know that we cannot do that without a well-educated public.

Just to return to a specific comment on the learning tax credit, this Government—

Mr. Speaker: Order.

* (10:30)

Seine River Bridge Construction

Mr. Jack Reimer (Southdale): Mr. Speaker, the other night a large number of residents of south St. Vital gathered to express their opposition to a proposed bridge crossing the Seine River to a joint residential development between the Doer government and a local developer. The Member for St. Vital (Ms. Allan), speaking on behalf of the Government, stated at the meeting, and I quote: The Province is on the residents' side.

I would like to ask the Minister of Housing then, as a partner in this development: Has he instructed the developer not to proceed with this bridge?

Hon. Tim Sale (Minister of Family Services and Housing): I am delighted to answer the question on the part of the former Minister of Housing whose government entered into the agreement with Ladco in 1989 and contributed to that partnership Manitoba Housing lands which were the subject of the first phase of the development, contributed that land without any particular plans for the affordability of housing and had simply contributed the land.

Now in regard to his question for a bridge, the former minister might remember that the City of Winnipeg sites its bridges, its interceptor sewers, its main connector roads, 25 to 50 years in advance. The City of Winnipeg identified the crossing to which the former minister refers. They identified that at least 15 years ago, and they instructed the developer to acquire access to protect that crossing, and as late as February 18 of this year, in a meeting with Save Our Seine with the City of Winnipeg and with representatives of the developer, at which I was not

present, the City of Winnipeg confirmed the location of the bridge.

Mr. Reimer: I did not have my earpiece in, but I did not hear an answer to that question. Maybe you heard it, Mr. Speaker. But I will ask the question: Did he, as a partner in the development—and I appreciate the praise that he gives to this government in our foresight of providing housing in the southeast area of Winnipeg, because it was something that we were very proud of, they are continuing with that partnership. They are a partner. As a partner, has he been in contact with the developer stating the Government's position, as outlined by the Member for St. Vital (Ms. Allan), that they are opposed to the bridge at that location? Simple question, simple answer, Mr. Minister.

Mr. Sale: It is interesting. I think the member opposite was implying that he thinks that this Government should rip up agreements that have been entered into in good faith. I rather think that is something that some governments in Canada have done but this Government does not do that sort of thing. We honour agreements.

In regard to the location of the bridge, I will say again for him, and hope he does have his earpiece in this time: The siting of the bridge is a City of Winnipeg decision made at least 15 years ago, confirmed numbers of times in writing to the developer and to the Save Our Seine citizens. If the City chooses to change the location of the crossing of the Seine River in order to comply with their housing requirements for development to have two moves of egress from each subdivision, the City can make that decision. There will be consequences for everybody because they gave different instructions to the developer in the past. So it is a City decision. We await their decision when the development plan is registered.

Mr. Reimer: Then I can assume from that answer that the Member for St. Vital was not speaking on behalf of the Government and that the Government is not on the residents' side on this. That is the implication I got from the answer. The minister is now stating that the—

Mr. Speaker: Order.

Point of Order

Hon. Gord Mackintosh (Government House Leader): I was just wondering, Mr. Speaker, if this House could extract a question from this honourable member?

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

* * *

Mr. Reimer: Mr. Speaker, I will ask my question of the Minister of Housing then. Is the City under negotiation? Will the minister confirm?

It is hard to get a question out because I never get an answer, but I will ask the minister: Is the minister part of any negotiations with the City that is now looking at buying out the portion of the forest that the intended bridge was going through? I understand that the City is negotiating with the developer. As a partner in the development, is the Province willing to share the cost of buying that forest from the developer?

Mr. Sale: I will have to choose, Mr. Speaker, which of the number of questions I try to respond to.

I will say that from November 2000, when the developer first approached the City in regard to le Bois des esprits, the whole intention of the developer and the partnership is to preserve the 88 acres of the woodland, which are beautiful. I am sure the former minister has walked through that area; I have. I have seen the area. It is an absolutely lovely river-bottom forest and associated upper areas that could be developed, but should not be developed. That has been our policy from the beginning. The partnership is an agreement on that.

We have made numbers of offers to the City in regard to ways in which they could acquire the entire property without undue cost. We are still in negotiations with the City to agree upon a

price. I believe we are fairly close to that agreement, and our intention is to preserve the entire forest for the enjoyment of future citizens and the current citizens of the city of Winnipeg. We are good environmental citizens, Mr. Speaker.

Harness Racing Industry Elimination

Mr. Jack Penner (Emerson): Mr. Speaker, two and a half years ago this NDP government campaigned on saving the family farm. In Monday's Budget, with one stroke of a pen, they eliminated a further 500 jobs in rural Manitoba.

Can the Minister of Agriculture explain to this House why she made a statement yesterday on rural radio saying that it was a tough decision to eliminate 500 jobs in rural Manitoba, yet in the same Budget there is a provision to eliminate a further 16.7% reduction in agricultural disaster assistance? In other words, the safety net programs that this province held so dear for a long time. Can the minister explain how many more jobs she intends to eliminate by this action?

Hon. Rosann Wowchuk (Minister of Agriculture and Food): Mr. Speaker, the member comments about a statement that I made on the radio. I did indicate that it is very difficult to make decisions when you have to reduce funding, but I did also indicate on the radio, when I spoke, that it was not 500 jobs, that in fact it was 6 permanent jobs that are eliminated.

When the member talks about 500 jobs, he is talking about the breeding industry. I want to inform the member the breeding industry will continue in this province because the breeding industry is not only for the harness racing industry.

With respect to the member's question on the safety nets, I would let the member know that in fact that reduction is in the CFIP program. That is a program that has been a very difficult program for producers. In fact, Manitoba farmers have not been able to access the funds. They have not been able to qualify for it. That is the amount of money that was left over in the previous year. So that just indicates

that is not a program that is working for our farmers and one we have to work on.

* (10:40)

Research and Development Funding

Mr. Jack Penner (Emerson): Mr. Speaker, a supplementary question, then, to the minister. I would like to ask the minister, if she is so serious about maintaining jobs in rural Manitoba, why did the Standardbred racing commission tell us that this one action was going to cost 500 jobs in rural Manitoba?

Further to that, I would like to ask the minister why she would in her Budget again eliminate a further \$1.7 million in research funding which should help enhance the job opportunities in rural Manitoba. She is decreasing research funding by 1.7. Can she tell us why she would take that action, and how many jobs will that cost in rural Manitoba?

Hon. MaryAnn Mihychuk (Minister of Industry, Trade and Mines): In response to one of the member's questions, I would like to indicate that we are aware that there are 500 Manitobans that participate in the horse breeding industry. In fact there are 65 000 horses in Manitoba. Somewhere between 120 to 200, depending on the numbers that you hear on the individual year, participate in harness racing.

The horse breeding industry in Manitoba is doing very well. Harness racing was an activity that some members—there are 23 that receive the Breeder's Incentive in Manitoba for that half-million-dollar commitment—harness racing was a supplementary activity for breeders in Manitoba. We are very pleased to say that industry is very strong and thriving. So for members to suggest that there are 500 jobs, it is true for the horse industry in Manitoba.

Family Farm Government Commitment

Mr. Jack Penner (Emerson): I find it interesting that the Minister of Agriculture will not even get up and answer the question. However, in my final supplementary question I

would like to ask the Minister of Agriculture whether the budgetary cuts in the Agriculture budget are her answer to maintaining the family farm. How many young farmers are going to be left in the lurch? How many more farms is she going to eliminate by the kind of actions she has demonstrated in her Budget this time around? How many more jobs will we see lost?

Hon. Rosann Wowchuk (Minister of Agriculture and Food): Mr. Speaker, the member put some comments on the record with regard to research and development and reductions. Again, I believe he is wrong. I checked Hansard for his comments, but the numbers he indicated that we reduced from research are not accurate.

With respect to the family farm, I am very proud of the steps we have taken in a program called Bridging Generations, which is a program that is being looked at across the country in order to help young people get into agriculture. Instead of criticizing that program, as the member has, he should look at it and see whether it will work for some of the farmers in his community. I would ask the member, again, to be accurate when he puts numbers on the record about the reduction of the number of farmers in rural Manitoba, because in his comments in his Budget speech, he was wrong again.

First Nations Communities Suicide Prevention

Hon. Jon Gerrard (River Heights): Mr. Speaker, a year ago, national Chief Matthew Coon Come described a First Nation community in northern Manitoba which had several suicides in one year and mentioned that the community in question wrote a letter to the provincial minister responsible. He went on to say, while waiting for his response, there were two more suicides. The provincial minister finally refused to do anything, stating that the situation in this small community was not unusual; other Aboriginal communities were also experiencing suicides. My question is to the Minister of Northern and Aboriginal Affairs.

I ask, Mr. Speaker: When will the minister stop making excuses and take some action, in view of the dire needs in communities like Pukatawagan in northern Manitoba?

Hon. Eric Robinson (Minister of Aboriginal and Northern Affairs): Mr. Speaker, the member raises a very complex issue and a very serious one at that. It is one of the issues that our Government is committed to addressing. Suicides, unfortunately, are a reality in many of our First Nations communities throughout the province of Manitoba.

It is not true what the member is saying, implying that I have not done anything with respect to the issue. I have discussed this matter with our colleagues in the Manitoba government and with the federal government, as well, and we are awaiting the federal government's participation in addressing these issues, not only in Pukatawagan but in other communities throughout Manitoba.

Mr. Gerrard: Mr. Speaker, my supplementary to the Minister. I asked for more concrete details about what the minister is going to do when there have been seven suicides in Pukatawagan in the last 13 months, a rate more than 10 times the national average. Will the minister please give us some concrete and urgent steps that he will take in order to address this critical issue?

Mr. Robinson : There are several issues that we are attempting to do, Mr. Speaker. First of all, we are having interdepartmental discussions with the Department of Health with respect to the crisis that exists in Manitoba, and First Nations people particularly, with respect to suicides. At the same time, we are engaged in dialogue with federal officials from Health Canada to address the issue. At the same time, we are awaiting word on an inquest that occurred as a result of a suicide that occurred in Shamattawa.

Let me point out to the member that this is an issue that our Government takes very seriously. In Norway House, as an example, prior to the new year, there were three suicides involving a 12-year-old, a 22-year-old, and 53-year-old woman. So suicides, unfortunately, are not limited to just young people. I truly regret that one life has to be lost because of suicide anywhere.

I want to say further that our Government is committed to a five-point priority list with

respect to northern development, which we feel will address many of the issues that exist. Education and training—

Mr. Speaker: Order.

**All Weather Road
Pukatawagan**

Hon. Jon Gerrard (River Heights): I continue. I ask the minister, who himself knows that the mental and financial stresses due to the high financial cost of basic food stuffs, building material and other essentials could be reduced if there were an all-weather road into Pukatawagan, will the Government be putting an all-weather road into Pukatawagan to help the community.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Hon. Eric Robinson (Minister of Aboriginal and Northern Affairs): Mr. Speaker, if I could carry on, education and training is something that is badly required in northern Manitoba, economic development, housing, transportation aids, as the member correctly points out, and that is something that our Government is currently discussing at this time. We need the federal government, obviously, on a lot of these initiatives.

The issue of health is something that we are deeply committed to. I will be glad to meet the brothers and sisters from Mathias Colomb First Nation after Question Period to further discuss the issue that exists in their community and other communities in northern Manitoba.

What further aggravates the issue of suicides is not only the economic circumstances, the social and economic situations of Aboriginal people in First Nations communities, there is the whole issue of the residential school system that we are trying to address at this point in time, this Government, with the 30-year statute of limitations issue. Many people like to have their day in court as a result of their negative experiences, the sexual abuse that they experienced which has unfortunately had intergenerational effects on many First Nations

people. We are trying to address those issues and others.

* (10:50)

**Mining Recording Office—The Pas
Closure**

Mr. Jim Penner (Steinbach): Mr. Speaker, after boasting about saving jobs in the bus industry, the Minister of Industry, Trade and Mines, also responsible for losing 500 jobs in rural Manitoba, has now caused the mining office in The Pas to close and fired the staff.

Can the Minister of Mines confirm that she is closing the busiest mining recording office in Manitoba and breaking her promise to keep it open?

Hon. MaryAnn Mihychuk (Minister of Industry, Trade and Mines): The situation in the Budget required us to evaluate each and every program and line in the Budget. One of them included the services that were being provided at The Pas office. Given the dramatic decrease in the number of claims being posted through there, the amount of applications, the dollar value and the fact that The Pas office is not in a mineral region, it was decided, given technological changes and the fact that we can now use the digital and e-government services, that all of these services can be provided to Manitobans through e-government services.

Two individuals will be moved to the Flin Flon office to provide geological and mining recording support, but all mining recording will officially be registered through the Winnipeg office, which is the practice across Canada. If members understood e-government, which they made massive investments in, the hope would be that government would see a small bit of savings. We are pleased to work with that.

Mr. Jim Penner: Mr. Speaker, on a new question.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. The honourable Member for Steinbach, on a new question.

Mr. Jim Penner: Thank you, Mr. Speaker. Mining is the second-largest industry in Manitoba next to farming and agriculture, and jobs in rural Manitoba are very valuable. After a discussion yesterday with the mayor of The Pas, Mr. Gary Hopper, he was hopping mad. Did the Minister of Mines consult with the MLA for The Pas (Mr. Lathlin) before firing those people?

Ms. Mihychuk: Let the record be clear that The Pas office is going to be shut down eventually. Individuals that are with the Government, all attempts will be made to find them other positions within the civil service. These types of suggestions mislead the public and are clearly scare tactics. The Budget process includes all members of government in consultation and of course includes colleagues in Cabinet.

The questions are meant to mislead the public and in fact we are working with The Pas office and all of the staff that work at The Pas office.

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

MEMBERS' STATEMENTS

2002 MTS Manitoba Winter Games

Mr. Edward Helwer (Gimli): Mr. Speaker, I rise today to recognize the achievements of Interlake athletes who participated in the 2002 MTS Manitoba Winter Games on March 7 to 10 in The Pas. At this year's games, the Interlake team finished in second place overall close behind Winnipeg. The Interlake's total medal tally was 39, with an impressive 15 gold, 14 silver and 10 bronze. The Interlake team finished in second place overall thanks to a couple of gold medal performances on the last day of competition. In the last event of the day, the East St. Paul Tween B ringette team, representing the Interlake, defeated the Niverville Clippers, representing the eastern region, 8 to 7. The Interlake was also victorious in boys' hockey, bringing home a gold medal after defeating the Winnipeg region 8 to 6.

In addition to ranking second overall at the games, the Interlake team were recognized as the most improved region and were named the recipients of the Sport for Life Participation Award for having the highest number of participants per capita in both the games and the regional qualifying events.

This year's Winter Games were one of the most successful ever held. A total of some 1500 athletes from all regions took part in 12 sporting events, including curling, hockey, figure skating, alpine and cross-country skiing, basketball and volleyball. So on behalf of all members of the Progressive Conservative caucus, Mr. Speaker, I would like to extend my sincere congratulations to all those who took part in the 2002 Manitoba Winter Games. Thank you for making this year's games such a success.

OCN Blizzard Hockey Team

Hon. Oscar Lathlin (Minister of Conservation): As representative of The Pas, I would like to make a member's statement.

Mr. Speaker, it gives me great pleasure to rise in the House this morning to offer my congratulations to the OCN Blizzard hockey team, first of all, for winning the Manitoba Junior Hockey League Championship for the fourth time in a row. The OCN Blizzard have been in the Manitoba Junior Hockey League for only six years, but during that time they have accomplished so much. Since OCN joined the league, the attendance in the Manitoba Junior Hockey League has risen dramatically. The OCN Blizzard team has also helped to enhance the unity in the community of The Pas and area. Citizens of the town of The Pas, the R.M. of Kelsey and OCN have come together working for and cheering for their favourite team, the OCN Blizzard. The community of The Pas, OCN and the R.M. of Kelsey should also be congratulated for coming together behind their team.

Finally, Mr. Speaker, I wanted to congratulate the Blizzard for winning the Anavet Cup. Last night they defeated the Saskatchewan Junior Hockey League Champions, the Kindersley Klippers, and I want to wish them continued

success as they journey to Halifax to represent Manitoba at the Royal Bank Cup.

Patricia Plett

Mr. Peter Dyck (Pembina): Yesterday, the members from Arthur-Virden and Gimli and I had the pleasure of attending the 2002 Volunteer Awards. It was there that Patricia Plett of Morden received two of the awards. Patricia, or Pat as she is more commonly known, was one of the seven recipients of the Lieutenant-Governor's Make a Difference Community Award. She was nominated by Eltie Pearce, a volunteer program co-ordinator with Canadian Blood Services. The honour was in recognition of giving her time, energy and enthusiasm as a volunteer and advocate for the Morden community.

Pat was also the sole recipient of the Lieutenant-Governor's Vice Regal Volunteer Award. She was honoured in this way because she truly represents the spirit of volunteers. A long-time volunteer, Pat selflessly contributes her time and skills with more than 15 community groups and is an inspiration to other members of the community.

When speaking of the recognition she has received for her good deeds, a modest Pat said, and I quote: We get back from giving far more than what we give. I have had a chance to be a part of many successful projects that have made our community better. I have also said who needs drugs to get high, I get high on helping others.

Mr. Speaker, I think we could all learn a thing or two from this caring, selfless woman. She should be very proud to be in the company of the fine individuals who also received awards yesterday.

As her MLA and on behalf of the Legislative Assembly of Manitoba, I congratulate her for receiving these two awards. She can now add them to the collection that also includes the Morden Kinsmen and Kinette Community Service Award.

I commend Patricia Plett on being so dedicated to the betterment of her community. Thank you.

Highway Construction/Maintenance

Mr. Gerard Jennissen (Flin Flon): Mr. Speaker, yesterday's announcement about increased funding for Manitoba highways was indeed good news. This Government is taking a long-term planning approach to our highway infrastructure. We are building for the future.

The highway capital construction budget will be increased by 16 percent to \$120 million this year, and will be at least \$120 million annually for the next four years. This will mean roughly \$600 million over the next five years.

* (11:00)

Also, Mr. Speaker, I am very happy to see that unlike the previous government the current government has not neglected the highway infrastructure in the North. This is part and parcel of our Northern Development Strategy.

Among the funding highlights for improvement in Manitoba's north: \$2.5 million for intersection improvement in The Pas; \$400,000 to relocate the existing winter road from Sea Falls to Oxford House junction—sections will now go over land rather than on ice; a new bridge across the Hayes River along the winter road route; relocation of the winter road from Gods River First Nation—a new bridge will be installed along that route as well; \$300,000 to install eight winter road bridges in various locations on the seasonal road system; \$300,000 for functional studies for possible winter road relocations of the York Landing to Ilford and Thicket Portage to Pikwitonei routes.

This is just a short list of the relief that will be coming to the North. In addition to this, the construction of the all-weather road from South Bay to South Indian Lake is progressing very well. The former government promised this road year after year, but we are actually building it.

Mr. Speaker, winter roads have been more difficult to construct lately due to recent trends in warming. As we did earlier in the Brochet, Lac Brochet and Tadoule Lake region, we are building more roads or portions of roads on solid land rather than on ice. This will both extend the

road season and improve safety. This is great news for the people who live in remote regions of Northern Manitoba.

I would like to thank the Minister of Transportation and Government Services (Mr. Ashton) for his dedication to maintaining our highway infrastructure. I would also like to congratulate our Government for maintaining its commitment to northern Manitobans.

Dr. Bob Menzies

Mr. Peter Dyck (Pembina): It is my pleasure to rise today to honour the accomplishments of Dr. Bob Menzies, who has recently been named Manitoba's Family Physician of the Year.

Doctor Menzies, or Dr. Bob as he is more affectionately known, was awarded the honour by the Manitoba College of Family Physicians. He received his certificate in family medicine in 1978 after receiving his MD from the University of Manitoba and completing two years of post-graduate training at St. Boniface Hospital.

Before starting his practice in Morden in July 1979, he also trained and became qualified in family practice anaesthesia. He has provided services in surgery, obstetrics, anaesthesia, dialysis, chemotherapy, emergency and intensive care, as well as running his office practice for the past 23 years. He has been active in various capacities with the College of Family Physicians of Canada and Manitoba, including a stint as a provincial president, and since 1979 he has been a clinical teacher with the Faculty of Medicine. He also has a strong record of volunteerism within Morden and nationally.

This husband and father of three comes from a long line of family practitioners, being among the third generation of doctors in the Menzies family. His father, Dr. Jim Menzies, received this award himself in 1975. In speaking of his son's accomplishments, Dr. Jim said he works hard. He probably works a lot harder than his father did.

Mr. Speaker, on behalf of the Legislative Assembly of Manitoba, I wish to congratulate Dr. Bob Menzies for being named Manitoba's Family Physician of the Year. He has worked

very hard servicing the people of the Morden area for many years and certainly deserves this recognition for it.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

**ADJOURNED DEBATE
(Fifth Day of Debate)**

Mr. Speaker: To resume debate on the proposed motion of the honourable Minister of Finance (Mr. Selinger), that this House approve in general the budgetary policy of the Government, and the proposed motion of the Leader of the Official Opposition (Mr. Murray), in amendment thereto, standing in the name of the honourable Member for Rossmere who has 40 minutes remaining.

Mr. Harry Schellenberg (Rossmere): It is a pleasure and an honour to speak to the 2002 Budget because I think it is a Budget that is fair, reasonable and has a vision for Manitoba. I want to congratulate the Minister of Finance for bringing forward the third balanced Budget since the 1990 election. The Budget meets today's challenges while building for the future. The Budget brings balance and a vision despite the tragic events of September 11, which had a real impact on the economy.

Mr. Conrad Santos, Deputy Speaker, in the Chair

There has been a general global slowdown in economy, but I think our Manitoba economy has done very well. There are several ways to find out how the economy is doing. You can listen to the Opposition, which I would not recommend, but you can listen to experts in the economy and all the critics in the press. But I think there is another good way to find out how the economy is doing, and that is going to the people. Listen to the people in the coffee shops or, better yet, go down the street and knock on doors.

I have been doing some door knocking. The people are very content with what the Government is doing. There are challenges, but I feel there is a great satisfaction with the general

work of our Government, and especially with this Budget. There are several indicators that point to a good economy, and I think our past budgets are responsible for this good economy.

Retail sales grew by 5.8 percent in 2002, and there are good prospects for next year. Manufacturing employment in 2000 increased by 9.8 percent and will remain constant in the coming year. Farm cash receipts are up 17.2 percent. Electricity sales by Manitoba Hydro increased 12.6 percent last year. Housing starts have increased 15.7 percent in 2002, higher than the Canadian average. Manitoba unemployment rate is the second lowest among provinces and well below the national average.

Total capital investment in Manitoba has increased by 3 percent in 2001. As an example, J.R. Simplot is investing \$110 million in a potato plant in Portage la Prairie. Standard Aero is investing \$92 million to service General Electric's CF-34 engines. These are just some of the investments in Manitoba. The Manitoba outlook survey of economic forecaster shows that real GDP growth in Manitoba is expected to increase 2 percent in 2002, 3.2 percent for 2003.

Nesbitt Burns from the Bank of Montreal speaks highly of our Budget. May I quote: "In a challenging economic environment Finance Minister Greg Selinger presented a prudent and responsible plan in Manitoba's Budget Address." Also it goes on to say: "For the second straight year there is no need to dip into the Fiscal Stabilization Fund," and it continues: "Manitoba did not backtrack on its commitment to control spending, pay down debt and trim taxes. Spending will rise by only 2.5 percent, the smallest increase in five years with only priority areas such as health, education, families and communities benefiting. Of course," the article says, "health spending will rise to 2.8 billion with the nurses' deal included in that." The article also said: "For the third straight year the Government will provide \$96 million in the year 2003 to pay down the general debt and fund the pension liability by \$21 million and \$75 million respectively."

The previous government always talks about debt. Well, they created that real large pension liability, which is very hard on our cost of

paying down the debt. That is one of the things they left out over the years, but that is a debt.

* (11:10)

I would like to turn to what Moody Investment Services states in the *Free Press*: Moody Investment Services, the New York based bond-rating agency, needs to have assessed the overall strengths of the commercial real estate market in nine Canadian cities including Winnipeg, and it rates the real estate economy very highly in Manitoba.

What Moody's did was they valued four commercial sectors: the retail, office, industrial and multi-family. Among the factors taken into account were vacancy rates, the rate of new construction, the rate at which new buildings were being absorbed in the market and the growth and demand for such properties.

Moody's said Manitoba's capital finished with the highest overall score—87 out of a possible 100 points. This speaks very highly for Manitoba's economy. In fact, Lorne Weiss, the president of the Winnipeg Real Estate Board says in the *Winnipeg Free Press* as follows: Given the reputation of Moody's, this is a strong confirmation of Winnipeg's sustained and healthy growth. The economy in Manitoba has done very well according to our financial institutions.

The daily newspapers have been focussed on the Budget, which is appreciated because it is of great importance to our community. In the daily newspaper prior to the Budget, we all saw a photo of the Leader of the Opposition on a scooter. I think he would probably be more comfortable maybe in a Lincoln, which would be more symbolic of the people he is representing. He keeps calling for tax cuts but we know whom he wants these tax cuts for. Also, as I saw the leader on a scooter it reminded me of Stockwell Day in his wetsuit riding a Sea-Doo. I think Stockwell Day was rattling an empty pail at this appearance and this was sort of symbolic of our Leader of the Official Opposition. I could say more, but I will leave it at that. Oh, well, I should say the Leader of the Official Opposition does not focus on health, does not focus on education, does not focus on

family. He focusses on tax cuts and we know for whom.

I hear members of the Opposition talking about people leaving Manitoba. Just recently a teacher from British Columbia called me about teaching in Manitoba. My first remark was: Why would you come back to Manitoba? Are the wages not better in B.C.? The comment was: The wages are hardly better.

The point that I want to make is that often people return to Manitoba because Manitoba has many advantages, and this young teacher from B.C. drew my attention to some of these advantages. I would like to point out some of these. I would like to point out some of these advantages. Manitoba has a fairly low cost of living if you include housing, health premiums paid through taxes, property tax, home heating, electricity, auto insurance; and, if you look at the whole picture, people of Manitoba are fairly well off. The cost of living is lower than in most provinces. And that is something that you do not hear from the Opposition benches at all.

In Alberta, there is no retail sales tax and, generally, low taxes. As well, they get billions of dollars of revenue from gas and oil that come to the Alberta treasury. However, working people and families have it no better than in Manitoba. Working people in provinces feel the economic squeeze, and Alberta is one of those provinces. I know people who live in Alberta, and they tell me wealth is in the hands of a few people. They even have to pay health care premiums in Alberta; and, may I point out, they have really increased this year. So, when we look at the whole picture, we find out Manitobans do quite well. In fact, Manitoba is a great place to live.

You hear the Opposition want large tax cuts. Well, we know what happened in B.C. recently. We all know that they have a Liberal government which is acting like an Alliance or Tory government. At times, a lone member in the House here sounds like Gordon Campbell from British Columbia. You know he wants all these cuts, but we have enough people in this Legislature across the way that want those cuts. The people do not like the cuts that are taking place in B.C. The cuts to health, education, social programs and family are devastating to the

people. People are in the streets protesting this newly elected government in B.C. Many people in B.C. are saying they would not have voted Liberal had they known what they would do. We have a Liberal in our Chamber who is acting like the B.C. Liberals. What has happened in B.C. is an attack on working families. In Manitoba, we have not done that. We have focussed on health, education, families and communities. Our Budget is fair to working people. The Opposition across the Chamber want to do what has happened in B.C. They want to cut taxes for their friends, the privileged few, and we know who they are.

In the last election, our Government said we would give young people hope, and I can honestly say young people today have hope. Let me explain and give evidence to this hope. As a former teacher, I appreciate education and what our Government has done in education. We have built a new downtown campus for Red River College which will house 2000 students in programs related to the new media and information technology. We have given \$100 million towards Manitoba's post-secondary institutions the last two years. What did the Tories give? Very little, if anything, to build up the infrastructures of our universities. We have given \$50 million to the University of Manitoba, \$14 million to the University of Winnipeg, \$31.5 million to the Red River College downtown campus. As I already said in the House this morning, the enrolment is up about 12 percent to 13 percent in post-secondary education. There are over 5000 more students in post-secondary universities and colleges since we took office in 1999. There are over 6000 Manitobans that are in adult learning centres. Our Government is increasing the funding to our public schools by 22.6 million. This year, which is a 2.8 percent increase. We have kept our election promise in funding public schools. Over the past two years, we increased public funding by 47.5 million.

The Tory years were ten lost years. These were the do-nothing years in education. There were no ideas. They were bankrupt of ideas and we had three ministers of Education over the last term they were in office. All three are not in this House today. That is a reflection of their educational policy. They were totally rejected in

education. They do not understand youth or the needs of youth. They are totally out of tune when it comes to young people, when it comes to education.

We have kept education accessible and affordable. In the spring of 2001, we passed a student edict which entrenched in law the Manitoba Student Aid Program, which includes bursaries and student loans. We created the first student bursary program in a decade. The Tories would not move on bursaries. We have rolled back tuition by 10 percent in 2000 and froze tuition again for 2001 and 2002. We have made post-secondary education affordable and accessible and tried to reduce student debt load. Today we are moving on the amalgamation of the school divisions. Right there I think there is some resistance from the Tories in that; however, we must remember that the Tories are not progressive when it comes to education. That manifests itself in whatever they do.

Our belief is that education is invested in people, which will prepare them for the new economy. When I talk to teachers, parents and others in the community, you can feel the satisfaction of our work in education. The Tories, they were busy fighting with educators, just like in health care. Morale in the system of education was at an all-time low after they lost the support of educators. They lost the support of parents and they know it. The previous minister, the previous critic for education of the Tories made a U-turn, not as hostile, not as vocal, and they were trying to make a U-turn but they have a difficult time doing that.

* (11:20)

I would like to speak about the '95 election for a minute. Students felt the cuts for education were the result of hard times, so they were told. They sort of said: You know we will wait until the hard times are over. When the better times will come, there will be more money for education, but as the '99 election came, educators no longer believed the Tories. They found out that a neo-conservative policy was being applied to them, and they found out they had been taken. The same thing happened to health care workers, the nurses, the LPNs, the homecare workers. I remember that, as they

wanted to privatize homecare. The homecare coalition asked me to get involved. There was tremendous opposition to privatizing homecare, to turn it into a profit organization, and they dropped it. That is the attitude they have. I must say, the same thing has happened to the family farm. The squeeze is on. They have followed those neo-conservative policies for so long. Working people, no matter where they were, were being told to expect less, not just for a few years while the economy is slow, but they found out that this was the policy of the Tory party towards working people.

The Member for Emerson (Mr. Jack Penner) talks about the family farm. He should be reminded that the Tories have been supporting the corporate farm for years. And, suddenly, the Member for Emerson wakes up and finds out the family farm is disappearing. Well, it was his policies that were doing it, the policies of the Member for Lakeside (Mr. Enns) and others here. It is their policy that is killing the family farm. They showed no interest in the family farm, just like they showed no interest in health care or education.

We know where their interest lies. Remember the Crow rate debate. We did not hear too much from the people here. They favoured that. That money has all gone back to Ottawa. It should have been kept right here for the family farm, and you hear the Member for Emerson just yell socialism. It is a very simple response he has, but it was his policies that really killed the family farm. I could say more, but I will leave it at that, that part.

Health care is another area where our Government has made great accomplishments. Recently, the Government settled the nurses' contract for three years. This has brought stability to health care, and will keep nurses in Manitoba and encourage more students to enter nursing. It is very different from the Tory policies where they fired a thousand nurses. Our nurses are all over the United States giving good service. Closer to home, we have opened an oncology unit to Concordia Hospital. This unit provides chemotherapy, pharmaceutical and social support services for cancer patients with six treatment stations, two private treatment rooms, two examining rooms and a comfortable

waiting room. The unit provides excellent care to patients. Another undertaking is to upgrade the Health Sciences Centre which is the largest health capital project in the history of Manitoba. Also, we are upgrading Brandon Hospital which will cost \$58 million.

We have made progress in many funds. We established a \$1.8 million CT scanner project for the Children's Hospital in Winnipeg, the first of its kind in our province. CT scanners are used to diagnose brain and spinal cord injury and disease. They can detect diseases of the liver, lungs, kidneys, and other abdominal organs. The new unit announced recently brings the total number of CT scanners in Manitoba to 14. Between '99 and 2002, the number of CT scans conducted in the province rose from 69 000 to 83 000. The CT scanner at Children's Hospital is expected to conduct about 2700 tests this year, up 34 percent from last year. This is another feather in the cap of our Minister of Health.

In fact, a national association of health care professionals was quoted in the *Free Press*, as saying: "That Manitoba leads the nation in responsible spending on high tech hospital equipment. The only Health Minister, I can raise my hat to, is yours," said Normand Laberg, Chief Executive Officer of the Canadian Association of Radiologists.

Here are some of the things we have done in health care. More diagnostic tests are done than ever. Wait time for cancer treatment has been slashed in half. Hallway medicine is basically gone. People in my area say it is gone in the Concordia Hospital. I commend the Minister of Health for the good leadership he has shown in health care and with very little help from the federal government. Today the federal government gives 14 percent of all health care costs in our province. We have done more in two and a half years than they did in 11 years.

We need more help from the federal government. When I hear the lone Liberal speak here, he should be speaking to his federal counterparts in Ottawa. In fact, he was in Ottawa as many as these cuts were done.

Mr. Deputy Speaker, I would like to move on to another area that we have made progress

on. We have done an excellent job on revitalization of the downtown. Here we have made great progress. The value of real estate has increased by 24 percent in the downtown as a result of our initiative. Neighbourhoods Alive is one program. I could go on and say Winnipeg Housing and Homelessness, Waterfront Drive, the True North Entertainment Centre are some of the projects going on downtown. There have also been private initiatives going on, with a new hotel at Main Street and St. Mary's, a new co-op building at Donald and Portage. After many years of do-nothing in the downtown, progress is being made in our downtown. I commend our Government for that.

Hydro is another area I would like to comment on. Our party has a great history in developing hydro. The Schreyer government, the Pawley government have done a lot to develop resources in the North. Our Party has developed Hydro. Now we are benefiting from surplus sales to the U.S.A. Our visions of Crown corporations is very different from the Tories. Just look at the MTS sale and just look at what is happening in Ontario today, where they are trying to sell Hydro. I would like to remind people of the MTS story.

* (11:30)

Today we use a surplus for Manitobans. We use it for health, and the Tories here are complaining about this. We have plans for Hydro. We are doing the amalgamation of Winnipeg and Manitoba Hydro. We are planning on building a downtown Hydro building. A new dam in the North is being planned, and development is continuing. That is our policies in Hydro. We are moving on many fronts. Our Hydro policies are totally opposite of the Tories, and I will not go into them because many speakers have pointed them out.

We believe in public ownership of our resources. We believe in using the surplus and profits for all Manitobans, and that is why it is only right to use the profits from Hydro for our Budget purposes.

Alberta uses its oil revenues. Québec used dividends from Hydro. B.C. Hydro is required to pay the Province 85 percent of their Hydro

surplus. Saskatchewan Power Corporation paid dividends, and in 2000 Saskatchewan Power transferred \$63 million. The Tories used the MTS sale for their budgets, to balance their budgets, but, when we used Manitoba Hydro, they complained. They do have double standards.

Mr. Deputy Speaker, I commend the Minister of Finance (Mr. Selinger) for a fair and balanced Budget, and I could continue on. There are many other issues our Government has moved on. We have done a good job on taxes, lowered taxes. The child care, we have made great progress, and on water issues, on drainage, on drinking water, but I will leave those for another day.

I thank the Minister of Finance for an excellent Budget. I thank you, Mr. Deputy Speaker.

Mr. John Loewen (Fort Whyte): Mr. Deputy Speaker, I take this opportunity to put a few words on the record regarding this year's Budget, although I must admit it is hard to find much to say about this year's Budget. It is so bland. It is certainly hard to find much good to say about this year's Budget, because there is not much good in it.

What a difference a year makes. Last year, this Government presented a modest Budget, and it was a Budget coming from a government that had much to be modest about. This year's Budget is just bland. I mean, there is basically nothing in there except a sneaky plan announced at the last minute in the sole effort to try and balance the Government's books. This Budget lacks any type of cohesive plan for the long-term future of Manitoba. It lacks any plan to build on the strengths of the great people of this province, and in particular it fails to lay out any type of economic plan, any type of long-term sustainable economic plan for the growth that will be needed in the economy in this province.

In fact, it was even the Minister of Industry and Trade (Ms. Mihychuk) that admitted to that in the press the day of the Budget. She admitted that after two and a half years this Government still had not developed an economic plan. She committed to get working on it right away. Well,

how can we expect her to deliver on that promise when in two and a half years absolutely nothing has been done by this Government to build an economic plan for the long-term future of this province?

This Budget, like last year's Budget, can hardly be worth the paper that it is printed on. This Government, since taking office, has a history of producing budgets, which they simply are unable to live up to. In the year 2000, their Budget said they would spend \$6.4 billion. They spent \$6.6 billion, unable to control their expenditures.

Last year, this Government produced a Budget in which they said that the GDP would grow by 2.4 percent, and they needed that growth in the GDP to produce the revenue that they were planning to spend. We warned them. I personally warned the Minister of Finance last year in Estimates that his 2.4 growth rate was far too optimistic, given what we could see happening across the North American economy. He has had to come to grips with that and recognize that his forecasts were way too aggressive on the growth side.

What did we see? We see that last year growth was, in fact, only 1.6 percent. That is a far cry from what the Finance Minister was predicting one short year ago. He missed his target by 33 percent. The result of that was that government revenues, their own source revenues from income tax and corporate income tax fell off dramatically. As a matter of fact, I think their own budget book indicates that they fell by 6.4 percent, a 6.4 percent drop over their expectations from one short year before.

That, Mr. Deputy Speaker, is a great disservice to the people of Manitoba. This is a government that simply cannot put the due diligence that is necessary into producing a Budget before it brings it forward to the people of Manitoba. They showed that in 2000; they showed that in 2001, and they showed that in 2002.

The most disturbing thing about this Budget is the deceitfulness that we see in its contents. This is a government that has tried to hide from the problems that they are facing instead of

trying to solve them. They are trying to run and hide from the fact that they are running an operating deficit. That deficit is being funded on the backs of the young people of this province. That is all they are doing. They are borrowing from our children's futures in order to spend today.

They are spending on boutique social programs. They are spending on massive amounts of money in the health care system which are not producing any discernable results. They are failing to create a system in the health care field where clinics can take some of the heat off of hospitals. Fundamental from Tommy Douglas, you would think this Government, of any government, would fall back on that? They are failing to create centres of excellence in order to improve patient care and improve service.

In fact, they are doing the opposite. That was brought to the attention of the Health Minister in a great example yesterday, when we had visitors in the gallery as well as our critic from Health question him on his decision to politically interfere with the doctors and the medical society's recommendation of one centralized cardiac unit, and politically his decision was to establish two. Unfortunately, patient care is suffering, and extra money is being spent needlessly. That is just one small example.

Mr. Deputy Speaker, the first thing that pops to mind in this Budget is what this Government is trying to hide. This year, for the first year in a number of years, there is no chart in the section of the Budget dealing with the economy indicating migration flows, province to province, for the first time, and why is it not here? Why was it here last year, the year before and the year before, and not here this year? Well, the only reason for not having it this year is because the numbers are a disaster.

We have lost citizens to every province in this country, with the exception of Saskatchewan. This Government knows that. Surely they must understand it. But instead of trying to resolve it, they try and run and hide from it. So, in their published document, in their Budget, they simply decided to remove that chart because we do not want the people of Manitoba to focus on anything negative, they say. Well,

we need to focus on some of those negative things, and we need to build solutions because we need to build population in this province. We cannot afford to have our population decrease. We cannot afford to let our young people and those that are seeking improvement through better careers, we cannot allow, continue to allow those people to see better opportunities elsewhere in this country.

* (11:40)

I will commend the Government. They have done some things right. They have made a concerted effort to recruit more immigrants into the province of Manitoba, and I know the Department of Industry and Trade and the Minister of Labour (Ms. Barrett) are working in conjunction, are working together, to bring that about. I understand there are some positive results, and they are to be congratulated for that. Unfortunately, as a result of this Government's backwards economic policies, backwards approach to taxation, we are losing people at a faster rate than they can bring them in. That simply will not do.

So, Mr. Deputy Speaker, there are problems in this province that this Government must own up to. They must quit casting about looking for a villain other than themselves. They must face reality instead of trying to run and hide from it, and they must get on with providing solutions for the people of Manitoba. This Government is running and hiding from the fact that they are managing an operating deficit, and there is absolutely no doubt about that. The Auditor on Monday confirmed that.

An Honourable Member: No.

Mr. Loewen: Well, the Minister for Housing says no. I would refer the minister to the Auditor's quotes, to the Auditor's quotes that he gave to the CBC, and those quotes clearly identify that this Government, in its Budget, is running an operating deficit. They are spending more money than they are bringing in. That happens occasionally, and that is why there is a fund set up, a rainy day fund. If the case is that their revenue has fallen so dramatically because of a North American recession, then they should

have the courage to stand up before the people of Manitoba and lay out clearly that because of a revenue shortfall caused by an economic recession, they are running an operating deficit.

If that is the case, they should stand up and admit it, as they did, as they attempted to do when they issued the second quarter report where they admitted that there was a financial problem, that their revenues had fallen, that they were not going to be anywhere near what they had budgeted for. At that point, they said: We are going to have to take at least \$140 million more out of the Fiscal Stabilization Fund. That would have meant a total draw of \$200 million this year simply to balance the books. That was the number they published in their sixth-month financial statement that they brought before the public of Manitoba towards the end of December. As a matter of fact, I think they dropped it on the people of the province of Manitoba one day before—I think it was December 21 that they released that sixth-month financial statement. What a Christmas present that was.

What did they see? They saw total outrage. The people of Manitoba unanimously stood up and said: This is not acceptable. This Government must do something to curb its spending appetite and do more in an attempt to balance its books. So what do we hear? We hear of a number of announcements, pro-announcements and press releases from various departments within government telling how they are going to save money, how they are not going to need to overspend their Budget as much as they did. In fact, they could not deliver on that either. The result is this Government is retroactively taking a draw of \$150 million to balance last year's book, from Manitoba Hydro. I say shame on them.

I am going to refer back to the 2001 Budget and a statement made in his budget speech by the Minister of Finance (Mr. Selinger), and I will quote from the 2001 budget speech: the foresight of our past leaders means Manitobans have among the lowest rates for hydro-electricity in North America and a secure and sustainable supply of energy.

The foresight of our past leaders. Our past leaders had the foresight and past leaders from

all political parties and all political stripes had the foresight to do what was necessary to create Manitoba Hydro, to pass an act in the early '60s that governed Manitoba Hydro and set up a governing structure for Manitoba Hydro. They had the foresight to build dams; they had the foresight to divert some rivers. It was not all perfect, but they had a vision for the future.

What is this Government doing? This Government is completely ignoring that statement in last year's Budget. It is completely pushing aside the foresight of our past leaders and coming to this Legislature and demanding that their own members vote for a budget that contradicts The Manitoba Hydro Act which was set up by those very leaders that had the foresight to build this great province. They stipulated in the act under Section 43 that hydro funds—and I will just quote from the title of the act Section 43(3): Funds of government and corporation not to be mixed.

Why did they do that? They did that because they understood clearly that we were building a crown jewel, a Crown corporation that was going to deliver to Manitobans the very lowest possible hydro-electric rates, not only to residential Manitobans, but they were going to deliver on that promise to businesses to help drive the economy. That was going to be one means whereby the Province could take advantage of its great resource, our waterways, and use that to our economic advantage. They recognized that in order to do that over the long term there had to be a separate and sustainable Crown corporation that operated at arm's length from government, was not beholden to government and was not obliged to sit idly by as government just reached in from time to time and picked their pockets, and that is what we have in this Budget. We have a government that is picking the pocket of Manitoba Hydro.

This is not an insignificant corporation. This is an entity that generates its revenue from selling power not only to the people of Manitoba, and now not only electrical power but also gas power, but also generates, as the Government has indicated, a certain amount of profits from the ability to sell excess energy to our neighbours to the south and some east and west of us. This is a corporation that needs to operate in an independent fashion. This is a corporation

that in the year 2001, the March ending 2001 had over \$1.7 billion in revenue—\$1.7 billion. That is a very, very significant corporation no matter how you measure them in terms of the Canadian landscape.

This is a government that is ignoring the advice of our past leaders. Their advice is clearly in the act that they passed in the early '60s to let Manitoba Hydro operate as the Crown jewel it is, to let it operate on the best economic basis it can to help build the future of this province. This Government, in a very sneaky way, after announcing in December that they were going to take \$200 million out of the rainy day fund and being thoroughly chastised for that, what did they do? They huddled together and they decided at some level, quite likely at the Premier (Mr. Doer) level, because he has stated on many occasions that he takes responsibility for all financial decisions, and he said: Well, that is going to be politically unpopular so let us look at what alternatives we have, and they looked and they looked and they looked. They looked to the point where they delayed announcing the third-quarter results until April 22, results that are normally available to the people of Manitoba by the end of March, because they did not want to produce them at the end of March. They did not want to tell Manitobans how badly they were managing their finances, so they waited and waited and delayed the Budget as long as they could. Finally, under immense pressure, they brought a Budget in. On the same day, they announced that they were going to pick the pockets of the ratepayers of Manitoba, pick the pockets of Manitoba to the tune of \$150 million retroactively, and, in addition, that they were going to take, in fact, a total of \$288 million out of Manitoba Hydro over the course of two years.

* (11:50)

Mr. Deputy Speaker, this Government should be ashamed for not being able to manage the affairs of this province in a more responsible manner. They should be ashamed for bringing in a Budget that is asking all honourable members of this House and, in particular, is asking their own honourable members to stand up and vote for legislation which is in direct contradiction of The Manitoba Hydro-Electric Board Act which clearly states, and I will read it one more time

for the record, that the funds of government and the funds of the corporation are not to be mixed. This Government needs to be further ashamed for the fact that they did it and are doing it in an underhanded fashion.

They had lots of opportunity. They knew in December that they were in financial trouble. They knew they were going to have to draw further resources down from the Fiscal Stabilization Fund to balance the books. They should have done the honourable thing then. They should have stood up before the people of Manitoba and said: This is what is happening. We are in the midst of an economic recession that has been heightened by September 11. We cannot manage our spending and we are going to need to have a draw from the Fiscal Stabilization Fund. I believe Manitobans would have understood that, as long as at the same time this Government had to produce a plan for the future that would have detailed to Manitobans a sound economic plan to build on our future and a sustainable plan for spending, but they could not. They could not do either one of those, so they took what appeared to be the easy way out but, I believe, this Government and future governments will live to regret the decision that has been made by the Doer government. Certainly, the ratepayers of Manitoba Hydro will live to regret this decision in a significant way.

Mr. Deputy Speaker, on two occasions last year, the management and staff of Manitoba Hydro put significant time and effort into laying out their plans for the future. They did that first of all in an application to the Public Utilities Board which they prepared and submitted in February of 2001, when this Government announced that they were going to equalize rates across the province.

Nobody had an argument with him equalizing the rates. We had a serious argument with process, because what did this Government do? Instead of following through with the Public Utilities Board, which again was set up as part of the governance by past leaders of this province, who had the foresight to understand what Manitoba Hydro could and can be; it said: If such an act is going to take place it had to go to the Public Utilities Board. This Government said no. Hydro knew it had to go to the Public

Utilities Board. They prepared for it. They submitted an application, and this Government, with complete arrogant disregard for process and for the purpose of the Public Utilities Board, simply said we are not going there. Hydro withdraw your application. We are going to deal with it in this Legislature where we have a majority and where we can ram it through.

Mr. Speaker in the Chair

The staff and the management of Manitoba Hydro are to be commended for their hard work and for their fine management at our Crown jewel. They also prepared a presentation to the Standing Committee of this Legislature dealing with the future of Manitoba Hydro. I should not have to remind members opposite that in that presentation, as well as in the presentation that was prepared for the Public Utilities Board, Manitoba Hydro predicted that in 2003, 2004, 2005 and 2006 they were going to have to increase rates by 1.5 percent per year in the electrical utility, on the electrical side of their business. That is in the document, and it is in the presentation that was given to the Standing Committee which Manitoba Hydro presented to last summer.

This Government has the nerve, without consultation with this great corporation, to simply stand up in this House on budget day and say, sorry. We need \$288 million over the course of the next two years to balance our books. Now, no protection for the ratepayers, when in fact we have a situation where in order for Manitoba Hydro to meet their projections, the management of that company, or to meet the projections that they have set out for themselves, they are going to have to increase rates to the ratepayers.

This Government with no consultation with the Hydro company, with no consultation with the public of Manitoba, with no plan to go to the Public Utility Board, has forced the Hydro company into a situation where they are going to have to raise rates by more than their projected 6.1 percent. This Government, with a single stroke of a pen, for the first time in the history of this province and against the wishes of those past leaders and against the wishes of the people, have said to the ratepayers of Manitoba Hydro you are now taxpayers as well. Every time you turn on your lights in your house, you are paying taxes to the Province of Manitoba. This is some-

thing this Government needs to be embarrassed about.

I would urge this Government to take a step back and do the right thing—to not put their own members and particularly the Premier (Mr. Doer) and the Minister of Finance (Mr. Selinger), to not put their members in a position where they have to stand up in this House and vote for a Budget which contravenes Section 43 of The Manitoba Hydro Act. To do that, they simply have to do the honourable and honest thing. That is, stand up and tell the people of Manitoba that their revenue shortfall is so great that you are going to have to take \$150 million out of the Fiscal Stabilization Fund, just to balance last year's books. If next year they feel that the only way they can manage is to take money out of Hydro, to pick Hydro's pocket, then the very least, the very least they could do for the people of Manitoba is follow due process. That would be to bring legislation before this House to amend the act. That would be to call the standing committee and have Manitoba Hydro and its management and its board appear before that committee to justify that, to call for the committee of the Legislature to deal with the act that they are going to have to bring in and to take this whole matter before the Public Utilities Board for a review on the effect that it will have, and there is no doubt it will have an effect on the ratepayers of Manitoba Hydro. But the Public Utilities Board is the only protection that those ratepayers have from a government such as we see today, and those are easy steps.

This Government should have the courage, this Minister of Finance who has conflicted in a tremendous way. I cannot imagine how this took place. I mean, did the Minister of Finance have a meeting with himself one day? He is responsible for Hydro. He is responsible for the ratepayers, and he is the man who is solely responsible for raising taxes in this province. So what did he do? He had a meeting with himself and said: Well, gee, self, we need to raise taxes and gee, self, there is money in Manitoba Hydro, so we will just forget about Manitoba Hydro.

* (12:00)

So this Government should do the right thing, bring in the legislation, consult the people

of Manitoba, call a standing committee, take the issue to the Public Utilities Board, and after all that process has been followed, then have the courage to come back to this House, give a full accounting for their books and tell the people of Manitoba what they have to take out of their Crown jewel, the Manitoba Hydro Corporation, in order to balance those books in the short term and in the long term. We are on a slippery slope here. We are on a slippery slope that will allow any government to reach its hands into any Crown corporation and remove funds.

Members opposite continually want to talk about MTS. Again, they are the ones, the dinosaurs. The writing on the wall for the telephone companies happened in the '70s, and I was there. When I was in business, we were in computerized payrolls and we had to send information all across the country. In the '70s, if you can remember, electronic data transmission was prohibited. There was no cross-border transmission of electronic data, so if you wanted to send a report to your head office in New York, you had to print it and you had to courier. You could not electronically transmit data.

Two things happened. The government of the day, the Liberal government, decided that we should have cross-border flow of data, and they changed the act which opened—you can look back at it and say it was possibly the first step in globalization. It gave corporations with head office in one jurisdiction the ability to take data directly from their branch plant offices in Canada, and that had a dramatic effect on the Canadian economy in terms of losses of jobs. But that set the stage for the privatization of telephone companies all across Canada. That was at a time when an NDP government, shortly after, was busy using a utility, using Manitoba Telephone company, and, again, the ratepayers in Manitoba, to subsidize an operation in Saudi Arabia. I mean, give your heads a shake. Give your heads a shake when you want to talk about the telephone company. The writing was on the wall in the '70s. You should have read it then.

Mr. Speaker, this is obviously the most contentious point in this Budget. The Minister of Finance (Mr. Selinger) has an obligation. He is solely responsible to the taxpayers of Manitoba for raising taxes. His obligation is to do it in a

fair, honest and honourable way. His obligation is to present a Budget to this House which does not compromise its members, does not force the members on his side of the House to stand up and vote for a Budget that contravenes another act of this Legislature.

At the very least, he owes it to the people of Manitoba, but he also owes it to every honourable member across the way, and they should demand it. They should demand that their Premier, that their Minister of Finance do the honourable thing, stand up in this House, amend their Budget so that they do not take \$150 million retroactively out of Manitoba Hydro. They should do, for once, the right thing. They should do what they have been preaching for 11 years in opposition and what they have been preaching since the day they took government but have failed to follow through on. They should be open and accountable, not only to this Legislature but to every individual in the province of Manitoba for their actions, particularly as they relate to the financial situation that this province now finds itself in.

Now, it is quite simply that the Minister of Finance and every minister in Cabinet is in a conflicting situation because the truth of the matter is, if they do not take \$288 million out of Hydro, it is quite likely that they are going to drain the rainy day fund in less than two years. They will have no money to draw on for the operating deficit that they were projecting in their Budget in their medium-term fiscal framework. They will be out of money. The rainy day fund will be out of money. They will be in a deficit situation, and that will cost each one of them 20 percent of their salary.

So Manitobans will look at them, and I think we all admit in this House from time to time that, for the most part, people have become cynical about politicians, and this was one reason, because there is a direct benefit to the ministers of this Crown to take the action that the Minister of Finance and the Premier are proposing, but it is the wrong action. It is underhanded. It is deceitful, and this Government should have the courage to stand up, do the right thing, and I hope in the very few days that we have left during this Budget debate that this Minister of Finance will return from the

ministers' conference in Newfoundland and have had an awakening and awakened to the fact that he has been deceitful with the people of Manitoba, that he is operating in a conflicted situation, and he should do the right thing because I believe he is an honourable man.

It is obvious from his response in the House that he is somewhat sensitive to this issue as was his response to the honourable Member for Minnedosa (Mr. Gilleshammer) which he later retracted. But he must certainly recognize the horrible, conflicting position that he has been put in by his Premier. Stand up and do the right thing.

If not, I would suggest that all of the members across the way should take it upon themselves to do the honourable thing and vote against this Budget. They should vote against this Budget because, if they vote for it, they are contravening an act of Legislature that was brought to this Legislature in the early '60s by previous leaders who had the foresight to see how great this province could be if we only used the tremendous resource that we have, which is our water resources.

Mr. Speaker, I have many other issues with this Budget. That is obviously the one of greatest concern. This Government has looked at every measure possible to raise taxes. We are uncompetitive with every jurisdiction we touch on the economic front. This Government—although I will commend the effort in saving the jobs, and those are important jobs at the bus companies, at Motor Coach and New Flyer. I should know New Flyer. I know the owner and their CEO as constituents. I apologize for not having that on the tip of my tongue. We appreciate the effort that has gone in. But I would encourage this Government if they are going to spend \$30 million—because there is a real danger here, and they are spending \$30 million to \$40 million preserving those jobs. We need to devote that type of economic resource into building the jobs of the future.

The jobs of the future are jobs in new technology. They are jobs in the bio-industry, and they are the jobs of the future. By building those jobs and hopefully—and I have said this before, and I will repeat it, because it is a

message worth repeating—until this Province understands that the only way to create economic wealth to improve this province is to ensure that we have more head offices located in Manitoba. So as a government, I would encourage this Government to do everything possible to help build business in this province. To do that they are going to have to get a grip on their spending habits, they are going to have to get a grip on their policy to tax, tax, tax.

The Minister of Industry, Trade and tourism from her seat says that we are saying we need to tax more and spend more. Let me make it absolutely clear.

An Honourable Member: What is my portfolio?

An Honourable Member: Industry, Trade and Mines.

Mr. Loewen: Sorry, Mines. I apologize to the minister, the Minister of Industry, Trade and Mines. I will say to the minister that she must focus more on, and she must put more effort into, building the economy of the future and to building jobs of the future, and she must help her Cabinet colleagues. She has got some idea of what it is like to cut. She cut an office in The Pas. She cut it, and I am a little bit confused because she had the gall to stand up in the House and say she was moving people to Flin Flon, and in her next answer she had the gall to say she was going to do the best to help those people find a job in the civil service. What is it? Is it one or the other? Let us do it.

Her job is to be a balance with the spending habits of her colleagues in Cabinet. She must do that, and she must do that diligently, otherwise this province will continue on that slippery spiral that we are heading down now, and which has been magnified by this Government's decision to go against The Manitoba Hydro Act, and to draw funds, particularly to draw funds retroactively, from Manitoba Hydro in order to balance their spending habits.

Mr. Speaker, there is much more that could be said about this Budget, but I will conclude my comments now, again reiterating my hope that this Government will have the courage to do the

right thing, amend this Budget, come clean with the people of Manitoba, follow due process with regard to Manitoba Hydro, and let the people of Manitoba have a say.

* (12:10)

Mr. Jim Rondeau (Assiniboia): It is truly a pleasure to get up and speak on this Budget and support this Budget. I read an article about the Budget which said it was a forward-looking Budget, it was a positive Budget, and it was a Budget for all Manitobans, and I believe that. I think it was Theodore Roosevelt who said: What we do for ourselves dies with us; what we do for our communities lives long after we are gone. That is why I am proud to be part of this Government. I am proud to be part of this Government because we are building. We are building on our communities, we are building on our province, and we are building for a bright future.

I look at our Government. What are we investing in? We are investing in roads. We are investing in infrastructure, such as roads and education. What we are doing is we are investing so that our youth in our province can go and afford to go to college and university. We have set up the first bursary program in many years. That is important, so that people can afford to go to school and for those who are able to go to school, it is not based on just financial ability, it is based on ability.

Water infrastructure. It is really exciting to see what we are doing as far as our water infrastructure and sewers are concerned, and all those types of projects to make sure our environment is strong and we keep people well and we have a legitimate, safe water system.

I look at parks. I look at the development of parks in our province. It is nice to see the park-protected areas that have been announced since the year 2000.

I look at the future as far as protecting workers' rights, as far as looking after the people who work hard every day for our province. I look at seniors and the programs where seniors are paying less tax. Seniors are paying less tax on property and seniors are being supported in

all ways of life. I look at the family, at programs like the Healthy Child Initiative and programs for family that are important.

I look at other forward-thinking programs such as the alternate energy proposals where what we are doing is helping with things like alternate energy, geothermal heat, et cetera, that will save our province, save in emissions and also lead to less cost.

I am looking at the new technology focuses on industry and focusing on small areas, but also very important areas, like biotech and aerospace, and we will become centres of excellence for not only our province but across Canada and indeed the world. I think that is a very, very forward, progressive looking government. So I am very proud to be part of this Government.

I will go into detail on some of the things that we are spending money on. Health: I believe that we are spending a very prudent amount of money on health. We have 39.6 percent of our Budget going to health care. I know with an aging population, I know with a population that cares about having equitable and universal access to health care, I think it is a very prudent amount and it is a wise decision. I know that we are never going to be the highest-paid province for the employees, but we are paying them fairly, we are treating them reasonably, and we treat them with respect. I am proud to be part of a government that does that.

We spend 15.8 percent in our K to 12 system, and 5.9 percent in our university and college system. So we spend about 22 percent–21.7 percent—in education, and that is building for the future. I think what is important about that is we are building a base. If you are talking about true equity, education creates equity, education creates opportunity, and education is an investment in our future.

I was appalled by the previous government who did not invest in the infrastructure in education, in the roofs, in the buildings, in the structures. I am proud that we are investing in that. I am also proud of the fact that we are investing more money into special education, special education initiatives, which will help all students do well. I am proud of that.

I look at other investments like family services and housing. Mr. Speaker, 12 percent of our Budget goes to family services and housing. This is support so that all people can move ahead and progress and be supported and have a legitimate lifestyle.

Community, economic, and resource development, almost 13 percent, 12.9 percent of our Budget, is going to economic development and resource development. That again is planning for the future, and that is important.

I look at our Budget, and I would like to quote something from the BMO Nesbitt Burns, which is talking about our budget highlights. It said Manitoba did not backtrack on its commitment to control spending, paying down debt and trim taxes. Spending will rise only 2.5 percent, the smallest increase in five years with only priority areas such as health, education, families and communities benefiting.

It goes on further to state: Personal taxes were trimmed further, and the Government reaffirmed its plan to cut corporate taxes. These are good policies. It says: For the third straight year, the Government will provide \$96 million to pay down general debt and fund the pension liability by \$21 million and \$75 million respectively. The Government deserves credit for tackling their pension liability, which will be funded in just under 30 years. As well, the provincial debt will be paid by 2036.

So what we have done, and as shown by Nesbitt Burns, is that we have had a challenging economic outlook, and we have presented a progressive, positive Budget that helps all Manitobans. I am really proud to be part of that Government.

When we compare the two governments, it is important to put accurate statements on the record. When we compare the two governments, four of the Tories' last five so-called surplus budgets were actually in the red if you use common, accepted accounting practices. The rosy bottom lines were achieved by regular infusions from the rainy day fund and draining other nest eggs like the special lottery account.

In 1997-1998, the Tories boasted a \$76-million surplus with real \$24-million deficit. So if you took common accounting practices, the \$76-million surplus, or so-called surplus, was

actually a \$24-million deficit. In 1998, the Province went into the red by \$154 million, in the red by commonly accepted accounting practices but should have been declared \$23 million in the red. It is truly remarkable how they can have the audacity to call us poor fiscal managers, especially when we have only had an increase of 2.5 percent over last year, which is very prudent and positive.

I will go a little bit further to explain some of the very positive prudent and long-range plans that we are going through. One was the pension liability. The pension liability retirement plan will ensure that civil servants and teachers and others who have done service to this province and who are owed a pension—what scared me as a financial planner was the fact there was no long-range plan to pay for this liability. In fact, if you look at how the pension liability was to grow: by 2001, it was going to be \$2.8 billion; by 2005, it was going to be \$3.5 billion; 2015, it was going to be over \$5 billion, and by 2028, it would have been over \$8.4 billion, which would have surpassed the present debt.

* (12:20)

I am proud to be part of the Government which two years ago decided to start addressing this huge issue, and we were doing the right thing. We started by \$21 million, and now what we are doing is contributing \$75 million to the pension liability. This is wise and prudent financial planning. What is nice about it is, when we started it after being ignored for many, many years, we decided to do two things. One is pay the pension contribution for all new employees. So now we are paying the pension contribution as it is owed to the TRAF and Superannuation Board, that people will have a pension when they retire. The other thing that we are doing is we are putting money into pension funds which generally earn between 7 percent and 10 percent per annum. Well, if the Government's general debt has to be paid at 4.7 percent and we are making on the pension plans almost double that, it is wise and prudent to invest the money, make, say, 8 percent, 9 percent, pay 4 percent on our debt, and what we do is earn the difference.

What this means is in this year alone we are about \$5 million to \$6 million ahead, and that

increases by \$5 million or \$6 million and keeps on ramping up so that in a very short time we are hundreds of million dollars ahead by addressing this huge issue. I am proud to be part of the Government to do that, to ensure that civil servants, teachers, people who have worked for this Province actually do have a pension that is owed to them and can collect the pension. So it is really nice to see the whole picture that our Government started addressing it, and it is better to pay our liabilities and do it appropriately.

Let us talk about some other long-range plans that we have done. I feel very saddened by what happened in Walkerton. I think it was a true tragedy and a tragedy that should make sure that all governments wake up and pay attention, and I think our Government really started to open their eyes to what was happening as a potential tragedy within our province. I am proud to see that we have 33 water supply projects, and this is just in this year's Budget. I want to go through some of the infrastructure projects that dealt with water.

The member opposite from Fort Whyte keeps on screaming about an underpass or an overpass or whatever, wants \$15 million. Well, to me it is a much higher priority to have people concentrate on safe, dependable drinking water and good treatment of our environment than an underpass. So I look at the water supply projects. We have 33 water supply projects that are ensuring clean, safe drinking water and waterline renewals, et cetera, in Emerson, Hamiota, Portage la Prairie, all across our province. There are 36 water treatment projects such as chlorination in Dauphin, water treatment plant upgrading in Lac du Bonnet, upgrading the water plant in Swan River and Thompson. So what we are doing is we are making sure that they are up to standards and people can rely on the water. Then we look at 26 water and sewer projects where we are ensuring that people can get water transported to their house, sewer transported away and treated so that it is safe. There are 26 of those around the province, 7 lift stations, 44 waste management control projects, 10 flood control projects and 4 more feasibility studies. These are located throughout our province. What is nice about it is we are not just looking after our constituents, we are looking after all Manitobans for governing, for all

Manitobans and for the long-term positive health of all Manitobans.

There were 160 projects that were approved and are going forward in this province and in this Budget, and I am proud that we are focussing on water and sewer and our environment rather than just putting it into an underpass.

Let us talk about some of the new initiatives as far as the green environmental initiatives, protected areas since year 2000. We have now the Pembina Valley Provincial Park and park reserves in Goose Island, Grand Island, Kinnow Bay, Pelican Island, Pemmican Island, Sturgeon Bay, Walter Cook Uplands Caves, Birch Island, Fisher Bay. These are all the new park reserves. We also have 20 new wildlife management areas, and I am proud to see that we are actually getting new management areas. We are developing water conservation districts and we are developing our whole area in environment.

I would like to go a little bit more about our industry. I am very pleased with our Minister of Industry, Trade and Mines who has really got a long-term focus and is trying to work very hard with the industry to develop it.

The former government wanted to control, wanted to have a race to the bottom. They wanted to have low-skilled, low-paid, low jobs. Jobs that were not going to create a great deal of economic benefit. We are talking the low-end job. We are going to go the opposite way. What we are going to do is we are going to focus on skills at centres of excellence, high value-added jobs. We are going to focus on a high-skilled, high-educated workforce. We are going to focus on something where we have centres of excellence, so we do not have to compete for the low-end low job, lowest paid. We can go for the highest-skilled highest-paid jobs. I think that we have to focus on our education strategy, and we have done that with education and industry.

Let us talk about what Manitoba is like right now. Manitoba had the best-performing commercial real estate market in the country in the last half of 2001. Another thing is we have also scored very, very high in the industrial sector, in manufacturing, in growth in the time

of slowdown. We have done very, very well in biotechnology. We are becoming a centre of excellence there. I am very proud of the fact that in areas such as the aerospace industry, we have gone into some wonderful education-industry partnerships to develop new initiatives. I am really, really pleased with that, especially in some of the ones that are in my constituency of Assiniboia. I believe that we are headed in the right direction.

The other thing that I would like to point out is let us talk about the changes. The Tories have often said, oh, tax and spend. Well, I would hate them to talk about themselves. Let us talk about some of the changes in assessed value in homes. I will bring up St. James because it is the constituency I follow.

In the 1990s, from 1990 to 1999, the cost of St. James taxes, including the ESL and property taxes, went up 47.8 percent. That is almost 50 percent the taxes went up during that period. That is the education taxes on property. Since we have come into power, that has gone down 9.1 percent on an average home. So there they ramped it up 50 percent almost, and we are dropping it about 10 percent. I am proud of that because that means that the seniors, those people on fixed income, those people who are having a hard time making ends meet, we are not only

keeping the property tax steady, but we are dropping it.

Winnipeg had the reputation of being one of the highest-taxed property tax jurisdictions and now that is not the case. We are now falling, and we are falling in comparison to places like Edmonton, Calgary, Vancouver. I am proud of that fact because what we are doing is we are making it more affordable.

Other things that we have done. We have dropped taxes. We have dropped taxes to the average family. I would like to point out some of the tax drops that we have made. We have dropped taxes for: a single person, earning \$40,000, will, in the four-year total, save \$1,073 and have a 9.7% tax savings. A single person, who is earning \$70,000, will have a tax saving of \$2,334 for 10.2 percent from 1999 to 2003. We are dropping taxes. For a senior couple, earning \$60,000, they are going to be saving 14.4 percent. A senior couple, who is earning \$80,000, is going to earn 10.1 percent.

Mr. Speaker: Order. When this matter is again before the House, the honourable member will have 21 minutes remaining.

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, April 26, 2002

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