



Third Session - Thirty-Seventh Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Seventh Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, June 6, 2002

The House met at 1:30 p.m.

ROUTINE PROCEEDINGS

TABLING OF REPORTS

Hon. Diane McGifford (Minister of Advanced Education): Mr. Speaker, I am pleased to table the 2002-2003 Departmental Expenditure Estimates for Manitoba Status of Women and the 2002-2003 Departmental Expenditure Estimates for Manitoba Seniors Directorate.

Hon. Greg Selinger (Minister responsible for French Language Services): Monsieur le président, j'ai le plaisir de déposer devant l'Assemblée le Rapport sur les services en langue française 2000-2001; Mr. Speaker, it is my pleasure to table in the House the Report on French Language Services for the years 2000-2001.

INTRODUCTION OF BILLS

Bill 34—The Charter Compliance Act

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Mr. Speaker, I move, seconded by the Minister of Intergovernmental Affairs (Ms. Friesen), that leave be given to introduce Bill 34, The Charter Compliance Act, and that the same be now received and read a first time.

Motion presented.

Mr. Mackintosh: This bill amends 56 Manitoba statutes to legally recognize obligations and rights for parents in same-sex common-law relationships by allowing joint adoptions—currently only sole parent adoptions are legally recognized for same-sex couples—as well as recognize the rights of any two people to adopt in two kinds of adoptions.

Also, ensures that the Human Rights Code applies to professional occupations, require both

same- and opposite-sex common-law partners to comply with conflict-of-interest law when a partner serves on a public body, allow opposite-sex common-law partners to once again hold shares in professional corporations and extend this right to same-sex common-law partners, further to recent changes to the federal Income Tax Act, and amend other statutes to recognize obligations and rights for same-sex common-law relationships.

Motion agreed to.

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the Speaker's Gallery where we have with us today a delegation visiting from Ukraine. This delegation is on a Canadian study tour, and is under the direction of Mr. Oleh Trypolskiy.

Also in the Speaker's Gallery we have, from the Royal Canadian Legion No. 90, Josephine Squibb, Alice McKinnell and Rose Burdyny, who are the guests of the honourable Member for Fort Garry (Mrs. Smith).

Also seated in the Speaker's Gallery we have Cheryl Rudyk from Fisher Branch. Cheryl is job shadowing and is the guest of the honourable Member for Interlake (Mr. Nevakshonoff).

Also in the public gallery we have from Roseau Valley School 22 Grade 9 students under the direction of Mr. Richard Maslanka. This school is located in the constituency of the honourable Member for Emerson (Mr. Jack Penner).

Also in the public gallery we have from St. Maurice School 28 Grade 11 students under the direction of Mr. Shaun McCaffrey and Ms. Lisa Kireef. This school is located in the constituency of the honourable Member for Fort Garry (Mrs. Smith).

Also in the public gallery we have from Walter Whyte School eight Grade 9 students under the direction of Mr. Rob Simpson. This school is located in the constituency of the honourable Member for Selkirk (Mr. Dewar).

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

ORAL QUESTION PERIOD

Manitoba Hydro Financing Requirements

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, over the last week we have heard a number of stories from Hydro officials and from the Doer government regarding the impact that Manitoba Hydro will face because the Doer government ran a deficit in last year's books. Last week Hydro officials, under oath, testified they did not have the millions of dollars to simply write a cheque to the Doer government. Both Hydro President Bob Brennan and the Premier (Mr. Doer) have been quoted as saying that Manitoba Hydro will be forced to borrow the money required by the Doer government.

* (13:35)

My question simply to the minister is: Does he agree with the Premier and Mr. Bob Brennan that they will have to borrow, because we hear out in the hallway that because of the dividend Manitoba Hydro will not have to borrow any money? Which is it?

Hon. Greg Selinger (Minister charged with the administration of The Manitoba Hydro Act): Mr. Speaker, the preamble to the question by the Member for Kirkfield Park is just simply inaccurate. The information he is putting on the record is not accurate information. We have made it very clear that the Hydro dividend or special payment, as many refer to it, will be a payment the result of the extraordinary export revenues that Manitoba Hydro has earned over the last five years. This is something that will allow us to stabilize revenues.

There is no deficit for the last fiscal year, as indicated by the member opposite, but we did

have a serious challenge in this year's Budget on the revenue side with a 60% reduction in corporate revenues, a 10% reduction in the revenues on the personal income tax side and the uncertainty created by a federal accounting error. All these matters were addressed in a way that balanced the Budget.

Mr. Murray: Mr. Speaker, yesterday on his weekly radio show on CJOB, the Premier (Mr. Doer) said, and I quote: There is no question taking a dividend out of profits affects the borrowing requirements.

That does not appear to be in line with what the Minister responsible for Hydro is saying. In the past, the minister has made reference to comments made by the Premier to do with ending hallway medicine. He called those comments by the Premier irresponsible. In reference to what the Premier is saying, that there is going to be an effect on Hydro, Mr. Speaker, is he, in fact, saying what the Premier is saying is once again irresponsible?

Mr. Selinger: It is an amazing line of questioning the Member for Kirkfield Park is pursuing here, because once again he has not given the entire information of what the Premier said on the radio. The Premier said that borrowing would be required for additional capital projects of Manitoba Hydro. Those additional capital projects would strengthen Hydro's capacity to provide service to Manitobans, to earn profits in the export market and generate a stronger utility.

If the Member for Kirkfield Park was being completely clear and disclosing all the information that he heard in the transcript on CJOB, he would have put that information on the record as well.

Mr. Murray: Mr. Speaker, the Premier (Mr. Doer) and the Minister of Hydro should sit down and get their lines straight. There is no question the Premier will say one thing and we hear the Minister of Hydro saying something different.

Yesterday at the Public Utilities Board, Hydro officials indicated exactly what impact the Doer government's raid of \$288 million on Manitoba Hydro would have. Under sworn testimony yesterday Hydro officials were asked,

and I quote: In respect to the \$600-million increase in the long-term debt, what portion relates to the \$288 million? To which Mr. Robert Kirk of Manitoba Hydro answered: The amount includes the impact of the \$288 payment.

Does the minister agree with the comments of Mr. Kirk, or does he once again have another story?

Mr. Selinger: Mr. Speaker, I am tempted to—

An Honourable Member: Tell the truth.

Mr. Selinger: I always tell the truth, but the member opposite just indicated the payment will be \$288. I will make an undertaking in this Legislature that I will personally cover all the interest expense on a \$288 million—\$288 payment, Mr. Speaker.

I can tell you, if the payment is—

Some Honourable Members: Oh, oh.

An Honourable Member: See what happens when you try to be cute, Greg.

Mr. Speaker: Order.

Mr. Selinger: Thank you. As the Member for Kirkfield Park indicated, the payment would be \$288. I can tell you that expense will be covered by myself personally if necessary.

The official sworn testimony by a member of Manitoba Hydro, which has been quoted extensively in the Legislature, indicates the payments will come out of export revenues and there will be no interest to cost associated with that payment.

Manitoba Hydro Financing Requirements

Mr. John Loewen (Fort Whyte): Mr. Speaker, the Finance Minister should know better than to make light of this very, very serious issue.

* (13:40)

Yesterday Manitoba Hydro filed a new interim financial forecast, 10-year forecast, with

the PUB. Under sworn testimony, Mr. Robert Kirk, the corporate comptroller and a chartered accountant, agreed with the questioning that the interim financial forecast indicated that in the next year Manitoba Hydro's debt would increase by \$600 million and that in fact included the \$288 million the Government is ripping out of Hydro.

I would ask the Finance Minister: Will he please stand up in this House and admit to the fact that, as a result of his Government stripping \$288 million out of Manitoba Hydro, Manitoba Hydro is going to have to go out and borrow that money?

Hon. Greg Selinger (Minister charged with the administration of The Manitoba Hydro Act): Mr. Speaker, I have given credit to the Member for Fort Whyte for being the best cherry picker in the House. Once again he has been proving that to be accurate today.

We do not take light of the fact there was a 60% reduction in corporate revenues, we do not take light of the fact there was a federal accounting error which created uncertainty in Manitoba, and we do not take light of the fact there was a 10% reduction in personal income tax revenues. What we have done in this Budget is we have stabilized the essential services to Manitoba while continuing to pay down the debt. We have taken from Manitoba Hydro a dividend based on the extraordinary export profits earned in the last five years, \$734 million, of which \$371 million was greater than the amount they had forecast. It is out of those resources that we are able to handle this special payment in the Government of Manitoba.

Mr. Loewen: Mr. Speaker, I would ask the Minister of Finance if he disagrees with Mr. Robert Kirk, a chartered accountant and the corporate comptroller for Manitoba Hydro, when he answers the question from Ms. Kalinowski, the lawyer for the Public Utilities Board, and I quote: And just to put this then in context, over the total 10-year life of the interim financial forecast there is an additional \$1.5 billion that is required for financing requirements. Mr. Kirk's response: Yes, that is right. Ms. Kalinowski: And those financing requirements exclusively are for the \$288-million special export profit

payment plus the impact of the change in the exchange rates. Mr. Robert Kirk answers: Yes, it is the 288 plus the exposure management program.

Is he disagreeing with a member from Manitoba Hydro who has sworn under oath that this is the truth?

Mr. Selinger: Mr. Speaker, I have made it very clear in this House that I do not accept those questions where they are asking me to cast aspersions on members of our public service, whether they are in the Crown corporations or whether they are in the public service.

What I do say is that there has been a great deal of testimony provided to Manitoba Hydro. Some significant testimony has been put on the record that when the special payment is made out of export revenues there will be no interest attached to that.

Nonetheless, Manitoba Hydro has a capital program that has to be justified on a business case basis, and where there is a solid business case for a capital investment in Manitoba Hydro that requires borrowing and it will generate positive outcomes for Manitoba Hydro and, therefore, the shareholder, the Government of Manitoba and the citizens of Manitoba. We will consider that investment and support it where it generates positive benefits for Manitobans.

Mr. Loewen: Mr. Speaker, my final supplementary to the minister: Does he disagree with Ms. Wray, with Mr. Vince Warden, with Mr. Robert Kirk, who all admit under oath that Hydro is going to have to go out and borrow \$288 million at a further financing cost of \$276 million, or is this minister going to stand up and tell everybody in this House, this audience and the people of Manitoba that he can go out and borrow \$288 million with no financing cost? Is that what he is telling?

* (13:45)

Mr. Selinger: Mr. Speaker, another way to understand this situation would be to compare the acquisition of Centra Gas at \$545 million by the members opposite. That Centra Gas utility does not generate any export revenues. The

financing costs for that are \$1.12 billion, the total cost of that acquisition.

In this case, Manitoba Hydro, which generates generous export profits, is able through those surplus profits to provide Manitobans with a dividend that will stabilize the services here in Manitoba. The member understands that, from Fort Whyte, and continues to jump over that critical interim point that if there is any additional borrowing it is for capital, which has a benefit for all Manitobans and Manitoba Hydro.

Manitoba Hydro Rate Freeze

Mrs. Bonnie Mitchelson (River East): Mr. Speaker—

Some Honourable Members: Oh, oh.

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

Mrs. Mitchelson: Thank you very much, Mr. Speaker. This Doer government has a habit of saying one thing and doing another. The Premier (Mr. Doer) told reporters, and I quote: Rates with Hydro are frozen. They will remain frozen.

Mr. Speaker, did the Premier discuss this issue with the Minister of Finance, and did he confirm that the Premier should make those kinds of statements?

Hon. Greg Selinger (Minister charged with the administration of The Manitoba Hydro Act): Mr. Speaker, yesterday I read into the record the interim forecast of Manitoba Hydro, which had projected rate increases over the last four years, and because of the better than expected export profits no formal application was made for a rate increase. We have benefited from having frozen rates for the last several years.

I also indicated yesterday in the House that when you compare the '01-02 forecast with the '02-03 forecast, they do, based on prudent assumptions, have inflation no greater than inflation increases in hydro rates, but there is no change in that forecast based on the special payment we will receive as the Government of

Manitoba. So the prudent assumptions made by Manitoba Hydro do not change as a result of the special payment.

Mrs. Mitchelson: Mr. Speaker, since Manitoba Hydro has indicated that rates will not go up as a policy directive of this Government, can the minister indicate whether or not this Minister responsible for Hydro, the Minister of Finance, or the Premier (Mr. Doer) has directed Manitoba Hydro to keep rates frozen?

Mr. Selinger: I believe I have just given a very clear answer to this question. The interim forecast shows no change in the forecast increases in Manitoba Hydro rates based on essentially covering the costs of inflation. We have been fortunate that Hydro has done better than expected over the last four or five years and the forecast increases have not resulted in any formal application for a rate increase. That has given us the lowest hydro rates in North America, which is part of the *Manitoba Advantage*, something that we guarantee will continue to be an asset for bringing business to Manitoba and ensuring that Manitoba has among the lowest costs of living in Canada.

Mrs. Mitchelson: A very direct question to the Minister of Finance: Has this Minister responsible for Hydro, this Minister of Finance, or his Premier (Mr. Doer) directed Manitoba Hydro to freeze rates prior to the next provincial election?

* (13:50)

Mr. Selinger: I answered that question yesterday and I indicated a couple of very important pieces of legislation that we have brought forward. First of all, it is this Government that has brought forward legislation that will require a referendum before there is any attempt by any government in the future to privatize Manitoba Hydro.

When it comes to rate changes, we brought legislation into this Chamber last year which reduced rates for all rural and northern Manitobans. Because that change in rates to a uniform rate was a matter of public policy, we voted on that in this Chamber, and all members of this Chamber, because the members on the opposite side voted for that legislation, directed Manitoba Hydro to have uniform rates for all of

Manitoba. Any changes we will make in the rates, we will do it by way of legislation and have full discussion and debate within this Legislature.

Manitoba Hydro Rate Freeze

Mr. John Loewen (Fort Whyte): So the minister is now telling us that he is going to set the rates by legislation as opposed to going to the Public Utilities Board. I am not surprised. Quite frankly, I am not surprised, given what this minister has done in the past.

Mr. Speaker, in sworn testimony before the Public Utilities Board, Ms. Wray indicated, and I quote: It was a policy decision by the Government and announced as such that there would be no changes to rates as a result of the special payments.

I would ask the minister: Is that not freezing rates at the Cabinet table?

Hon. Greg Selinger (Minister charged with the administration of The Manitoba Hydro Act): I answered that question very clearly yesterday. There has been no direction from either myself or Cabinet to freeze rates from the Cabinet table or from myself directly. If we make any policy changes which have rate implications, such as the uniform rates that we brought in last year, uniform rates that benefit all rural and northern Manitobans, we will do it by way of legislation with full disclosure and public debate. That is the policy we have followed.

Mr. Loewen: Again I will ask the minister a very straightforward question. Does he agree with Ms. Carolyn Wray, an individual this Government has a great deal of faith in as they appointed her to the board of the Lotteries Commission? Does he understand her statement which clearly says, under oath: It was a policy decision by the Government and announced as such that there would be no changes to rates as a result of the special payments? Why is he telling Hydro, why is he dictating to them what to do with rates?

Mr. Selinger: There is a repetitive nature to this question, and I have given a thorough answer. I

have indicated if there are going to be any policy changes with respect to rates, we would proceed by way of legislation, as we have done with the uniform rates which have benefited all rural and northern Manitobans.

The members opposite had 12 years to bring in uniform rates and never did it. This Government has done that to the benefit of all rural and northern Manitobans. Surprisingly enough, the members opposite complained about it and then voted for it at the last minute.

Mr. Loewen: It only took them two years to reach their hands up to their elbows into Hydro. My question to the minister remains: Will he please confirm to the House the statement that was made by Ms. Wray under sworn oath that it was a policy decision by this Government that is driving Hydro to freeze rates until after the next election?

Mr. Selinger: It was this very Member for Fort Whyte who stood up in the House just a couple of days ago and said that rates were going to have to go up double-digit numbers over the next few years because of the Hydro dividend. Today, he is jumping up and saying that rates will be frozen. I would like him to get his story straight, because what we have done is we have made a very clear decision to stabilize the finances and services in Manitoba at the same time as we have reduced rates for rural and northern peoples, something the members opposite had 12 years to do and would not do it until this Government took the initiative.

True North Entertainment Complex VLT Agreement

Mr. Leonard Derkach (Russell): Mr. Speaker, this Government is finding itself in an embarrassing situation with Hydro and now we move to the True North project. My question is to the Minister responsible for Lotteries. My understanding is that Manitoba Lotteries Corporation has entered into a 25-year site-holders' agreement with True North with 50 VLT machines.

Section 5.3(c)(ii) states that, in essence, the MLC site-holder agreement may be assigned to a third party and that MLC would be obligated to comply with the terms of that original agreement. I would like to ask the minister why her

Government would enter into an agreement with True North which would allow that agreement to be entered into with a third party.

* (13:55)

Hon. Diane McGifford (Minister charged with the administration of The Manitoba Lotteries Corporation Act): Mr. Speaker, as everybody knows, there are many positive things happening downtown in Winnipeg. One of them is the Princess Street Campus, one of them is the Big 4 building, one of them is Waterfront Drive, and one of them is True North.

Manitoba Lotteries has entered into an agreement with True North for 50 VLTs. I think we went through the details of these questions over and over again about a year ago. I know the members opposite entered into an agreement with Assiniboia Downs for 140 VLTs, an agreement that allowed Assiniboia Downs to keep 75 percent of the commission always on an ongoing basis. The agreement with the True North is much more modest. We have no apologies to make on this issue.

Mr. Derkach: Mr. Speaker, I will repeat the question so that the minister might understand it. I will try to make it simple. Why did her Government enter into an agreement with True North for the 50 VLTs which would allow True North to transfer that agreement to a third party?

Ms. McGifford: Mr. Speaker, as I said, I can confirm this Government has entered into an agreement with True North for 50 VLTs. I can confirm the previous government entered into an agreement with Assiniboia Downs for 140 VLTs with no cap on revenues. As I said, we have no apologies to make.

Mr. Derkach: Mr. Speaker, I want it to be known that the minister did not answer the question. I will ask the minister, or the minister who is responsible for this agreement, whether or not this Government will call on the provincial auditor to examine this agreement, to examine the business plan of True North, because I think Manitobans find it objectionable that a government would enter into an agreement where that agreement could be transferred to a third party.

Ms. McGifford: Mr. Speaker, it would seem that members opposite just really are not interested in the rejuvenation of downtown Winnipeg. It is what we hear over and over again, and, no, we will not be calling on the provincial auditor.

True North Entertainment Complex VLT Agreement

Hon. Jon Gerrard (River Heights): Mr. Speaker, the Member for Russell (Mr. Derkach) raises a legitimate concern. If, indeed, this agreement can be transferred to a third party and if, for some reason, the True North arena does not work out, the deal collapses, they can still have this transferred to a third party who can set up, independently, a VLT operation and make lots of money.

I would ask the Deputy Premier to tell us why this was done when it has the potential to have all sorts of undesirable consequences.

Hon. Jean Friesen (Deputy Premier): Mr. Speaker, I want to answer this question, although I am surprised at the angle from which the member is coming. I think there is a great deal of speculation on that and I think the terms of agreement are a public document. They are available for everyone to look at. I think the answers the minister has given on VLTs, the comparison with previous agreements that were made by the other government are very clear. What we have is a limited agreement on VLTs with the True North group and that is an important part of the revitalization of downtown.

Mr. Gerrard: Mr. Speaker, I would just ask the Deputy Premier: Suppose True North transfers this to a third party and then the True North arena goes belly-up. The third party would appear to be able to have an operation which is totally independent of the arena or anything else. Can this not happen?

* (14:00)

Ms. Friesen: Mr. Speaker, I think a normal reading of the terms of agreement, which are available publicly, as every member knows, would indicate there is no ability for True North to assign VLTs to a third party unless another organization purchases the arena. I think a

normal understanding of that clause is quite obvious.

Mr. Gerrard: Mr. Speaker, my supplementary. I would ask the Deputy Premier whether in fact she has a legal interpretation that if the arena deal fell apart would this revert, or could a third party continue to operate totally independently of the belly-up arena?

Ms. Friesen: Mr. Speaker, the terms of the agreement are a public document. It is my understanding that a normal, common sense understanding of that particular section of the agreement is that the speculative potential for the reassignment of VLT machines is only possible at a time when the True North arena itself would be sold.

Bill 14

Comments From Education Partners

Ms. Nancy Allan (St. Vital): My question is for the Minister of Education, Training and Youth. Seeing as the Minister of Education has an open-door policy and regards highly the advice that he receives from our education partners, could the minister share with our colleagues in the House today what he is hearing from the field concerning the passage of Bill 14?

Hon. Drew Caldwell (Minister of Education, Training and Youth): Mr. Speaker, if I could table some documents before making my comments. I am tabling a letter that I received in my office yesterday from the Agassiz School Division, the elected trustees from the division, represented by the MLA for Springfield (Mr. Schuler) and the MLA for Lac du Bonnet (Mr. Hawranik).

I should note also in Agassiz School Division, where the department is building schools, I was very pleased to hear the Member for Lac du Bonnet speak in favour of amalgamation in that division at the recent opening of the Gillis School.

Mr. Speaker, trustees throughout the province are urging this House to help them and assist them in their good work in securing amalgamations in a timely fashion. The comments from the Agassiz School Division—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

True North Entertainment Complex Business Plan

Mr. John Loewen (Fort Whyte): Mr. Speaker, we on this side of the House have had very grave concerns about the financial wherewithal plan behind the True North arena. We asked questions on that as early as last year, given that the Premier (Mr. Doer) at first indicated that the VLTs would generate a minimum of \$1.5 million, a maximum, I am sorry. Subsequently, he admitted that was in fact a minimum. We now have the minister saying it is an open process.

I would ask anyone on the Government side to please explain to the people of Manitoba, in that case why, in the term sheet that they signed, is there an agreement among all parties to keep all details of the business plan confidential for 25 years? Why is that clause in the term sheet?

Hon. Jean Friesen (Deputy Premier): Well, I must expect some surprise at the nature of the question. The business plan, as the member would recognize, is part of a commercially confidential plan. It is up to the private sector leaders of this particular—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Ms. Friesen: As the member knows, this is a private-sector-led initiative with public support, and the details of the business plan are part of what would be released under normal circumstances by the True North group.

Mr. Loewen: Mr. Speaker, if indeed this is a private-sector-led enterprise, why do we have to rely on the good folks over at CBC to indicate to the public of Manitoba that in fact the government money is leading the charge and there is much more government money involved than this Government is willing to admit to?

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Ms. Friesen: I do think it is important in responding to this member's question to indicate to the general public that he is wrong, that he should have done his research. He should have completed the series of documents which were important.

What I would like to point out to the general public in particular and to this member is that it is very clearly stated in the contract that government money and the private sector money goes into this agreement dollar by dollar. The money goes in simultaneously. It is a private-sector-led initiative, but the money goes in at the same time. That is in the agreement. It is publicly stated, and that is the way it is unfolding.

Auditor General Review

Mr. John Loewen (Fort Whyte): Mr. Speaker, if the Government is so confident of this agreement, I would ask them to lay out all the documents, all the facts, all the information before the Auditor General and ask him to give his independent opinion on the risks associated with moving ahead with this project before they take one more step to demolish that building?

Hon. Jean Friesen (Deputy Premier): I am not sure the member heard my response last time. The issue here is that government money and private sector money goes in equally, at the same time, simultaneously. I am not sure how many other words I can use to describe that. The risk is the private sector's.

I may add this is public information, publicly available. It is available to every citizen of Manitoba.

Hells Angels Retail Outlet Opening

Mrs. Joy Smith (Fort Garry): Mr. Speaker, the Hells Angels will soon be celebrating their second-year anniversary of opening a chapter in Winnipeg. Despite the tough talk of the Justice Minister yesterday, they received approval to open a retail store in the Exchange District. On May 16, the minister told this House that he was reviewing potential legislation. On May 21, he promised to create a hostile environment to prevent the opening of a Hells Angels retail store.

Can the minister advise where his promised legislation is? Because it is not on the Order

Paper, and the store is expected to open within several days.

An Honourable Member: What are you, a man or a mouse, Gord?

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Are you a mouse or a rat, sir?

Mr. Speaker, yesterday at the—

Mr. Speaker: Order.

Point of Order

Mr. Speaker: The honourable Member for Fort Whyte, on a point of order.

Mr. John Loewen (Fort Whyte): Mr. Speaker, it is very clear that the Government House Leader made a reference to a member on this side of the House making no reference to the member's constituency, and in fact sunk so low as to indicate that he felt somebody in this House could be mistaken for a rat. I would ask the minister to stand up and apologize.

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

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, if I offended honourable members, I certainly withdraw my reference to the Member for Springfield (Mr. Schuler) as a rat.

Some Honourable Members: Oh, oh.

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

Mr. Mervin Tweed (Turtle Mountain): On the same point of order, Mr. Speaker, I would expect more from the Minister of Justice in the province of Manitoba. An apology in this House is to be unconditional. I ask him to apologize to this side of the House and apologize completely.

* (14:10)

Mr. Speaker: The honourable Attorney General, on the same point of order.

Mr. Mackintosh: If the members opposite think they have an issue finally, Mr. Speaker, I think the remarks can be clarified by reference to Hansard. I believe I unequivocally withdrew, and perhaps I apologized. If I did not, I will withdraw and apologize the remark.

Mr. Speaker: I thank the honourable minister for that. That should take care of the matter.

* * *

Mr. Mackintosh: Mr. Speaker, I think all Manitobans should certainly be concerned about the result of a municipal process in this city last night with regard to the location by the Hells Angels of a store in the city of Winnipeg. The Department of Justice appeared at the hearing, a senior official in the department. It is my understanding that an appeal may well be filed or may have been filed already. It certainly is the intention of the Justice Department to appear if there is such an appeal. But we are certainly not sitting still.

Meanwhile, I think it is very important that we look for legal innovation, and I recognize the work of a committee which began on Thursday is very important to moving ahead with change.

Mrs. Smith: Mr. Speaker, again I ask the minister, who told media outlets on May 16 that he was, "looking at legislation," and the process has "already begun." My question to the minister: Where is this legislation?

Mr. Mackintosh: Mr. Speaker, I am glad the member had a quote that time. We certainly are looking at legislation, along with representatives that have been invited from the City of Winnipeg, the Winnipeg Police, RCMP, the federal government, different departments of the provincial government. It is very important that we have the advice of experts in commercial law in the area of organized crime and that we look at other ways to counter the threat of organized crime, create a hostile environment.

We are committed as a Province that if there is a gap for the Province to fill, we will fill it, and we will do so on a timely basis. I have also asked this working group to please expedite their work. As well, we have added as a result of

some of the thinking from some officials last night expertise in the area of constitutional law to the working group.

Mrs. Smith: Manitobans are becoming tired of the minister's constant announcements and re-announcements with zero follow-up.

When will members of this Legislature be able to review the legislation promised by the minister three weeks ago?

Mr. Mackintosh: Mr. Speaker, what was clearly promised was a look at legislation: municipal, provincial and federal. That is what the working group is doing.

I might add it is our intention not to be writing laws on the back of cafeteria napkins. This is a time for a studied approach to this one, to make sure the possible pitfalls in the area of constitutional law are dealt with.

The working group began its deliberations on Thursday and are continuing their work. We will make sure, Mr. Speaker, that we will do all we can to expedite this, to make sure there is a sure-footed approach to this challenge and the need for a different legal approach to create a hostile environment in every way we can for Hells Angels in this country.

Hells Angels Retail Outlet Opening

Mr. Mervin Tweed (Turtle Mountain): Mr. Speaker, with the expansion of the Hells Angels organization into downtown Winnipeg, I would like to ask the Minister of Industry and Trade if this is the new Manitoba economic policy for growth in industry.

Hon. MaryAnn Mihychuk (Minister of Industry, Trade and Mines): Mr. Speaker, I believe the decision was made by the City of Winnipeg, and it is within their jurisdiction.

Mr. Tweed: Mr. Speaker, then I would like to ask the Deputy Premier if it is her downtown initiative for redevelopment to invite the Hells Angels into the business community.

Hon. Jean Friesen (Deputy Premier): Mr. Speaker, I am delighted to have a question from the Opposition on downtown development.

When Red River College opens downtown, there will be 2000 students daily downtown. The Millennium Library is growing; True North will be up. There will be an expansion of Waterfront Drive. There was an expansion already in the Exchange District, of housing. We have over 800 housing units in Winnipeg that are under construction downtown.

To support that downtown revitalization, we have the Neighbourhoods Alive! program, which is revitalizing the inner city communities, communities which I must say after 11 years were left devastated by that government. Finally, Mr. Speaker, to support those neighbourhoods which are now beginning to be revitalized through Community Economic Development, we have a Building Communities program with the City of Winnipeg.

Mr. Speaker: Time for Oral Questions has expired.

MEMBERS' STATEMENTS

Matheson Island Ferry Service

Mr. Tom Nevakshonoff (Interlake): Mr. Speaker, it is my honour to rise in the House today to inform the Assembly of a very positive development which has recently transpired in the community of Matheson Island. Once again, the Minister of Transportation and Government Services, the Honourable Steve Ashton, has come through for the people of the Interlake, this time in the form of increased—

Mr. Speaker: Order. I hate to interrupt a member when they are doing members' statements, but I have asked the co-operation of honourable members many, many times, when making a reference to another member in the House to do so by the constituency or ministers by their portfolios. I once again ask the co-operation of all honourable members, please.

Mr. Nevakshonoff: My apologies, Mr. Speaker.

The Minister of Transportation and Government Services (Mr. Ashton) has come through for the people of the Interlake, this time in the form of increased hours of operation for the cable ferry connecting the island to the mainland. The CF *Ingemar Carlson II* will now

operate 16 hours a day from Monday to Saturday and 14 hours a day on Sunday, representing an increase of 22 hours a week at an additional cost of approximately \$12,000.

The increase is justified by the fact that traffic volumes on the ferry have increased from about 6122 passengers and 3400 vehicles in 1981 to 41 315 passengers and 18 928 vehicles in 2001. The ferry operates from late April till late November or early December, depending on weather conditions. Business activity on the island is dependent upon adequate access to Manitoba's transportation infrastructure. This expansion of the ferry's hours of operation will have a positive impact on the economic development of this community. Taken in conjunction with considerable upgrading of PR 234, which occurred this past summer, the connection of Matheson Island and surrounding communities to the rest of the province has been greatly enhanced.

I want to acknowledge the efforts of Mayor Terry Bennett and the Matheson Island community council for bringing this matter to our attention. On their behalf, as well as on behalf of the people of the Interlake in general, I want to thank the minister for once again addressing our needs in the Interlake.

Poppy Trust Fund

Mrs. Joy Smith (Fort Garry): Mr. Speaker, it was my great pleasure to once again attend the Royal Canadian Legion No. 90 Poppy Trust Committee's presentation of donations from the Poppy Fund on June 4. Recipients received a total contribution of \$18,000 in recognition of their valiant efforts to improve the quality of life for patients receiving care in our health care facilities.

The recipients of this year's donations include the University of Manitoba Faculty of Nursing, Misericordia Chronic Care, Victoria Hospital Chronic Care Support, Health Care Foundation, Riverview Chronic Care Support, St. Amant Centre and also the Joint Hospital Sick Visiting Program, which involves Legionnaires visiting patients in Winnipeg hospitals.

I would like to congratulate all these programs for their invaluable efforts to enhance the quality of care that citizens of Manitoba received

in our health care facilities. Chairman of the Poppy Trust Fund, Mr. Brian Cutts, has done an excellent job once again this year in organizing a successful fundraising campaign.

I would like to draw the attention of all members to the gallery, where I am very honoured today to have members of the Royal Canadian Legion as my guests today: Rose Burdyny, Josie Squibb and Alice McKinnell.

I hope you will all join with me in extending our gratitude to the men and women of the Legion Poppy Trust Committee for their significant contribution to health services in their community through both their fundraising and volunteer efforts. I would also like to thank you, Mr. Speaker, for your gracious reception of the Legion ladies today in your office.

* (14:20)

Socorro L. Juan

Mr. Cris Aglugub (The Maples): Mr. Speaker, I rise today to pay tribute to a member of my constituency. This month Socorro L. Juan, a Winnipeg teacher, will be retiring after 35 years as an educator.

In addition to her long teaching career, Ms. Juan has been incredibly active in her community. She achieved many firsts. She was the first teacher from the Filipino community to be appointed to the position of vice-principal in Winnipeg School Division No. 1. She is also the first Filipino person appointed to the Manitoba Human Rights Commission as Commissioner. She served in this role from 1985 to 1988. As well, she was the first Filipino person appointed to the Corporate Affairs Appeal Board, Tenancies Commission as commissioner of Consumer and Corporate Affairs in 1999. She still serves in this role today.

Ms. Juan has been a chairperson of The Maples Youth Justice Committee from 1999 to present, canvasser for the United Way and was the recipient of the 1988 Governor General of Canada Award for community involvement. She is a member of the board of directors of Mediation Services. Ms. Juan founded the St. Peter's Catholic Church Filipino Organization in 1988.

She co-founded the Timpayog Ti Ilocano ditoy Manitoba in 1997. She was one of the seven co-founders of the Manitoba Association of Filipino Teachers Incorporated in 1976, of which she is a former president. She is the past president of the St. Edward's mixed bowling league and a past advisor to the Millennium mixed bowling league.

Mr. Speaker, as a result of all her work, Ms. Juan was nominated as a Manitoba Woman of Distinction in the year 2000. She is married to Neme Juan. Her children are Arnold and Rowena, the latter of whom is married to Marciel Alves. She has two grandchildren: two-year-old Joshua Alexander—

Mr. Speaker: Order.

National Transportation Week

Mr. Edward Helwer (Gimli): Mr. Speaker, June 1 to June 8, 2002, marks National Transportation Week in Canada. National Transportation Week is a time to celebrate the efforts of the many thousands of Canadian workers in the transportation industry and to appreciate their role and importance in the economic and social development of Canada. Held in the first week of June each year and supported by all sectors of our national system, the transportation industry takes this time to consider ways to increase efficiency, to discuss new developments and policy, and focus on industry safety, technology, economics, energy, conservation and environmental impact.

National Transportation Week pays tribute to the one million men and women who work to keep Canada moving, with special recognition for those providing outstanding contributions to transportation. As well, the program encourages young Canadians to take up careers in transportation by stressing opportunities and exciting challenges.

Here in Manitoba, the importance of the transportation industry cannot be overstated. Manitoba's transportation industry accounts for a significant portion of our total economic activity, the highest percentage of any province in Canada. Winnipeg was originally established as a transportation gateway and today continues as an important transportation hub responsible for

the goods and services that we all expect and appreciate.

On behalf of all members, I would like to acknowledge and congratulate all Manitobans who are involved in our transportation industry and wish them continued success in the future. Thank you, Mr. Speaker.

Post-Secondary Education

Ms. Linda Asper (Riel): Mr. Speaker, I had the pleasure of representing our Government at recent University of Manitoba and St. Boniface College convocations. Seeing the graduates with their families and professors prompts me to highlight our Government's successes regarding post-secondary education, all of which helps such graduates.

In the last three years, our Government has focussed on increasing student success. I would like to point out a few examples.

In terms of ensuring supports for students are in place, this Government has recommitted itself to the ACCESS Program. In 2000-2001, we increased funding to ACCESS programs for the first time in seven years. In the past two years, government again provided an increase to the ACCESS Program, helping to ensure the success of these students.

In the 2000-2001 provincial Budget, government recognized the cost of education for students, and tuition fees were reduced by 10 percent. We believe very strongly that controlling tuition was the right course of action, that we have held tuition fees steady for a third year.

As a further measure in 2000-2001, government restored the Manitoba Bursary Program after it was cut by the former government in 1993. This is a program that works with the Canada Millennium Scholarship to help ensure that students, on average, do not incur more than \$6,000 in debt per year.

Our efforts over the last few years to make college and university more accessible are bearing fruit. In the last two years, enrolment at universities has increased by 11 percent, while enrolment at colleges increased by 17.3 percent.

Changes in enrolment are impacted by many different factors. However, latest Stats Can data show that the cost is the single most important concern for students. I believe we have made it easier for people to make the decision to go to university or college. This is something of which we are very proud. Thank you, Mr. Speaker.

MATTERS OF GRIEVANCE

Debate Delay—Bill 14

Mr. Speaker: On a grievance, the honourable Member for Dauphin-Roblin.

Mr. Stan Struthers (Dauphin-Roblin): Mr. Speaker, it is with regret that I rise today on a grievance to deal with the lack of respect that this Opposition shows to students, trustees, parents and teachers in this province.

Over a month ago, the Opposition received Bill 14. Today is June 6, Mr. Speaker. The Opposition had that bill in their hands at least by May 6. We heard a lot of talk from the Opposition, a lot of rhetoric from the Opposition having to do with this bill, from their seats, not on the record. This bill has been called to this House nine times. In one month, three members of the Opposition have spoken on this bill. *[interjection]*

It is absolutely regrettable that in the middle of a grievance the members opposite finally find the courage to speak out on this bill.

My constituents and other people in the Parkland, trustees, parents, administrators, students, volunteers, entire communities, have been working diligently, have been working hard to make sure that this amalgamation takes place smoothly and takes place with the best interests of students in mind. These people have approached me and have approached other members of the Government and I know have approached members of the Opposition. They have said to us clearly: Get on with it.

I want this bill to move to public hearings so we can hear from the people of Manitoba, because we sure have not heard from the Tories on this one.

I am going to point to two letters that we have received recently, one from the school

division of Rhineland and one from the school division of Agassiz.

* (14:30)

Mr. Speaker, I would like to quote the way the school division in Agassiz has wrapped up their letter. It is very instructive to all of us in this House. They say: It is our hope that members of the House will work in the same spirit of co-operation as did the amalgamating school divisions to ensure that enabling legislation for school division amalgamation is in place for July 1.

I would encourage the members opposite to let that process happen. Clearly Manitobans want a reduction in the number of school divisions in this province. They do not need excuses from the Opposition. Clearly, Manitobans have told us that they want to limit the cost of administration so that money can go into the classrooms for the kids in the classrooms. That is what Manitobans want. What they do not need are the excuses we have been hearing from the Opposition for over a month now.

Just this morning, Mr. Speaker, I had the privilege of hosting Grade 9 students from Grandview School. They watched from the public gallery this morning as the members of the Opposition wasted more time in this Legislature.

The students at Grandview School want us to make better programs in the schools for them. The Grade 9's that were here from Grandview this morning want us to make sure there are more services. The Grade 9's from that Grandview School want us to make sure that we take money from administration and put it into the classrooms, Mr. Speaker. What the Grade 9 students of Grandview do not want are the petty, little political games that are being played by members across the way.

I would hope that the members across the way would finally do their jobs, take this important bill seriously, quit the little games they have been playing and show a decent amount of respect for the students, the parents, the teachers, and the trustees in this province.

Debate Agenda—Bill 14

Mr. Harry Enns (Lakeside): Mr. Speaker, I arise to grieve. While it is certainly in order, let

me point out that when a member of the Government rises to grieve, he rises to grieve that there is something very wrong that his Government is doing. After all, that is what the grievance motion is for. All of us have that privilege, once during the session, on an important issue, to rise and express our deeply held grievances about who is doing what, what the Government is doing. They are the ones in charge. They are the ones whose agenda we are on. The Member for Dauphin has expressed his grievances about that.

I rise to grieve. I want to indicate that, as has already been indicated by my colleague the Member for Minnedosa, my colleague from Fort Garry, it will be no doubt by all of us who rise to speak to Bill 14, it is the pressure tactics, the closure tactics that are being employed and directed against us with respect to Bill 14 on education.

Specifically is the betrayal that I feel, that all of my members on this side of the House feel, more importantly that the trustees feel and a great number of Manitobans feel when they heard just seven months ago the Premier of this province say no forced amalgamations will be undertaken. It is not the Manitoba way. That was the Premier, the First Minister of this Province speaking, not in an unguarded moment, an off-the-cuff remark, maybe made sometimes outside in a scrum here. No, this was made in a prepared speech to the most responsible body, in this instance the school trustees of Manitoba.

The First Minister said, and I repeat: There will be no forced amalgamations. It is not the Manitoba way. I do not always agree with the First Minister, but in this instance I have to heartily agree, because the Manitoba way, particularly in the matter of school boundaries and the creation of school districts, there is a Manitoba way that has been forged, a true Manitoba way that was put together and put on the record by a compassionate, understanding Conservative administration that I was very privileged to be part of.

Just let me tell you the difference between the challenges. That school consolidation that took place in the late fifties and early sixties was not ten times, not a hundred times but a thousand times more difficult than the one we are talking

about here. After all, in this amalgamation, we are not talking about moving schools or where new high schools will be built, what we are talking about is where we are going to build new administration centres and public garages for the school buses and the likes of that. In the late fifties and the sixties, the scars are still out there in rural Manitoba. The choice was: Where was this new consolidated school going to be built, in Teulon or Stonewall, in Lundar or Eriksdale? Throughout all the little towns, that was a very difficult decision.

How did the government of the day approach that? They went out and consulted. They went out and talked. The Premier did, the ministers did, principally the Minister of Education, but all the ministers of the Cabinet involved. Then, in the final analysis, they put this important issue on education into the hands of the parents and allowed them to vote, allowed them to vote themselves into a consolidation. That was a job.

The Member for Dauphin grieves hypothetically, because this issue has been before us barely a month, barely a month. They have not taken it outside this Chamber or talked to the parents. Is it not funny, here is the same Inter-governmental Affairs Minister just a little while ago on how they treat different groups or when their agenda fits them.

We have a situation where we have a voluntary amalgamation of two municipal governments, the R.M. of Gimli and the Town of Gimli. They have come to this not overnight. In fact, I know if I talk to the member from Gimli, he can tell me this has been on the agenda for the last 10 years, a decade, but they have finally come to a conclusion that they would like to amalgamate.

What is the reaction of this Government? What is the reaction of the Deputy Premier (Ms. Friesen)? Oh no, we must have public hearings. We have to have public hearings about this. We cannot allow that to happen, but on the very analogous issue of merging school districts, what hypocrisy, no public hearings now.

For the member, with all due respect, we all know when we call, and we do call them, we

know that it is an opportunity for the public to come before Bill 14 when it goes to committee, but let us be honest with ourselves. We do not know when that is going to be called. Maybe 24-hours notice is all the member of the public had. That bill may be coming before us at eight o'clock in the evening or at midnight or at ten o'clock in the morning when most Manitoba citizens, concerned citizens, are working and trying to support their families. That is not to be mixed up or confused with the concept of public hearings. It is an opportunity, and a very important one, a unique one, by the way. Manitoba is one of the few legislatures in Canada, in fact, I believe the only one where the members of the general public can come before the Legislature before a bill is passed at committee stage and make representation to that bill. That is hardly holding public hearings at the convenience of the general public or consultation.

* (14:40)

Mr. Speaker, that is why we are grieved with this bill because, on this particular matter of education reform, the New Democrats have nothing to teach the Conservatives. If they but follow halfway in our footsteps, they will be doing something. What they are doing is some political gerrymandering on a few selected divisions, leaving others alone and changing others without public consultation and expecting Her Majesty's loyal Opposition, to within a few weeks, you know, just pass it this way.

Well, Mr. Speaker, the process is such that we have established in this Chamber for many generations, for many years in this Chamber, that when an Opposition seriously believes, as we believe on this bill, that it is ill-advised, that it is not in the best interest of the public, then we do precisely what we are doing, and by the way, you have seen a very mild form of this yet.

Once all of our 24 members have expended their 40 minutes of speaking to this bill and then, I assume, there will be a well-reasoned-out amendment to the bill, which will mean that all 24 members will speak again to the bill, and thereafter then likely it will receive another amendment calling for a six-month hoist deal, and all 24 members will speak to that amendment. When we are halfway through that process, Mr. Speaker, then I will entertain some

legitimacy to the kind of complaint that the Member for Dauphin (Mr. Struthers) has, that the Opposition is acting irresponsibly or acting in a manner that is not in keeping with the—

Some Honourable Members: Oh, oh.

Mr. Enns: Mr. Speaker, should I remind at least a few of the veteran members, like the member from Thompson, that it seems to me, as I recall, but my memory is failing I must acknowledge, that on the bill to make changes to MTS, the then-Opposition did in fact object I think. I think they actually took some time of the House to object. I think it would be fair to say that they did their best to impede the passage of the bill is what I am trying to say. Is that a fair statement? I think it is. I think it is fair to say you did your best to try to impede the process of the bill.

Mr. Speaker, we are doing our level best because we see here two fundamental things that have not been taken into account, and it is there for all to see. It was there in the original document that they are not pursuing and following the Norrie report. Number one, there has not been demonstrated to anybody that this will considerably improve the educational component of our system, that this will considerably improve the outcomes in education. That is No. 1.

Number two, and in this time of concern about taxpayers' money, it is a legitimate concern, if it could be demonstrated that there were demonstrable savings to be had out of this, you could convince some of us. After all, we are Conservatives. If you could convince us that those two items were being met by Bill 14, then you would see a different reaction, then you would see a somewhat different reaction from Her Majesty's Opposition.

Furthermore, what is offensive about this bill, we had been put on notice, all of us, that a group of taxpaying parents in the Springfield-Transcona division had a serious issue with this bill. They, in fact, want to take this Government to court, as I understand it, on this very bill. We are going to, by the back door, the door of legislation, slam that door shut, slam that door shut so citizens cannot question this Government. That is not fair. That is simply not fair.

An Honourable Member: That is not the Manitoba way.

Mr. Enns: That is not the Manitoba way, and that is certainly not the way. That is certainly what the First Minister (Mr. Doer)—Mr. Speaker, I have a reasonable amount of respect for the First Minister, and I want to be very careful what I say about the First Minister. It would seem that, with the First Minister not being present, things just seem to come off the rails over yonder, and that is what is happening with this bill.

Mr. Speaker, there is a valid reason to hold up the passage of this bill. There is a valid reason for allowing any citizens, but particularly parents directly involved with school children, such as the Springfield-Transcona School Division, to allow for them to have their day in court without us legislating closing that door. There is still time for the Minister of Education (Mr. Caldwell) or somebody from the Department of Education to show us, to prove to us those two items that I spoke of, that this is going to be a demonstrably improvement in our educational system, and there are going to be some very real dollars saved in the process, from what I hear.

Mr. Speaker, I must acknowledge they have left my area alone, the Interlake. As I say, they have done this very selectively, the gerrymandering of where they are going to amalgamate. None of the Interlake divisions are involved, but nonetheless, let them show us where these savings are going to be. From what I hear from my members who are impacted, they are telling me their taxes are inevitably going to rise, that their property taxes are going to go up. So why should we want to be in a hurry to pass this bill? We are acting on behalf of the interests of the children involved, the parents involved and the Manitoba taxpayers as a whole. Thank you.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

House Business

Hon. Steve Ashton (Deputy Government House Leader): I understand there have been discussions between the House Leader and Acting House Leader. I wanted to see, given the interest in Bill 14, if there was a willingness to not see the clock till six o'clock, and sit tonight until ten o'clock.

Mr. Speaker: Order. Is there a willingness of the House to not see the clock until six o'clock, to waive private members' hour, and then to reconvene or not see the clock until 10 o'clock tonight. Is there agreement?

Some Honourable Members: No.

Mr. Speaker: There is no agreement.

Point of Order

* (14:50)

Mr. Mervin Tweed (Turtle Mountain): On a point of order, Mr. Speaker, although the Acting House Leader may have thought there was some sort of an agreement or discussion between the two parties, I would like to advise him and the House, and anyone else that might be interested, that the member came to me on short notice about five minutes ago, and all I would say is that the Member for Thompson (Mr. Ashton) is playing cheap politics—

Mr. Speaker: Order. Negotiations between House leaders are between the House leaders. Order. It is not a point of order. Points of order are to draw to the attention of the Speaker the breaching of a rule, or the departure from Manitoba practices. That is what points of order are for, and not to be used for debate. I ask the cooperation of all honourable members, please.

* * *

Mr. Tweed: Mr. Speaker, regrettably, I challenge your ruling.

Mr. Speaker: Order. I did make a ruling. I stated the honourable member did not have a point of order, so the ruling of the Chair has been challenged.

Voice Vote

Mr. Speaker: All in favour of sustaining the ruling of the Chair, say yea.

Some Honourable Members: Yea.

Mr. Speaker: All those opposed to sustaining the ruling of the Chair, say nay.

Some Honourable Members: Nay.

Mr. Speaker: In my opinion, the Yeas have it.

Formal Vote

Mr. Tweed: Yeas and Nays, Mr. Speaker.

Mr. Speaker: A recorded vote having been requested, call in the members.

Following Manitoba rules, the one hour has expired. Please turn off the bells.

The question before the House is: Shall the ruling of the Chair be sustained?

* (15:50)

Division

A RECORDED VOTE was taken, the result being as follows:

Yeas

Aglugub, Allan, Ashton, Asper, Barrett, Caldwell, Cerilli, Chomiak, Dewar, Friesen, Jennissen, Korzeniowski, Lathlin, Lemieux, Mackintosh, Maloway, Martindale, McGifford, Mihychuk, Nevakshonoff, Reid, Robinson, Rondeau, Sale, Santos, Schellenberg, Selinger, Smith (Brandon West), Struthers, Wowchuk.

Nays

Dacquay, Derkach, Driedger, Enns, Gilleshammer, Hawranik, Helwer, Loewen, Maguire, Mitchelson, Murray, Penner (Emerson), Pitura, Reimer, Rocan, Schuler, Smith (Fort Garry), Stefanson, Tweed.

Madam Clerk (Patricia Chaychuk): Yeas 30, Nays 19.

Mr. Speaker: The ruling of the Chair has been sustained.

House Business

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, I understand that I have had discussions with the Acting Opposition

House Leader; there is not leave to waive private members' hour, to sit beyond the regular hours this week. I understand that the private members' hour is taking place today.

Mr. Speaker, would you please call adjourned debate on second reading, Bill 14.

DEBATE ON SECOND READINGS

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

Mr. Speaker: Resume debate, Bill 14, The Public Schools Modernization Act (Public Schools Act Amended), and as I previously announced, when Bill 14 is next called, the honourable Member for Lac du Bonnet (Mr. Hawranik) will have to speak immediately or lose his right to speak on the bill.

Point of Order

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

Mr. Leonard Derkach (Russell): Mr. Speaker, we witnessed about an hour ago something that this House has not seen for a long time. It is usually the custom of this House to have the House leaders meet and, in a co-operative way, decide on the agenda of the items that are going to be called forward in this House.

In a move by the Deputy House Leader (Mr. Ashton), we saw a member stand in his place and say: In a brief discussion I have had with the House Leader, we want to extend the sitting of this House to ten o'clock. That has never been done before in an unco-operative way. Secondly, this side of the House for many days has asked questions on Bill 14 of the Minister of Education (Mr. Caldwell). Mr. Speaker, you yourself have cautioned—[interjection]

Mr. Speaker: Order. Points of order are very serious matters. I have to listen very, very carefully, because I am sure the honourable Member for Russell (Mr. Derkach) is going to point out which rule is being broken. I am very sure of that. So I have to pay very close attention to the honourable Member for Russell. The honourable Member for Russell has the floor.

Mr. Derkach: The Opposition House Leader (Mr. Laurendeau) periodically stood in his place, referred to a section in *Beauchesne's* which said that the Minister of Agriculture should answer the question directly when posed of him—the Minister of Education (Mr. Caldwell). My error, and I apologize for it. I meant the Minister of Education.

The Minister of Education, when he stands in his place to answer a question, has been admonished time and again to stick to the subject matter of the question that was raised, rather than to rant and rave about issues that are unrelated to the matter that has been raised in the question.

The Government today wonders why we, as Opposition, want to insist on more time so that the Minister of Education can finally deliver the information about where the savings are going to be in his school board amalgamation plan. That has never been made known to any member in this House. I daresay that there is not a member on that side of the House who can unequivocally state where the savings are going to be with the amalgamation of school divisions.

We have tried time and again to insist that the Minister of Education, when asked a question, stick to the matter and ensure that the answers are forthcoming with respect to the questions that are posed before him.

So, Mr. Speaker, Manitobans today are very concerned, concerned to the extent that they have launched civil action against this Minister of Education (Mr. Caldwell). Right now, as it relates to this bill, we have an outstanding court case, which the Government continues to ask the courts to remand the case from month to month.

I ask this House and all Manitobans: How can we ever proceed with this legislation while we have an outstanding court case as it relates to this bill? Now, if they say no, I ask them to challenge the parents of Springfield-Transcona School Division, because those are the people who are taking this Government to court, and taking this Minister of Education to court, for not following the intent of the school act.

Had this minister followed the intent of the school act, he would not have needed this

legislation, because there is a process that is outlined in the school act which very clearly outlines the process that a minister must follow in order to change boundaries in the province of Manitoba. Had this minister followed that procedure, today he would not require to have this House in the position that it is in.

We have another pending court challenge by the Morris-Macdonald School Division on the basis of this same legislation. So I ask Manitobans: How can we proceed with this legislation, given that we have court cases that are specifically talking about this—*[interjection]*

Mr. Speaker: Order. I have been listening, and I have been very patient. Points of orders are to point out to the Speaker a breaching of the rule and-or the departure of practices of the House. I have been very, very patient. So I would ask the honourable member, if he is up on a point of order, to please state the point of order so I can make a ruling on it.

* (16:00)

Mr. Derkach: Mr. Speaker, I thank you for that caution, and I am indeed going to attempt to clearly outline why it is that I am up on a point of order.

Hansard shows very clearly that you, as the respected Speaker of this House, have repeatedly admonished the Minister of Education (Mr. Caldwell) to ensure that his answers are to the question that was asked. You have indicated to him that he may choose not to answer the question. But if he stands in his place to answer the question, then he must deal with the matter raised.

So today I rise on a point of order, because we have tried to ascertain from this Minister of Education, on many occasions, issues as they relate to the way in which his department operates. Whether it is with Bill 14, whether it is with other matters, whether it is with breaking the law as it relates to how he has deported his responsibilities with Morris-Macdonald School Division or, indeed with Agassiz School Division. Repeatedly, he has refused to answer the question. That is the basis, Mr. Speaker, that I rise today on a point of order; to make sure that

Manitobans understand that we cannot proceed with the debate on this legislation, because this minister has stalled, filibustered this House, refuses to answer questions. As—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I can only deal with one point of order at a time, and I just heard the honourable Member for Russell stating his point of order. The honourable minister was not answering questions, and, to me, it was clear that that was the purpose of your point of order. Is that true?

An Honourable Member: No, Mr. Speaker. That is not true.

Mr. Speaker: I will ask the honourable member to clarify his point of order.

Mr. Derkach: Mr. Speaker, it would be so simple if that were the only part of the point of order that is important, that is salient here. But that is only a minute part of the point of order. This point of order goes far beyond that issue.

I have listened to this minister out in the hallway when reporters have talked to him and have asked questions. Manitobans today are confused as to what this minister is trying to do with the education system in our province. It is for that reason that we have to rise in the House today, to pause, to make Manitobans understand that the reason that we are not entering into debate on this legislation is because of the way in which this minister has refused to carry out his responsibilities; to ensure that there is transparency, that there is clarity, and that, indeed, he does answer the questions that are asked of him in this Chamber.

So I know that this is a point of order that you are going to have to rule on, but I ask you very seriously to consider that this is a point of order that is not brought to your attention very often. But we have been very patient to this point in time. Today we ask you to make sure that you pay attention to what we are saying very carefully, I know you always do, Mr. Speaker, and I respect you for that. But I want to ensure that Manitobans understand that this is a minister who has for two years—

An Honourable Member: Two and a half.

Mr. Derkach: Well, more than two years now. He is correcting me. He is saying two and a half years. For two and a half years, he has refused to answer the questions of the Opposition, answer the questions of Manitobans, and has blundered his way through the department by breaking the law, breaking his own act. That is an unprecedented issue. How can a minister break his own legislation? He has done it time and time again. A Minister of Education is supposed to advocate for trustees and advocate for—

Mr. Speaker: Order. I think we are starting to get into debate here. I would like to remind the honourable member once more that points of order are to point out to the Speaker the breach of a rule, or departure of Manitoba practice.

An Honourable Member: They are breaking the law.

Mr. Speaker: Well, we are getting into debate here. We all have opportunities to debate. There are lots of bills before the House. There are lots of opportunities for debate. But points of order are to be used for the purposes that they were intended. So I ask the honourable Member for Russell to please state the rule that someone is allegedly breaching, and state it, and I will make a ruling on it if I have all the information.

Mr. Derkach: Mr. Speaker, I want to simply read to you—*Beauchesne* 417 states very clearly that answers to questions should be brief as possible, deal with the matter raised and should not provoke debate.

I rose in this House to talk about the fact that when we ask questions of the Minister of Education (Mr. Caldwell), he did not follow 417 because he provoked debate. He did not deal with the subject matter that was raised. Furthermore, when you admonished him, as Speaker of this House, he ignored that, and continued to provoke debate. Now what is more clear about a rule of this House? He squeals from his spot, Mr. Speaker.

An Honourable Member: Now you are getting mad, Len.

Mr. Derkach: It is not a matter of getting angry. I referenced *Beauchesne* 417. I indicated why I

was rising on this matter, on this point of order. I indicated that you yourself, as Speaker of this House on numerous occasions, had talked to the Minister of Education; you had admonished him; you had cautioned him to stick to the subject matter that was raised in the question and not provoke debate. He never followed your advice, Mr. Speaker.

That is not only frustrating for the members on this side of the House, it is frustrating to all Manitobans, because this is a democracy. Our province is a democracy. We believe in the principles of democracy. Legislation that is laid down in this House must be respected. We expect that is going to be respected by all Manitobans and we as legislators must also respect that legislation. That is the Manitoba way, as my Leader says.

This Minister of Education has broken his own legislation, not once, but several times. As a matter of fact, the provincial auditor of Manitoba very clearly outlined in his report that the Minister of Education had broken the law. That is a very serious matter, because if we ignore the legislation that is passed in this House, what good are the laws that are passed in this province? What good are we as representatives of the people of this province?

Mr. Speaker, if it happens once, it might be forgiven; but he did not do it once, he did it on at least three occasions.

* (16:10)

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. The honourable member rose on a point of order and cited *Beauchesne* 417: Answers to questions should be brief, and should deal with the matter that is raised and should not provoke debate.

The honourable member, are you rising on the same point of order?

An Honourable Member: On the same point of order.

Mr. Speaker: I was just going to make a ruling. I am going to make a ruling, because I have heard enough—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I have heard enough to make a ruling. The honourable member rose on 417: Answers to questions should deal with the matter that is raised, should not provoke debate and should be brief.

The honourable member is absolutely correct, but that should be raised when it is at the time if that happens. What you are referring to happened during Question Period. It should be raised at Question Period time, not after the fact. So the member is correct, but he is just raising it a little at the wrong time.

* * *

Mr. Derkach: Well, Mr. Speaker, I do respect you and I respect your position, and, because of the debate that we are in today, I respectfully have to challenge your ruling.

Mr. Speaker: The ruling of the Chair has been challenged. I have to deal with the challenge first.

Voice Vote

Mr. Speaker: All those in support of sustaining the ruling, say yea.

Some Honourable Members: Yea.

Mr. Speaker: All those opposed to sustaining the ruling, say nay.

Some Honourable Members: Nay.

Mr. Speaker: In my opinion, the Yeas have it.

Formal Vote

Mr. Tweed: Yeas and Nays, Mr. Speaker.

Mr. Speaker: Recorded vote having been requested, call in the members.

Order. Following Manitoba rules, the one hour has expired. Please turn the bells off.

The question before the House is shall the ruling of the Chair be sustained.

* (17:10)

Division

A RECORDED VOTE was taken, the result being as follows:

Yeas

Aglugub, Allan, Ashton, Asper, Barrett, Caldwell, Cerilli, Chomiak, Dewar, Friesen, Jennissen, Korzeniowski, Lathlin, Lemieux, Mackintosh, Maloway, Martindale, McGifford, Mihychuk, Nevakshonoff, Reid, Robinson, Rondeau, Sale, Santos, Schellenberg, Selinger, Smith (Brandon West), Struthers, Wowchuk.

Nays

Dacquay, Derkach, Driedger, Enns, Gilleshammer, Hawranik, Helwer, Maguire, Mitchelson, Murray, Penner (Emerson), Pitura, Rocan, Schuler, Smith (Fort Garry), Tweed.

Madam Clerk (Patricia Chaychuk): Yeas 30, Nays 16.

Mr. Speaker: The ruling of the Chair has been sustained.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

The time being after 5 p.m., when this matter is again before the House, the honourable Member for Lac du Bonnet (Mr. Hawranik) will have to speak or lose his right to speak on this bill.

The hour being past 5 p.m., it is now time to go to private members' hour.

PRIVATE MEMBERS' BUSINESS

DEBATE ON SECOND READINGS— PUBLIC BILLS

Bill 200—The Elections Amendment Act

Mr. Speaker: Will we be debating on second reading the public Bill 200, The Elections Amendment Act, standing in the name of the honourable Member for Burrows (Mr. Martindale)? Will we be debating that? Stand?

An Honourable Member: Stand.

Mr. Speaker: Is it the will of the House for the bill to remain standing in the name of the honourable Member for Burrows? [*Agreed*]

Bill 301—The Assiniboine Memorial Curling Club Holding Company Ltd. Additional Powers Act

Mr. Speaker: Will we be debating on second reading private Bill 301, The Assiniboine Memorial Curling Club Holding Company Ltd. Additional Powers Act, standing in the name of the honourable Member for Pembina (Mr. Dyck)?

An Honourable Member: Stand.

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

PROPOSED RESOLUTIONS

Res. 12 - Bill 44—The Labour Relations Amendment Act (2)

Mr. Speaker: We will now go to Resolution 12, The Labour Relations Amendment Act (2).

Mr. Ron Schuler (Springfield): Mr. Speaker, it is very timely that we would be debating this bill, another bill that was forced through by closure.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. The bill has to be moved and seconded before the honourable member can debate it, the resolution, I mean. The resolution has to be moved before we—order.

Mr. Schuler: Mr. Speaker, my enthusiasm to get at this was just overwhelming me.

I move, seconded by the honourable Member for Emerson (Mr. Jack Penner), that

WHEREAS Bill 44, The Labour Relations Amendment Act (2), which received Royal Assent on August 18, 2000, was a highly publicized piece of legislation that received much criticism across the province; and

WHEREAS Bill 44 is widely believed to reflect negatively on Manitoba's economy, possibly even discouraging businesses from locating in Manitoba thereby inhibiting the province's future growth and prosperity; and

WHEREAS the provincial government did not adequately consider public debate on Bill 44, invoking closure on the Standing Committee on Industrial Relations, prompting many delegations to leave rather than be forced to present in the middle of the night; and

WHEREAS The Labour Relations Amendment Act (2) denies workers of their democratic rights to a secret ballot vote for or against union certification, making certification automatic when 65 percent or more of affected employees sign union cards; and

WHEREAS the provincial government appeared to condone acts of violence when it initially sought to include in its amendments to The Labour Relations Act the requirement that employers hire back employees who participated in violence during a strike; and

WHEREAS Bill 44 is a regressive piece of legislation that limits workers' rights to a free and democratic vote in their workplace.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba urge the provincial government to consider revoking Bill 44 to provide an environment which is more conducive to future business development in Manitoba; and

BE IT FURTHER RESOLVED that the Legislative Assembly of Manitoba urge the provincial government to heed the words of the Minister of Labour and Immigration (Ms. Barrett) when she stated on November 9, 2000, that: "In order to go into binding arbitration, both sides would have to agree to it . . . it would be very unfair if only one side agreed to binding arbitration and the other side did not."

Mr. Speaker: It has been moved by the honourable Member for Springfield (Mr. Schuler), seconded by the honourable Member for Emerson (Mr. Jack Penner),

WHEREAS Bill 44—

An Honourable Member: Dispense.

Mr. Speaker: Dispense.

* (17:20)

Mr. Schuler: Mr. Speaker, it is very telling that today we would be dealing with Bill 44, which has a very notorious past in the history of this Legislature; a bill that was forced though by closure just like Bill 14 today seems to be being forced through by closure, without being given due process within the public, shutting down of the Legislature like the citizens of Springfield are being shut down by this Government. The parallels that can be drawn between the two are just remarkable.

I spent a considerable amount of time in Estimates with the Minister of Labour (Ms. Barrett), in which I explained to her in the simplest and clearest of terms, and, again, as with other ministers, she had great difficulty understanding these simple concepts. I would recommend to all members of the House that they read through Hansard during that Estimates period, and they will find where we stand as a caucus.

You know, we have seen a decline in corporate income to the tune of \$230 million, and, rather than this Government looking at the problems, a.k.a. Bill 44 and the way the minister has bungled the whole process just like they are doing with Bill 14, instead of looking at why corporate revenues would be down, instead, what do they do? They just go silently at night and steal it from Hydro. You see, that is the way you just try to cover things up instead of dealing with the problems at hand; dealing with the fact that there is a problem in the economy, dealing with the problem of Bill 44 and other such poor legislation.

Anyway, Mr. Speaker, we laid that all out very clearly for the minister. In fact, at times, we saw that glimmer of light, but, unfortunately, as in most instances, it would just snuff out. She just does not understand that bad labour legislation reflects to a downturn in the economy, and those two concepts are very difficult for the socialists to understand.

My colleague sits here and he says, oh, no, the economy is expanding. Perhaps he could

explain to the House why corporate income is down \$230 million. If it is expanding so greatly, why did the Minister of Hydro and Minister of Finance (Mr. Selinger) have to, silently at night with stealth, loot and plunder Manitoba Hydro if the economy is growing so strongly? Then put the money back. Do not loot and plunder from Hydro; leave the money there. But, you know, this Government has now established itself a record.

Bill 44 was a stake in the sand. I remember us sitting here hour after hour debating, and, I might add, we were debating, not the Government. They sat and, in a very rude fashion, turned their chairs and their backs to us while we were debating that bill until late in the night when they were putting closure on it. It was just terrible, Mr. Speaker, and do you know what? We see that coming again with Bill 14. Bill 44, we warned the Premier (Mr. Doer); we warned the minister; the business community warned the Premier; the business community warned the minister. There were letters. Art DeFehr from Palliser came forward. Never before had the DeFehr family taken that kind of position in politics, and they did.

Mr. Speaker, the Member for Rossmere (Mr. Schellenberg) ran for cover and cowered, and you could not see him. He was nowhere to be found. Did he stand up for his constituents? Absolutely not. He laid down and was rolled over by the socialists on the other side, and Bill 44 was rammed through in the darkness of night. Bill 44 brought down the economy in Manitoba, and I say to the Minister of Labour (Ms. Barrett) that she can personally take credit. She can say: I, the Minister of Labour, can take personal responsibility for taking down this economy with bad legislation, with bad policy, with the wrong things that were done.

What is so fascinating with this particular Government is that one day, they will spin wonderful economy, and then the next day, they will spin terrible economy, and each one is done for a different reason. The reason why they spin a terrible economy is so that they can raid Hydro, and it is further proof they have got a spending addiction. They have got a real problem with spending, Mr. Speaker. They have got an economy that is going down. They have got corporate revenues that are going down, so

they spin that economy. Then on the other side, when they want to run an election and want to puff up their chests about how good they are doing with the economy, then they talk about this growing economy. Again, people are seeing through this dichotomy. One day it is the growing economy, and the next day it is the economy that is bankrupt—we have to steal from Hydro. There is always this back and forth, and frankly, I think Manitobans are tired of it. I think Manitobans are really getting tired of this Slick Willie, this Bill Clinton of Manitoba politics kind of a situation in Manitoba.

Bill 44 was a death knell for the economy in Manitoba. The minister should take responsibility. The minister should come back to this House, do mea culpa, and we will forgive her. We will forgive her, we will let her undo all of the bad things that she did with her bill, and we will let this economy come back up and prosper, and to move ahead. I speak on behalf of the caucus on this side. We are unanimous on this side, in opposition to Bill 44.

If you go back into history, you will see, during the debate, that member after member on this side of the House spoke against this bill, laid it out on the record in no uncertain terms. It was done simply, it was done clearly, so that even a socialist could not err in where we were going with this. They did not listen. None of them were listening at that time. Now, Mr. Speaker, we are paying the price. Corporate revenue is down \$230 million. The Minister of Hydro (Mr. Selinger) running around like Chicken Little: Oh, the sky is falling. The sky is falling. Must steal from Hydro. Must raid from Hydro. Must pull and loot and plunder from all over the place.

That is a direct effect of bad decisions, bad policy, bad legislation, bad government, a bungling minister. On behalf of the members on this side, we would like to see this House endorse this unanimously, and let us move on and rebuild the economy. Because after three years of terrible legislation like Bill 44, of bad government like what we have seen, it is time to turn things around and get this economy back on track. Thank you.

Hon. Becky Barrett (Minister of Labour and Immigration): Mr. Speaker, I think I am going

to quite enjoy correcting the misstatements that have been put on the record by the Member for Springfield (Mr. Schuler). He says he speaks for his entire caucus, and I am sure he does. They might want to take a look at that at some point.

Mr. Speaker, whereas Bill 44 is widely believed to reflect negatively on Manitoba's economy, possibly even discouraging businesses from locating in Manitoba, thereby inhibiting the province's future growth and prosperity as it states in Resolution 12. Far from that being the situation here in Manitoba, I would really like to put some positive, accurate facts on the record. I would like to preface my accurate facts being put on the record with a statement that the Member for Springfield spent two days in Estimates, a couple of weeks ago, reading press clippings from the year 2000. So I thought, well, I will have my chance, and I now have my chance to put some accurate statements on the record regarding the economy in Manitoba.

In the context, Mr. Speaker, of the corporate tax downturn, which we know has happened here in Manitoba—it has happened throughout the country. It has happened as a result, as everyone knows— even the members opposite know that this is a result of a general downturn in the global economy, and a specific downturn as a result of the terrible, terrible events of September 11, and particular to provinces such as Manitoba, the accounting error of the federal government. No other province in the country was hit with the implications that are as fiscally potentially damaging as the province of Manitoba was by the accounting error that was just brought to light earlier this year.

In spite of that, the province of Manitoba is doing very well economically, thank you very much. I am here today to explain some of those particulars. From the *Winnipeg Free Press* of May 15 of this year the headline is: City's Economy on Brink of Boom. Not bust, boom. The second headline: Red Hot Biotech Sector Revs Winnipeg's Economic Engine. I am quoting here: Winnipeg's economic growth is expected to more than double next year, thanks to a broad industrial base and a heavy dose of research investment.

The Conference Board of Canada predicts in its spring outlook that our GDP growth will

more than double from 1.6 percent in 2002 to 3.7 percent in 2003.

* (17:30)

I am continuing to quote here. The Conference Board's optimism is based on a colourful patchwork of industries who are good at weathering economic storms such as the one that followed the September 11 terrorist attack. While most urban centres in North America saw their strong growth rates disappear, Winnipeg expanded its economic growth from 1.2 percent in 2000, to 1.9 percent in 2001.

Now I think we need to remember here that Bill 44, the changes to The Labour Relations Act, came into effect in October. Part of them came into effect in August, another part came into effect in October of the year 2000. So 2001 was the first full year that Bill 44 was in effect. And what happened to the economy of the largest community in the province? It expanded its economic growth from 1.2 percent to 1.9 percent. That, clearly, I would suggest to the Member for Springfield (Mr. Schuler), shows that the impact of Bill 44 was not a negative.

Then this article goes on to talk about a \$20-million institute for biodiagnostic technology, a \$45-million Western Life Sciences Venture Fund and a new research facility in St. Boniface. All of those things—Biotechnology and research bring in an enormous amount of money in construction, because all of these facilities have to be constructed, but also in the spinoffs, which I think are approximately four, five, six times to one. It is an enormous spinoff effect, plus the fact that we have good high paying jobs here in the province when you bring in these R&D organizations.

Again, April 6, now I am going back a little bit in time, April 6, 2002, the Business section of the *Free Press*. The headline is: Manitoba's Economy Barrels Ahead. I like the headlines, brink and boom, barrel ahead. Subhead: Tied with Alberta for Nation's Lowest Jobless Rate. Now does this sound like an economy that is being tied up in knots by the moderate balance changes to The Labour Relations Act? I think not. I really think not.

But you know, Mr. Speaker, the Opposition could say that I am slightly biased. They could

say it. I do not think that is perhaps accurate, but they could say it because the bill was brought in under my name as a minister of the Government that supported the bill. They might say that, but the reality is that these are not quotes from a partisan newspaper or a newsletter put out by one of our MLAs. These are quotes from the business editor of the *Winnipeg Free Press*.

An Honourable Member: What is the date?

Ms. Barrett: April 6, 2002. Here is the quote on the same article that Norm Cameron, an economist at the University of Manitoba, said, that with an unemployment rate of only five percent at a time when the economy is only just recovered from a slowdown, it might mean labour shortages in the future; and we are well aware of that, and we are working towards that. But he says as well: There are expectations of brisk, economic growth for the next three years, Cameron said. That will take us well into our second mandate, and provide us with a good basis for our third and fourth mandate.

Again, May 16, 2002, *Winnipeg Free Press*. Here is the headline: NDP, U.S. Recovery Fuel Economic Growth. I like that headline. I am quoting here: In its annual provincial perspectives report, the Investment Dealers Association said the outlook for Manitoba is very positive, with GDP growth expected to hit 2 percent this year, and 3 percent in 2002.

The Government has weathered a difficult economic storm and it has stayed on track with tax reductions, reducing the debt burden and creating a positive climate for business, investment and growth, the Investment Dealers Association senior vice-president said.

Manitoba's exports to the U.S. rose 7 percent last year. Quote: He gave further credit to the provincial government for staying its course on tax cuts, despite the tightening of public finances and for its continuing commitment to reducing the province's debt.

I am glad that the Member for Minto (Ms. Mihychuk) was aware of this, as I just became aware. The Member for Springfield (Mr. Schuler), in his discussion about the private member's resolution, said that in our debate and

discussion on Bill 44 two years ago in the Legislature, meant that government members turned their backs on the Opposition when they were speaking to the bill and what disrespect that showed.

I would just like to suggest, Mr. Speaker, that we on this side of the House are more magnanimous and our skins are slightly thicker, so we are not as upset by the fact that two or three of the members of the Opposition had their backs turned while—

An Honourable Member: Seventy-five percent of their—

Ms. Barrett: Or 75 percent of their delegation had their backs turned while I am reading these facts into the record.

Then the article again goes onto to say: Although this year's debt repayments will fall short of original projections due to the economic slowdown generally—[interjection]—Russell, and Russell is Ian Russell, the IDA, the Investment Dealers Association, said Manitoba's debt-to-GDP ratio will decline for the eighth straight year.

So it is not only Conservative governments that were able to lead to a decline in the debt-to-GDP ratio, but he also says, by next March, he said: It will have decreased to 23 percent, the third-lowest in the country, down from a peak of 36 percent in the mid-1990s.

Now, let me see, Mr. Speaker. Who was in government in the province of Manitoba in the mid-1990s when the debt-to-GDP ratio was at 36 percent? Who was in power here? Well, in case the Member for Springfield is not aware of that, it was the former government, the Progressive Conservative government. They had a debt-to-GDP ratio of 36 percent, mid-1990s, seven or eight years after they formed government.

By March of 2003, it is expected that our debt-to-GDP ratio here in the province of Manitoba will be 23 percent, the third-lowest in the country.

Mr. Speaker, another real, very important indicator of how an economy is doing is housing

starts. Housing starts, construction activity in both residential and non-residential areas, is critically important. Because when economies are not doing well, when people are not feeling positive about their economy, their family's financial security—are things going to get better when they feel that things are not going to get better? They retrench.

Mr. Speaker, where do they retrench? One of first areas they retrench in is one of the most expensive areas, if not the most expensive expenditure any family or individual will ever spend in their life. That is on their home. So that is a real harbinger. We could save, and say that that is the yellow canary—one of the yellow canaries for indicating the health of an economy.

For those of who are not familiar with that analogy, in mines prior to more modern day technologies, miners would take down with them a canary. If the canary died, they knew that there were gas and other toxic elements in the air in the mine, and they would leave immediately. The demand for housing is very, very high in the province of Manitoba, and certainly in the city of Winnipeg. I am running out of time, but I could share good-news stories from Brandon, I could share good-news stories from across the province, but I believe I am going to stop with a quote from, again, the *Winnipeg Free Press*, Thursday, October 11, a month after the horrible events of September 11: A new Jory Capital *Winnipeg Free Press* poll showed that 68 percent of respondents were either very or somewhat optimistic about the economic future of Winnipeg.

The Jory CEO, who is a man named Patrick Cooney, who may be familiar with some members across the way, states: Many in Winnipeg's business community were skeptical about the future when the Premier's NDP Government was elected more than two years ago, but its business friendly attitude has won over many former detractors. If you look at what is happening in Manitoba, some of our guys should be running the finances on Bay Street and Wall Street and we would have far fewer problems.

That is from a very well respected venture capitalist here in the province of Manitoba. He is saying, in October, 2001, a year after Bill 44,

that the economy has never been better, that our management of the economy has never been better, and that we could show the big boys on Bay Street and Wall Street a thing or two. So, in closing, Mr. Speaker, I would just like to say that I am very proud, and we all are here, of our labour relations climate in the province of Manitoba, our economy and our programs. Thank you.

* (17:40)

Mr. Speaker: The honourable Minister of Industry, Trade and Mines? We have so many members standing up. There are too many members standing up. The member that is going to speak, is it the honourable Member for Flin Flon?

Mr. Gerard Jennissen (Flin Flon): Indeed, I would like to say a few words on this private member's resolution.

I think the resolution is a little bit anachronistic. We are talking about this two years after the event, it seems to me. A little bit out of time, but, perhaps, our Tory friends over there are not up on getting things in on a timely fashion. I do not know.

The honourable Member for Springfield (Mr. Schuler) made reference to the fact that we had been rude after he lambastes the Member for Rossmere (Mr. Schellenberg). I am just wondering if he has a fascination with the Member for Rossmere. He is certainly saying some fairly rude things about him, and I can only come to the conclusion that it is because the honourable member from Rossmere, whom I know to be a hard working member that I respect an awful lot, probably destroyed, or won against, a huge Tory machine in Rossmere. I think that bothers him immensely, so he is coming back to lay slurs on that honourable member. I think we have to put that record straight.

When I take a look at this resolution, I do see a lot of what I would call spin. I see a lot of spin. I see a lot of negatives. I see a lot of pejorative comments, half truths, omissions, self-fulfilling predictions, fearmongering, the sky is falling, you know, the kind of stuff that I think really does not belong in a resolution like this.

Let me give you some examples. Right from the beginning the honourable member read into the record that, "Bill 44 The Labour Relations Amendment Act (2) which received Royal assent on August 18, 2000, was a highly publicized piece of legislation that received much criticism across the province." What he does not mention is that it also received much praise across the province. He only pushes the one side, the negative side.

Further, he states that, "Bill 44 is widely believed to reflect negatively on Manitoba's economy, possibly even discouraging businesses from locating in Manitoba, thereby inhibiting the province's future growth and prosperity."

Now, you know, that is sort of a Crocus-style statement. You are out there basically telling the community, I think, in an indirect way, hey, the sky is falling. It sort of me reminds me of years ago in the United States, that if you wanted a bank to go broke, then you go around saying no, the bank does not have any money. Then it becomes a self-fulfilling prediction. The honourable member comes dangerously close to that, saying the sky is falling. He is suggesting that business will leave because of Bill 44. I do not know who this "widely believed" refers to because the people that I associate with seem to think Bill 44 is a good piece of legislation.

We obviously disagree. There are obviously two worlds out there, but I do not think fear-mongering does very much. Certainly this gets very close to the statement made about Crocus by an honourable member in this House. We have to be careful about what we say. We want to keep business in Manitoba.

The member also says, and I will read again from his resolution: That Bill 44 invoked closure on the Standing Committee on Industrial Relations, prompting many delegations to leave rather than be forced to present in the middle of the night, et cetera. Well, it seems to me we went through the regular process as always, and in committee hearings people could present their views. I do not know what he is talking about. It is certainly not closure.

In fact, let me read a letter that the honourable Attorney General (Mr. Mackintosh)

wrote to the *Free Press*. I think this sums it all up about closure. It is entitled: The NDP Did Not Invoke Closure. It is from the *Winnipeg Free Press*, Saturday, August 19, the year 2000: I am replying to the claim by the interim Conservative Opposition Leader that the Government was invoking closure on committee hearings on proposed changes to The Labour Relations Act. What occurred was the opposite of closure.

As a result of earlier discussions with the Opposition, three sittings of the committee were scheduled to hear from the public. Unlike the practice under the Conservatives, the Government further provided several days' notice to the presenters of the committee hearings, and gave presenters 15 minutes each to make presentations, expanding from the practice under the Conservative government of allowing only 10 minutes per presentation. Closure is provided for in a rule of the Legislature which cuts off debate on legislation. No such rule was invoked. Indeed, the Government enabled every single person who was present to speak.

So I am not sure what the member is talking about when he says closure was invoked.

Furthermore, the member says in another paragraph that this particular act denies workers their democratic right to a secret ballot after 65 percent of the people have signed up for the union at a particular worksite. Now, apparently for him, 65 percent is not good enough. It is good enough in some jurisdictions; 50 percent is good enough. So I do not know why we have to go to this extra effort and energy if 65 percent of the people say they want a union. It seems to me it is pretty clear-cut direction. Where he gets off saying that is not democratic, I do not know.

Furthermore, and I think this one might be in a sense the most scurrilous part of this, he says: Whereas the provincial government appear to condone acts of violence when it initially sought to include in its amendments to The Labour Relations Act the requirement that employers hire back employees who participated in violence during a strike, et cetera. "Appear." Notice he does not mention employer-induced violence which also happens. It is strictly aimed at employees. It is strictly aimed at workers. I

think it betrays the member's total solidarity with only one side of the spectrum, and that is the big business spectrum.

I think you have to be a little careful in this province where we are fairly well balanced, where we have a diversified economy, where we listen to different voices, where we treat workers with dignity and respect. We do not just talk about it as the honourable member does and then come up with stuff like this.

The honourable member says that Bill 44 is a regressive piece of legislation. I think it is a progressive piece of legislation. The honourable member says Bill 44 provides an environment which is not conducive to future business development in Manitoba. At least that is the way I read it. If the honourable member really believes that, is he saying that our record then would be a lot worse than theirs? I think our record is sterling compared to their record.

Take a look at what you did for business. Go downtown. See what is happening in the centre of this province. Take a look what the great business managers, or at least they claim to be great business managers, the Tories, did with MTS, and not only that, he talks about democracy. Listen, they have turned off the micro-phones on us. We could not even get up to talk about MTS. We were shut down. Talk about democracy.

So I think the Tory record on business is very one-sided. I have no doubt in my mind they support big business to a high degree, and there is no doubt that business is important to this province, particularly small business. But you cannot make this massive jump and say Bill 44 drives business out of the province. This is patently absurd, as the Minister of Labour and Immigration and Multiculturalism (Ms. Barrett) pointed out. There is all kinds of evidence to prove out there that our economy is quite well, and besides, if the Tories are such great business managers, why do they sell the people's company, MTS, which was doing well? Why do they sell it at rock-bottom price? At least if you are going to sell it, sell it for three times the value which it was worth. But oh, no, the Tory dictum is you buy high and you sell low. It is a new strategy apparently that the members over there have invented over the years.

You know, when they got involved with Centra Gas they paid a big penny for that, and I could never figure out, are they against Crown corporations or for them? They are busy selling one off; they get rapped on the fingers big time. Then they buy Centra Gas and put it in with Hydro, which in a sense, might be a very shrewd move in the future, but they certainly paid a lot of money, and Centra did not make us any money this year. So if they are such shrewd business managers, you would have thought that some of their larger ventures in the past which go back all the way to Churchill Forestry would have been positive for the people of the province. But I have not seen that. I certainly have not seen that.

I could also point out that the highest deficit in the history of this province, did it come under the so-called socialists that they are fond of? By the way, this is interesting. They refer to us as socialists over here. How do I respond? Is it the word "fascist"? I do not think so. But what is the word? Is the word ultra-conservative? I do not know what the counter is. We are the New Democratic Party. If you refer to us as socialists, then what do we call the Tories? What is the comeback?

* (17:50)

An Honourable Member: Predatory capitalists.

Mr. Jennissen: Predatory capitalists, somebody suggests. You know, once you start slinging mud, where does it end? I suggest to the honourable Member for Springfield (Mr. Schuler) that he get his facts a little bit more lined up and that he is a little bit more—not just talk about rudeness, but actually practise politeness particularly to the member from Rossmere. I think he owes the member from Rossmere an apology, frankly. I am incensed that he said some of the things about him that he does, and also the honourable member from Selkirk. I do not think this is really right. *[interjection]*

Certainly not Christian, as the honourable member says.

Anyway, there are a lot of buried assumptions in this document, an awful lot of buried

assumptions. The buried assumptions, and by the way they do not hold up to scrutiny at all, some of these buried assumptions as I mentioned earlier, are that they are the party of business, they know how to run this province, and I frankly think they are super bitter about the fact they lost the election. Somehow in their elitist little minds or elitist minds, strike the word "little," somewhere in their minds there is the belief that they are ordained by God to run the economy of this province, to run the Government of this province.

But you know something, the decision is being made by the people of Manitoba, not by the people in the backrooms of the Tory party, and the people of Manitoba made that decision in 1999. I think if you talk to the average Manitoban, he would say that this economy is indeed well run, although we do know that September 11 last year was a disaster, and we do know that the economy worldwide is having some problems, and yes, it is true when the Finance Minister (Mr. Selinger) says we are down 60 percent in income in corporate revenues. Yes, that hits us hard, but that is the cycle everywhere in the industrialized world. That has nothing to do with Bill 44.

The member is trying to connect things that do not connect. He is mixing apples and oranges. The member likes to believe, as I pointed out earlier, that they are the only responsible stewards of the public purse, that they are the only ones that can balance books, and they did not. The biggest deficit in the history of this province, I believe it was what? Three-quarters of a billion dollars roughly?

An Honourable Member: Eight hundred and sixty-two million.

Mr. Jennissen: Eight hundred and sixty-two million, my honourable colleague says, in 1992-93. That does not look to me like prudent management.

They say we are spendthrifts. They talk about addiction. I wish they had an addiction to the truth over there. They obviously do not have an addiction to truth. They say we have a spending addiction. Yet we have spent only half in the last three years what they spent in the

preceding three years. So, obviously, we are doing much better if you carefully look at the facts.

I resent the implication by the member that only his party can do better for business, that the New Democrats by some quirk of nature are incapable of running an economy properly. That is not true.

I would point out to the honourable member, when he takes a look at the history of this party, particularly when Tommy Douglas was first elected in 1944, and was elected for many years thereafter, he balanced the books every single time. So, I mean, it is not strange to us to be fiscally prudent, to take care of the books in a responsible fashion. The member opposite would like to portray us as radicals, hence his earlier Albania speeches, speeches that came straight from the Cold War. His rhetoric is very often Cold War rhetoric, and he says, well, this legislation is radical.

Let me read from the *Free Press*, hardly a socialist rag I would think. Let me read from Frances Russell, what she said on Friday, August 25, 2000: The truly radical labour law was the one introduced by Gary Filmon's Tories in 1996. That was the radical one. It gave employers rights they currently do not enjoy in Ralph Klein's Alberta or then-Mike Harris's Ontario. Even if a union obtained a 100% sign-up in an organizing drive, a secret ballot was required. Time between sign-up and votes gives employers, particularly in small workplaces, an opportunity to intimidate employees, but the member overlooks that. He says that is not humanly possible, and against the Tory worldview, that is not humanly possible because there are no failings in big business. But we know that is not quite true. We try to present a balanced picture because we govern for all of Manitoba, not just for a small elite.

Let me quote one more thing from Frances Russell. She says: The Tories cling to their stereotypical image of unions as peopled by thug-like bosses, with goons enforcing obedience from sheep-like workers. They do not realize that unions are indeed democratic organizations, and they represent working class people. The image insults the intelligence of the

tens of thousands of unionized employees in Manitoba who enjoy a much higher level of rights and democracy than exists in most non-unionized workplaces. It also ignores or tries to cover up the fact that many employers freely admit to using intimidation in the period between a sign-up and a vote. I presume the member opposite would not even dream that that is possible, but this can happen and has happened in the past.

In closing, because I think my honourable colleague next to me wants to say a few words, all I can say is this is a badly thought-out resolution. It is full of holes. If the honourable member persists on pushing this resolution, that is fine, but we think it is a bad resolution. We certainly are not going to support it.

Mr. Stan Struthers (Dauphin-Roblin): I have got to say that I did not like what the Member for Springfield (Mr. Schuler) had to say. I did not like the motion that he brought forward, but, gosh, Mr. Speaker, after the pathetic performance of the members across the way today, it was sure good to hear from a Tory today, I have got to say, finally. An Alliance member, I mean. I think I am convinced that members across the way go home from this Legislature every day with their fingers crossed, that something bad is going to happen to our economy so they can come back the next day and ask some questions on it. But you know what? They must be a disappointed, dejected bunch over there because

time after time after time again, we get good news in this province, good news brought to you by the provincial government, good news from the Premier (Mr. Doer) and good news from our very fine Minister of Labour (Ms. Barrett).

So, Mr. Speaker, I would suggest that, instead of being a whole bunch of doom and gloomers on the other side, they take some happy pills, take some jelly beans, convince yourselves that it is good for you. Put a smile on your faces is my advice to the members across the way. Take a good hard look at the facts and you will see that there are some very optimistic things happening in this province, some very good things. Not anyone less than the Canadian Federation of Independent Business says that things are doing well in this province, in the city of Winnipeg and in rural and northern parts of Manitoba. No less than the Royal Bank of Canada has said that our economy has been resilient amongst all the other economies of North America. It is amazing to me that the member from Springfield has been on some planet somewhere and has not seen the—

Mr. Speaker: Order. When this matter is again before the House, the honourable member will have 13 minutes remaining.

The hour being 6 p.m., this House is adjourned and stands adjourned until 1:30 p.m. on Monday.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, June 6, 2002

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