

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

*Published under the
authority of
The Honourable George Hickes
Speaker*

Vol. LIV No. 15 – 1:30 p.m., Tuesday, September 30, 2003

MANITOBA LEGISLATIVE ASSEMBLY
First Session—Thirty-Eighth Legislature

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, September 30, 2003

The House met at 1:30 p.m.

PRAYERS

Mr. Speaker: If I could have your attention just for a second, I would like to advise the House that the Hansard from yesterday morning, it is being reprinted due to a printing error. Once it arrives, it will be distributed to members. The Hansard from yesterday afternoon, including Routine Proceedings, is fine and has already been placed on the members' desks.

ROUTINE PROCEEDINGS

PETITIONS

Dialysis Services

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba. These are the reasons for this petition:

Kidney dialysis is an important procedure for those with kidney failure who are unable to receive a kidney transplant.

Those receiving kidney dialysis treatment are able to lead productive lives despite the continual commitment and time-consuming nature of the process.

Kidney dialysis patients from out-of-province must be able to access dialysis services while in Manitoba to sustain their health and lives.

Although a person's province of origin covers all of his or her dialysis costs while she or he is visiting Manitoba, individuals receiving dialysis are currently unable to visit this province due to the lack of dialysis nurses to oversee the procedure.

The travel restrictions placed on out-of-province dialysis patients due to the growing nursing shortage in Manitoba's health care system presents concerns regarding freedom of

movement and quality of life for those on dialysis.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Health to consider enhancing training programs for dialysis nurses in Manitoba, such that staffing shortages in this area are filled.

To request the Minister of Health to consider the importance of providing short-term dialysis services for out-of-province visitors to Manitoba.

Signed by S. Fraser, K. Smith and J. R. Smith.

Mr. Speaker: In accordance with our Rule 132(6), when a petition is read, it is deemed to be received by the House.

Supported Living Program

Mr. Peter Dyck (Pembina): I wish to present the following petition and these are the reasons for this petition:

The provincial government's Supported Living Program provides a range of supports to assist adults with a mental disability to live in the community in their residential option of choice, including a family home.

The provincial government's Community Living Division helps support adults living with a mental disability to live safely in the community in the residential setting of their choice.

Families with special-needs dependants make lifelong commitments to their care and well-being and many families choose to care for these individuals in their homes as long as circumstances allow.

The cost to support families who care for their special-needs dependants at home is far less than the cost of alternate care arrangements such

as institutions or group and foster home situations.

The value of the quality of life experienced by special-needs dependants raised at home in a loving family environment is immeasurable.

We petition the Legislative Assembly of Manitoba as follows:

* (13:35)

To request that the Minister of Family Services and Housing (Mr. Caldwell) consider changes to the departmental policy that pays family members a reduced amount of money for room and board when they care for their special-needs dependants at home versus the amount paid to a non-parental care provider outside the family home.

To request that the Minister of Family Services and Housing consider examining on a case-by-case basis the merits of paying family members to care for special-needs dependants at home versus paying to institutionalize them.

This is presented on behalf of Linda Wasilka, Liz Yanick, Daunne Nakonechny and others.

Mr. Speaker: In accordance with our Rule 132(6), when a petition is read, it is deemed to be received by the House.

Lake Sturgeon

Mr. Kelvin Goertzen (Steinbach): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba. These are the reasons for the petition:

Historically, lake sturgeon have been important to Manitoba. Lake sturgeon were once plentiful in Lake Winnipeg and the Nelson, Winnipeg, Red and Assiniboine rivers. Sturgeon Creek, in the west end of Winnipeg, was once a sturgeon spawning ground. Male sturgeon do not reach sexual maturity until they are 15 to 20 years of age and females 25 to 33 years of age. Mature males spawn every one to three years and females spawn every four to six years.

Lake sturgeon have increasingly been caught in the Red River by anglers and in domestic nets.

Overharvesting has depleted the population of lake sturgeon.

Manitoba and North Dakota have attempted to re-establish lake sturgeon in the Red River but with limited success.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Conservation (Mr. Ashton) to consider implementing a conservation closure for lake sturgeon in the Red River, including its tributaries from the St. Andrews Locks to Lake Winnipeg.

Presented by Jim Stinson, Stu McKay, Don Lamont and others.

Mr. Speaker: In accordance with Rule 132(6), when a petition is read, it is deemed to be received by the House.

TABLING OF REPORTS

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, I would like to table the following: the Manitoba Finance Annual Report of '02-03; the Manitoba Civil Service Commission Annual Report of '02-03; the Manitoba Employee Pensions and Other Costs Annual Report of '02-03; the Manitoba Finance Special Operating Agencies Financing Authority Annual Report of '02-03; the Enabling Appropriations and Other Appropriations Annual Report of '02-03; the Report of The Manitoba Foundation for the year ended March 31, '03; the Manitoba Finance Fiscal Stabilization Fund Annual Report '02-03; the Manitoba Finance Debt Retirement Fund Annual Report '02-03; the Public Accounts '02-03, Volumes 1, 2 and 3; and a copy of Shakespeare's Collected Works.

Hon. Steve Ashton (Minister of Conservation): Mr. Speaker, I am pleased to table the Manitoba Sustainable Development Innovations Fund Annual Report 2002-2003; Manitoba Labour and Immigration Annual Report 2002-

2003; Manitoba Conservation Annual Report 2002-2003.

Hon. Rosann Wowchuk (Minister of Agriculture and Food): Mr. Speaker, I would like to table the following annual reports: Manitoba Agriculture and Food 2002-2003; Manitoba Agricultural Credit Corporation '02-03; Manitoba Farm Mediation Board '02-03; The Genesis 2002-03, which is the report for the Food Development Centre; as well as the Co-operative Loans and Loans Guarantee Board Annual Report '02-03; the Co-operative Promotion Board Annual Report '02-03; and the Canada-Manitoba Infrastructure Program Progress Report '02-03.

Hon. Drew Caldwell (Minister of Family Services and Housing): Mr. Speaker, I would like to table the Family Services and Housing Annual Report 2002-2003; the Manitoba Social Services Appeal Board Annual Report 2002-2003; and on behalf of the chair of the Healthy Child Committee of Cabinet, the Healthy Child Manitoba Annual Report 2002-2003; and on behalf of Advanced Education and Training, the Manitoba Council on Post-Secondary Education Annual Report 2002-2003; and the University of Manitoba Annual Financial Report 2002-2003. Thank you.

* (13:40)

Hon. Scott Smith (Minister of Transportation and Government Services): Mr. Speaker, I am pleased to table the 2002-2003 Annual Report for the Department of Transportation and Government Services and Emergency Measures.

I am also pleased to table the annual 2002-2003 annual reports for the Special Operating Agencies under my jurisdiction being Fleet Vehicle Agency, Materials Distribution Agency, Land Management Services, Mail Management Agency.

As well, Mr. Speaker, I am pleased to table the Manitoba Lotteries Corporation Annual Report '02-03 and the First Quarter Report for the three months ended June 30, 2003.

Hon. Oscar Lathlin (Minister of Aboriginal and Northern Affairs): Mr. Speaker, I would like to table the Manitoba Aboriginal and Northern Affairs Annual Report for 2002-2003.

Hon. Eric Robinson (Minister of Culture, Heritage and Tourism): I am pleased to table the 2002-2003 Annual Report for Sport. I am also pleased to table the 2002-2003 Annual Report for the Community Support Programs. I would like to also table the 2002-2003 Annual Report for Culture, Heritage and Tourism.

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have with us from the Horizons Adult Learning Centre 18 students under the direction of Mr. Robert Campbell. This centre is located in the constituency of the honourable Member for Point Douglas (Mr. Hickes).

Also we have in the public gallery from Peguis Central School 16 Grade 12 students under the direction of Ms. Marguerite Ogilvie. This school is located in the constituency of the honourable Member for the Interlake (Mr. Nevakshonoff).

Also we have in the public gallery Mr. Shaun Rocan, who is the son of the honourable Member for Carman (Mr. Rocan).

On behalf of honourable members, I welcome you here.

ORAL QUESTION PERIOD

Integrated Child Exploitation Unit Funding

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, we on this side of the House hope that all provincial Justice ministers are successful in lobbying the federal government to strengthen our justice system, particularly their focus on making child protection a priority. We fully support their work to press Ottawa to raise the age of consent from 14 to at least 16, as well as their demand for the creation of a national sex offender registry.

But, Mr. Speaker, increasing protection for children against sexual predators is also a provincial government's responsibility. Could the Premier please tell us why his Government is not offering provincial funding to ensure the permanent operation of the Integrated Child Exploitation unit?

Hon. Gary Doer (Premier): Mr. Speaker, the work is very, very important in terms of the cross-police department and cross-jurisdictional work in terms of child protection. Many programs are established to see how effective they will be in terms of protecting children. Some programs that are started have become permanent and some are not, but certainly child protection has been a priority of our Minister of Justice (Mr. Mackintosh) and all members of the Government.

Mr. Murray: While we fully support the work of the Cybertip line, as the Premier's own Justice Minister has said, more can be done at the provincial level to prevent the exploitation of children through the Internet.

The fact is unless you have that specialized unit to follow up on the tips, you are simply undermining the tip line. The ICE Unit, Mr. Speaker, is an incredibly successful one. A year ago at this time there were concerns that the unit only had enough funding to get it through to the end of the year. Fortunately, they were able to strengthen and scratch up enough cash and money within existing resources to allow the unit to continue to operate to the end of that year.

Will the Premier recognize the important work that this unit is doing to protect Manitoba children from harm and will he commit today to providing at least 60 percent of the reported \$700,000 it would cost annually to ensure that the unit can operate on a permanent basis, Mr. Speaker?

* (13:45)

Mr. Doer: Mr. Speaker, as I understand it, we took the lead in consultation with the various Internet providers and various people that are repairing Internet equipment to detect and arrest individuals that were involved in exploitation of

children. As I also understand it, this was a pilot project that was intended to go and eventually be a national and hopefully an international program because obviously the technology knows no international boundaries. I believe this item is on the Justice ministers' agenda to try to expand the scope of programs that are working well to protect children in the provincial jurisdiction, to expand that in a more comprehensive way.

This Government remains committed to spending money to protect children. The points raised by the Leader of the Opposition are valid points. We want to ensure that we have a more comprehensive approach but certainly we want to find a way to resource the protection of children. We will continue to take advantage of the initiatives we have made. I think we have had over five arrests so far if I am not mistaken, since we initiated this. I think we have had a number of other investigations, some 39 investigations.

I think people now are also aware that if they exploit children through the Net or any other means, that that exploitation of children could be subject with repair of their equipment or other contact of their machinery, could be available to arrest and prosecution which I think is crucial, Mr. Speaker, to not only detect and prevent this but to prevent it from happening in the first place from predators.

Mr. Murray: Mr. Speaker, we agree with the police who say that the Integrated Child Exploitation unit must be a priority. The Premier's own Justice Minister has said he established a child exploitation case co-ordinator to strengthen the prosecution of child porn cases because the volume of these cases is growing. It is expected to grow more because of the Cybertip and the ICE Unit.

Mr. Speaker, if the unit does not have the funds to remain operational, the work of the tip line and this case co-ordinator clearly will be undermined. We know that a funding request will be coming forward to the Province in the near future. While the Premier has admitted that this is on the provincial Justice Minister's agenda, what I am asking the Premier today is: Will he commit to that funding to ensure that this unit operates permanently? That is what we want today.

Mr. Doer: Mr. Speaker, this was the Government that took the leadership to establish the pilot project to begin with. This was the Government that took the leadership to have a dedicated Crown attorney to follow up on these cases. This is the Government that took the leadership to take this to the national Justice ministers' meeting. This Government has also taken this proposal to Western Premiers' meetings a couple of years ago and has also taken ideas from the Western Premiers' meetings dealing with information on convicted pedophiles, to have a national approach out of an Alberta idea, has tried to have both of those ideas on the national agenda.

Mr. Speaker, the proposal for money, re-sourcing this issue of a CyberTip line, re-sourcing the integrated approach, we will absolutely continue to be on the side of kids and be funding those projects. The exact nature of how we are going to proceed is still in the upcoming Budget process. We will take what worked out of the pilot project, what did not work out of the pilot project and come forward with a continuation of leadership in this area.

Crime Rate Provincial Comparisons

Mr. Gerald Hawranik (Lac du Bonnet): Winnipeg has the highest violent crime rate in Canada. The violent crime rate is 30 percent higher than in Vancouver which is the second-highest rate in the country.

Mr. Speaker, I ask this Minister of Justice (Mr. Mackintosh): Will he explain today why, under his watch, Winnipeg has the highest violent crime rate in Canada?

Hon. Dave Chomiak (Acting Minister of Justice and Attorney General): Mr. Speaker, the member well knows that the Minister of Justice is presently meeting with other ministers of Justice and has been seen as a leader in the country in terms of activity and outlining activity in terms of protecting the public and protecting and providing for the safety of the public.

I might add, Mr. Speaker, dealing with this problem has been something that cannot be done overnight, has been worked on through enforced prosecutions, enhanced police services. Dedi-

cated prosecutions are related to these kinds of matters, as well as looking at social and related matters that deal with crime in general and the genesis of crime which this Government has been very active on since the day it came into office.

* (13:50)

Halfway Houses Interprovincial Transfers of Offenders

Mr. Gerald Hawranik (Lac du Bonnet): Mr. Speaker, this past weekend a serial bank robber from Edmonton was transferred to Winnipeg because Alberta's halfway houses refused him for being too dangerous.

I ask the Minister of Justice (Mr. Mackintosh): When Winnipeg already has the highest violent crime rate in Canada, why are we accepting criminals from other provinces who refuse him because he is too dangerous?

Hon. Dave Chomiak (Acting Minister of Justice and Attorney General): As I understand that, that matter is a federal Criminal Code parole-related issue, at least from my understanding of it, Mr. Speaker, so I do not know if the member is actually addressing it in the appropriate forum.

Mr. Hawranik: Mr. Speaker, the National Parole Board decision with respect to the bank robber reads: Your criminal activities have escalated in severity and in potential violence as evidenced by police pursuits and the need for police to use a firearm to stop you.

I ask the minister: Why does he not stand up for the safety of Manitobans as the provincial government of Alberta, and why does he not refuse violent criminals from other provinces?

Mr. Chomiak: Mr. Speaker, I assume from the tenor of the member's question that this was a decision made by the federally appointed Parole Board. With respect to this particular individual, I am quite prepared to have the particular details of this issue provided to the member and point out to the member that the Minister of Justice has been very proactive with respect to probation, bail and reverse-onus provisions affecting the Criminal Code and parole violations and

a very strict application of those rules and is second to none in the country in terms of interpretation of those rules.

The Maples Surgical Centre WCB Cases

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, since 2001 the Maples Surgical Centre opened and has been very successful in providing a high level of administrative support for WCB surgical cases. More and more patients have been sent there by WCB, while the number of WCB cases being done at the Pan Am Clinic has dropped dramatically.

I would like to ask the Minister of Health if he can explain to us why he will force WCB to send their patients to the Pan Am Clinic when, in fact, it is up to WCB to decide where their patients are sent for treatment.

Hon. Dave Chomiak (Minister of Health): Mr. Speaker, the business representative for Maples clinic, who has been very consistent in her approach since Maples clinic came here from Vancouver, continues her approach to acquiring business for Maples clinic and I understand that. I wish she would be more proactive in terms of providing surgical services outside of Winnipeg as we have in Steinbach and other centres. I cannot and I do not tell the WCB where it should send its patients.

Mrs. Driedger: Mr. Speaker, because this Minister of Health is hostile toward private clinics, he spent \$8 million to buy and fix up the Pan Am Clinic and is now prepared to spend millions more on bricks and mortar to build an expansion at the Pan Am Clinic for WCB patients.

How can the minister possibly justify spending millions more on bricks and mortar at the Pan Am Clinic when this service is already being provided at the Maples Surgical Centre at no extra cost to Manitoba taxpayers?

Mr. Chomiak: Mr. Speaker, one of the distinct advantages that we found out with respect to our acquisition of the Pan Am Clinic is that we were able to reduce the cost of cataract surgeries from \$1000 to \$700, which allowed us to put more money into more surgeries as opposed to profits. That is very obvious.

The second issue is the former provincial government paid \$2.6 million in penalties to the federal government for contracting to private clinics.

The third point that I would like to add, Mr. Speaker, with respect to—

An Honourable Member: —providing service.

Mr. Speaker: Order.

* (13:55)

Mr. Chomiak: Thank you, Mr. Speaker. We not only have upped the number of day surgeries around the system, but we have upped surgeries in rural Manitoba: Steinbach, Ste. Anne, Thompson, as part of our activity to increase—

Mr. Speaker: Order.

Mrs. Driedger: Mr. Speaker, because of how the system works, WCB buys expedited care or quicker access to care than other patients in the system get. They are being treated quickly right now in a private clinic where they are not bumping other patients further down a waiting list.

Can the Minister of Health explain to us what authority he has or anybody else in his Government to force 85 percent of WCB patients to go to the Pan Am Clinic, or anywhere else for that matter, where they will automatically have the right to jump the queue and bump other patients down a waiting list?

Mr. Chomiak: I am very pleased we have been able to expand the number of surgeries we provide, and that was recently noted in the most recent report by the arthritis association that looked at hip and knee replacements. I also know we have expanded surgeries around the system. I also note, I do not know where the member was in May of this year when the Premier (Mr. Doer) announced we would be putting a new MRI at Pan Am Clinic, Mr. Speaker, that is in addition to the MRI at Brandon, the first MRI outside the city of Winnipeg, and another MRI at Health Sciences Centre.

I might add these are simply negotiations that are going on between the WRHA and WCB. They are entitled to do that and they can continue to do that. We have not made a decision with respect to those items at the government table.

Pan Am Clinic Expansion Funding

Mr. Mervin Tweed (Turtle Mountain): Mr. Speaker, we have found out that the Workers Compensation Board, funded solely by employer premiums, is being forced by the Doer government to contribute \$1.6 million towards infrastructure at the Pan Am Clinic.

Can the Minister responsible for the Workers Compensation Board tell Manitobans if it is the mandate of the Workers Compensation Board to fund the construction of the Pan Am Clinic?

Hon. Steve Ashton (Minister charged with the administration of The Workers Compensation Act): Mr. Speaker, the member is incorrect as to the premise of his question. There have been discussions between the WRHA and Workers Compensation. That is confirmed in the minutes of the WRHA. It is public information. Those discussions are ongoing. No one has directed the Workers Compensation Board in terms of how it proceeds in dealing with that. I have had no involvement and, in fact, have received briefings the last few days in terms of status reports but certainly have not directed that.

The Workers Compensation Board, as the member should know, accesses medical services on behalf of Workers Compensation Board claimants, both in this clinic and other clinics including the Maples. The principle of the choice of claimants in terms of the procedures is maintained—

Mr. Speaker: Order.

Mr. Tweed: The NDP has a history of raiding agencies to fund its spending appetite. They tried taking \$30 million from Autopac, and when they got caught, they backtracked. They took \$288 million from Hydro and now are demanding \$1.6 million from the Workers Compensation Board.

I ask the Minister responsible for the Workers Compensation Board: Has the mandate of the Workers Compensation Board changed from being an accident insurance system to being a funding arm of the Province of Manitoba?

Mr. Ashton: I cannot believe that member who was part of a government who voted to sell off MTS, the proceeds of which were spent in three years, Mr. Speaker, would have the nerve to get up and take discussions, not an agreement, but discussions between the WRHA, initiated by the WRHA, with the Workers Compensation Board, which are consistent with the way the Workers Compensation Board continuously deals with accessing medical services.

This member's question should be filed under fiction in the library, Mr. Speaker, because there is no agreement. Discussions are ongoing and I suggest the member stick to the facts.

* (14:00)

Mr. Tweed: The Premier (Mr. Doer) of this province has said the Public Utilities Board needs to be reviewed and he has recently announced that the Workers Compensation Board should be overhauled. When organizations challenge the Premier, he acts like a schoolyard bully and threatens to change them to serve his needs.

Again I will ask the Minister responsible for the Workers Compensation Board to tell the Premier to keep his hands off Workers Compensation Board funds.

Mr. Ashton: Well, Mr. Speaker, the only thing missing from that question was the premise—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. Once again, I would like to remind all honourable members that when the Speaker is standing, all members should be seated and the Speaker should be heard in silence. I ask the co-operation of all honourable members.

Mr. Ashton: I think the only thing missing from the premise of that question was "once upon a time."

There is no agreement, Mr. Speaker. The WRHA has been in discussions. The WRHA operates the Pan Am Clinic with the Workers Compensation Board. There has been no agreement. There are discussions. No one has directed any result in terms of those discussions.

This minister—this may not have been practiced with that government—does not interfere with the operation of Workers Compensation Board. They are engaged in the discussion. They will make a decision that will ensure the best interests of the people of Manitoba and, most importantly, injured workers and their families, because that is the bottom line with our view of Workers Compensation.

Prairie Rose School Division Labour Dispute

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, the Minister of Finance continues to spin the line that the reason the Government got involved in the Sunrise labour dispute was that it was about the children. But the situation that we saw in Sunrise is identical to the situation that currently exists in Prairie Rose. If it was really about the children in Sunrise School Division, then why is it not about the children in Prairie Rose School Division?

Mr. Speaker, my question for the Minister of Finance: Has his employee, Mr. Schreyer, had any contact with Prairie Rose School Division?

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, my understanding is that the secretary to the Compensation Committee has talked to MAST and asked if there are any resources that could be made available, such as mediation, to assist in the situation that the member has raised today. Up to now, they have not availed themselves of that opportunity.

Mrs. Stefanson: Mr. Speaker, on the first day of the Sunrise strike, the Minister of Finance has already admitted that Mr. Schreyer contacted MAST officials about what could be done to end the strike just two weeks prior to an election call.

For 15 days now, the children in Prairie Rose School Division have been forced to find their own way to school. If it is really about the

children, has the minister instructed Mr. Schreyer to offer money to Prairie Rose School Division, as he did in Sunrise, to settle the strike there?

Mr. Selinger: Mr. Speaker, what the secretary to the Compensation Committee has done is what he made available to Sunrise. He has offered mediation as an opportunity for them to resolve their strike. It is a voluntary opportunity. It requires the employer to want to enter into that process. So far the employer and their bargaining agent in the situation where the strike continues has not taken up that opportunity.

They have to voluntarily want to do it and, so far, that has not been the case.

Sunrise School Division Labour Dispute

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, the dispute at Sunrise and at Prairie Rose is exactly the same. The only difference here is how the Government has handled this situation.

Will the Minister of Finance just admit that this is not about the children, but it was about an attempt to end an embarrassing strike dispute two weeks prior to an election in a targeted NDP riding?

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, the member continues to develop a conspiracy theory after the fact, but in fact the behaviour has been the same. This behaviour was the same behaviour under previous governments. The secretary to Compensation Committee of Cabinet regularly was in contact with MAST and other external employers in the public sector to see if there was anything they could do to assist the employer to resolve labour disputes. That was the practice in Sunrise. That is the practice in the school division under question here today, and it has been the practice under the previous administration. If those employers or their agents wish to take advantage of these opportunities, it is available to them.

Bovine Spongiform Encephalopathy Cash Advances for Producers

Mr. Jack Penner (Emerson): Mr. Speaker, less than one in ten livestock producers in this

province have been able to access any of the BSE programs that the Government has put forward. When our farmers have no money, the ripple effects are felt throughout the economy, whether it is vets, the feed companies, farm supply companies or individual producers. All in this sector are hurting.

I want to ask the minister: When will this Government put in place a program that will put money in the livestock producers' hands and get the rural economy going again?

Hon. Rosann Wowchuk (Minister of Agriculture and Food): Mr. Speaker, if the member will look at the statistics and the numbers we provided to them in the past couple of weeks and the numbers that we are at now, the numbers keep growing and growing. The program is working. The low-interest program is working. Applications are being made; applications are being approved. Money is flowing into producers' hands. I would encourage the Opposition to look at those programs and encourage people to apply rather than continue to criticize.

The most important thing we can do, Mr. Speaker, is continue to urge the federal government to work with the U.S. government to ensure that that border opens. That is the issue that we need to address.

Mr. Penner: Mr. Speaker, recently my neighbour, Mr. Sid Wilkinson, told a Winnipeg radio station about the devastating effects the BSE crisis was having on his farm. He stated: We have not been able to write a cheque here in a month. Clearly, farm families are struggling each and every day of the week in this province to make ends meet.

Mr. Speaker, when will this minister provide a meaningful program that will put money in the hands of farmers so they can buy clothes for their children and pay their hydro bills?

Ms. Wowchuk: Mr. Speaker, there is no doubt that the situation that has been created because of one case of BSE is putting a lot of pressure on farmers and particularly beef producers. That is why we have put in place the programs that we have put in place. That is why we put in place the low-interest loan program that is flowing

money to producers. Applications continue to be approved every day. That is why we have put in place the drought assistance program. That is why we have extended the slaughter program and that is why we have urged the federal government to participate with us in this program so we will have more money for producers to help them through this difficult time.

Mr. Penner: Mr. Speaker, I think what we have just heard is exactly what farmers are hearing. It is rhetoric from the minister. It is hundreds of thousands of dollars being spent on ad programs on programs that do not work. Our farm families have no money to buy feed for their livestock. They have no money to buy shoes for their children, and they have no money to pay their utility bills. When will this Government finally admit their programs do not work and put in place a cash advance system that would put money in every producer's hands to allow them to function and manage their operations?

Ms. Wowchuk: Mr. Speaker, it is really interesting that the Opposition members on one hand say they care about rural Manitoba and then they are critical of us getting information out to people on how the programs work. They are critical of programs—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. We can only have one person at a time answering questions, otherwise it is very hard to hear.

* (14:10)

Ms. Wowchuk: So, Mr. Speaker, I would invite the members opposite to read the ads that we have put out and encourage people to use them. I would tell them that there is a toll free number and in fact since the ads have gone out, the number of phone calls have increased by 25 percent, 30 percent, people calling in to get more information.

The programs are working, Mr. Speaker, money is flowing to producers. I would encourage the Opposition rather than continually being critical, look at the programs and encourage people to make application so they do get the cash flow that they need.

Flight Training Programs Tax Exemptions

Hon. Jon Gerrard (River Heights): Mr. Speaker, to the Minister of Transportation (Mr. Smith). For some reason, the Minister of Transportation and the Minister of Finance (Mr. Selinger) seem determined to cause trouble for Manitoba's flight training industry. I refer to the approach the ministers are taking and retroactively changing the Government's view of the tax situation of enterprises involved in flight training as it applies to the purchase of aircraft.

I table Circular No. 85-10, in place until very recently because the minister does not seem to have read it. It says very clearly that owners of aircraft kept for rental or lease pay no retail sales tax on their purchase of the aircraft, repairs or maintenance.

My question to the Minister of Transportation: Why has his Government now decided to collect taxes retroactively on aircraft purchased by companies which then rent or lease their aircraft for flight training? Why is the Government acting in ways that will tend to draw business out of our province?

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, this file is under active review by officials in the Taxation Department and, as I said yesterday, it is not appropriate to discuss the individual details of that. I can tell you that some of the allegations the member has made, they do not appear to be accurate from the information that I have reviewed. What I will say is that the Taxation Department will review this file and it will ensure that everybody is treated fairly.

Mr. Gerrard: Mr. Speaker, the Manitoba Aviation Council has said in a letter to the Minister of Finance, a letter which uses extraordinarily strong language, as follows, a letter which I tabled: the Manitoba Aviation Council requires that you immediately have your department cease all action with respect to the collection of retail sales tax on commercial aircraft including those used for flight training.

The Minister of Finance's approach to this industry is odious and abhorrent and will result in good businesses closing or moving out of province. I ask the Minister of Finance when he

will stop trying to collect these taxes and realize that the Manitoba Court of Appeal in 1978 ruled against the government on this issue as the Manitoba Aviation Council clearly points out in their letter.

Mr. Selinger: The facts that the member is putting on the record are under review. My deputy minister spoke to the Aviation Council representative as late as last Friday and assured her that there was no attempt here to put any business under as a result of a tax collection procedure.

I can assure you that there is no attempt to do that but when there is a law in the province that has been on the books since 1967, called the retail sales tax, there is an obligation to ensure that that law is properly enforced but not at the expense of any business, and if there is an issue that requires review, it will be reviewed. That assurance has been given to the president of the Manitoba Aviation Council, but even there my deputy minister has informed that member that he cannot disclose the details of the individual taxpayer's complaint.

Flight Training Programs Tax Exemptions

Mr. Kevin Lamoureux (Inkster): My question also is for the Minister of Finance. As this Government, Mr. Speaker, fights to get more taxes from wherever it can, and that is very apparent, why will it not admit when it makes a stupid decision? This Government has made a stupid decision. It is as simple as that. Call it a review. Call it whatever you want. We know the Minister of Finance is now prepared to acknowledge that maybe there was a mistake.

My question for the minister is: Will he acknowledge the imposition of this retail sales tax on commercial aircraft places Manitoba's commercial aircraft operators at a competitive disadvantage with those operators based in the surrounding provinces?

The question simply to the minister is: Why is the minister not supporting the jobs within the commercial flight industry here in Manitoba?

Cancel the review. You do not need the review. Make—

Mr. Speaker: Order.

Hon. Greg Selinger (Minister of Finance):

There are a variety of tax rules that apply in different jurisdictions. I am informed this tax is collected in Saskatchewan. It is not collected in Ontario. So there are different practices in different jurisdictions. My officials will review tax policy but they will also ensure that this individual is treated fairly without disclosing specific information about that taxpayer in this Legislature, which would be inappropriate.

There has been a meeting with the president of the Aviation Council within the last 10 days. There has been a follow-up phone call from the deputy minister to the president of the Aviation Council. They have encouraged that individual taxpayer to come forward with the particulars of their situation to discuss at the senior levels of my department whether they have been applied fairly in the past and prospectively.

Emergency Measures Organization Public Notification

Mr. Gerard Jennissen (Flin Flon): Events such as forest fires in northern Manitoba, Alberta and B.C. this summer, and the hurricane in Nova Scotia recently, underscore the need for an efficient and effective method of notifying the public in case of an emergency.

Can the Minister responsible for EMO tell this House what steps Manitoba is taking to ensure timely and consistent public notification in an emergency?

Hon. Scott Smith (Minister responsible for Emergency Measures): Mr. Speaker, this is an issue that is critical to all Manitobans. I am happy to inform the House today that we have established a partnership with the Broadcasters Association of Manitoba to get formalized information out to people in an incident that happens in Manitoba, not only weather report information but a form that is factual. It is information that will be verbatim on the radio, on all the broadcast associations across the province, and inform Manitobans of incidences in a quicker way. It is a significant improvement in the speed and the information we can get out to Manitobans for their safety.

Red River Floodway Expansion Artificial Flooding Compensation

Mrs. Mavis Taillieu (Morris): Mr. Speaker, the Conservation Minister has said, and I quote: When we announced our intent to proceed in terms of floodway upgrading, we were particularly sensitive to the concerns both upstream and downstream of the floodway.

He has also said the Government will put in legislation provisions for compensation for flooding over and above natural levels.

Mr. Speaker, will the Minister of Conservation provide a time line for the introduction of this legislation and help alleviate the concerns of residents south and north of the floodway who fear they will be negatively affected by artificial flooding?

Hon. Steve Ashton (Minister of Conservation): Mr. Speaker, I am very pleased to be able to answer the question and point out that we have taken a leadership role in responding to the recommendations of the IJC. We have made a decision in terms of the option. I think it is very significant, when the Premier (Mr. Doer) made the announcement of our commitment to expanding the floodway, he did so, not in Winnipeg first, which is where people will be protected by the floodway expansion, but both upstream and downstream, and specifically committed to exactly what the member is talking about, which is providing legislated compensation for people who are impacted by flooding above natural levels.

We announced that in the Throne Speech. Indeed, this fall we will be bringing in that legislation. It will be in place well before the final construction of the floodway. I thank the member for raising that question because we are committed to all Manitobans through this legislation.

Mrs. Taillieu: Mr. Speaker, the Minister of Conservation recently said that this Government, and I quote, will build into legislation the right of compensation where any situation occurs because the floodway expansion may impact on people.

Can the Minister of Conservation tell this House how he expects this compensation mechanism to work?

* (14:20)

Mr. Ashton: Well, Mr. Speaker, I can tell you one thing. We are not going to base it on some premise that there is some difference because people choose to live in a flood plain.

We are basing the compensation on taking what would be received by individuals under disaster flood assistance. We are going to in fact have enhanced coverage over that, and it will not be part of an agreement. It will be in the legislation, in fact, the legislation we debate in this Legislature. I look forward to the contribution of the members opposite and this member, because we want to make sure that people receive the kind of compensation they would be entitled to. That is our commitment. It will be done.

Environmental Assessment

Mrs. Mavis Taillieu (Morris): Mr. Speaker, a team is currently surveying the west dike, also known as the Brunkild Z-dike. Can the Minister of Conservation tell this House why a contract has been awarded to survey future levels of the dike before the environmental hearings on the expansion of the floodway have even begun?

Hon. Steve Ashton (Minister of Conservation): I hope that members opposite are not opposed to the west dike, Mr. Speaker. I would also hope that members opposite would understand that we have an ongoing commitment to improving flood protection.

For the environmental assessment we will have to do testing and drilling. We will have to do a lot of work to prepare for the environmental hearings. We are not going to wait for two or three or four or five more years. We have put in place a floodway authority. We are going to be moving to get this to environmental assessment. We are committed to expanding the floodway. I hope the members opposite are not changing their mind about flood protection in this province.

Pan Am Clinic Expansion Funding

Mr. Mervin Tweed (Turtle Mountain): Earlier in the day the Minister responsible for the Workers Compensation Board pre-empted one of his comments with "once upon a time."

I would ask the Minister responsible for the Workers Compensation Board: Has a report been given to the Government that emphasizes that \$1.6 million from the Workers Compensation Board is to be allocated for the construction of the Pan Am Clinic?

Mr. Steve Ashton (Minister charged with the administration of The Workers Compensation Act): It is interesting, Mr. Speaker, because earlier in Question Period this same member was standing, saying there was an agreement, a commitment. There is no agreement. There have been ongoing discussions. I indicated that that was part of the Winnipeg Regional Health Authority minutes. The Workers Compensation Board takes this matter very seriously.

I point out to the member opposite, it is a very unique board. It includes employer, employee and public-interest representatives, and it has a very distinguished chair. I trust, as minister, and this member opposite should trust in the judgment of the Workers Compensation Board to best protect the interests of workers, because that is exactly what they are doing in these discussions.

Mr. Speaker: Time for Oral Questions has expired.

MEMBERS' STATEMENTS

Simplot Canada Ltd.

Mr. David Faurshou (Portage la Prairie): In my member's statement on Simplot, I ask leave of the House for an additional 15 seconds to complete my statement in entirety.

Mr. Speaker: Would the honourable member have leave to continue his member's statement if he runs out of time? *[Agreed]*

Mr. Faurschou: I am pleased to rise today to draw the attention of all honourable members to an event that I had the privilege of attending in Portage la Prairie on September 10, 2003. The official dedication of the new Simplot Canada Ltd. potato processing facility was highlighted by the unveiling of an inscribed cornerstone by the 94-years-young founder, Mr. J. R. Simplot, along with Manitoba's Minister of Agriculture and Food (Ms. Wowchuk).

Mr. Simplot then spoke of his long association with Manitoba, starting in 1962 when he flew into Carberry to inspect a bin of potatoes stored at the airport. So impressed with the quality of the Manitoba-grown potatoes, he not only bought the bin of potatoes but the airport as well, to serve as a potato processing site.

Mr. Simplot won a standing ovation from the more than 200 invited guests for his statement of his company's unwavering commitment. I quote: "We are here. We are here to stay. We will continue to expand and grow. We think we are in the best place in America to build."

Mr. Speaker, the new \$150-million potato processing plant in Portage la Prairie is quite possibly the most technologically advanced plant in the world, directly employing 230 persons who expect to produce more than 140 million kilograms of French fries this year, making Manitoba the leading province in Canada in potato processing.

Mr. Speaker, all of this could not have been achieved without the stellar efforts of so many. I would like to draw recognition to Mr. Rick Fisch, vice-president of Special Projects for Simplot and his team who worked tirelessly with municipal and provincial officials on this project. Mayor Ian Mackenzie and Reeve Jim Knight, along with their councils and administrations led by Mr. Dale Lyle as well as Mr. Rick Locke assisted by Mr. Ron Roteliuk of Central Plains Development Inc., all demonstrating an unparalleled level of co-operation and commitment.

The departments of Agriculture, Conservation, Intergovernmental Affairs, Industry, Trade and Mines, along with Transportation and Government Services, teamed to propel J.R.

Simplot's impressive new potato processing facility into reality. Mr. Speaker, it is my pleasure today to recognize the importance of Simplot Canada Ltd.'s new potato processing facility in Portage la Prairie on behalf of this Assembly and to offer our sincere appreciation to everyone who contributed to making this event possible. Thank you.

World Teachers' Day

Mr. Peter Bjornson (Gimli): Mr. Speaker, Manitoban teachers are the pillars of our educational system. October 5 is World Teachers' Day, a day to emphasize the important role of teachers in our society. The day will be celebrated around the world and right here in Manitoba.

As an educator in Manitoba, I have had the privilege to work with and meet with many Manitoba teachers who exemplify the spirit of excellence in education.

Mr. Speaker, to teach is to inspire, to unlock potential, to offer new perspectives and to help children realize their dreams to build a better world. All of our communities benefit from dedicated teachers and our investments in quality education.

At the recent Faculty of Education Homecoming at the University of Manitoba, the teaching excellence awards were presented to John Thompson for middle years schools and Allison Delf-Timmerman for senior years schools. These award recipients were selected for their creativity, initiative and commitment to education. They pursue ongoing professional growth and have made positive contributions to the teaching profession in Manitoba.

The J.M. Brown Award for teaching excellence is presented annually by the Faculty of Education Alumni Association. This year the recipient was Sandra Benum. She was chosen for outstanding contribution to teacher education and teacher education policy. Winners are also recognized as mentors of student teachers.

At all stages of education, from kindergarten to high school, teachers guide students in developing values that are central to peace,

tolerance, equality, respect and understanding. Teachers help children, young people and adults develop essential social and life skills such as trust, confidence, dialogue, critical thinking and self-esteem.

We must affirm that opening doors to education, to a better future, means preparing young people to be citizens, to be active and responsible participants in a democratic society. World Teachers' Day 2003 is an excellent opportunity to recognize the many important contributions of Manitoba's teachers.

Mr. Speaker, I invite you and my colleagues to join me in recognizing and thanking all Manitoba teachers for their work and dedication as we celebrate World Teachers' Day. Thank you.

Dr. Denis Fortier

Mr. Denis Rocan (Carman): Mr. Speaker, I rise today to pay tribute to the accomplishments of a Notre Dame de Lourdes resident, Dr. Denis Fortier, who has been offered special recognition for lifelong dedication to the field of medicine. He has recently received the Manitoba Family Physician of the Year Award.

Doctor Fortier was presented with his award at the annual general business meeting of the Manitoba College of Family Physicians which took place at the Winnipeg Convention Centre on April 11, 2003. The award is given to a member of the college who has made significant contributions to family medicine in general, family practice in particular, their community through government, community works and to the college.

Doctor Fortier has also been nominated for the Reg L. Perkin Award as one of Canada's family physicians of the year. Doctor Fortier's accomplishments are extensive and, as such, he certainly is a worthy recipient of this award. As a professional, he has always supported full integration of services and programs to meet the needs of the client at every stage in life.

After receiving his MD from the University of Manitoba in 1985, and after two years of training in family practice at the Family Medical

Centre at the St. Boniface Hospital, Doctor Fortier achieved his certification in Family Medicine in 1987. Following this, he began practice in Notre Dame de Lourdes.

Doctor Fortier is seen as a leader, both in terms of his involvement in the field of medicine and in his community at large. He has served in a variety of capacities with the College of Physicians and Surgeons of Manitoba, the Manitoba Medical Association, the Central Manitoba Regional Health Authority and the Manitoba College of Family Physicians. In terms of community life, Doctor Fortier has also been very active as seen in his dedication to both provincial and national sports and in his assistance in the development of Francophone health services.

On behalf of the residents of the Carman constituency, I would like to acknowledge the accomplishments of this influential man and pay tribute to his dedication to this province.

Canadian Dimension Magazine

Mr. Jim Maloway (Elmwood): Winnipeg-based *Canadian Dimension* magazine is celebrating four decades as an independent forum for debate on issues of interest to socialists and social democrats alike. For the last 40 years they have helped stimulate public debate, tackling some of the toughest issues facing Canadian society.

I would like to congratulate all the people who have brought their time and talents to this venture. The vast majority of them have been unpaid volunteers. They include the members of the editorial collective, writers, designers, photographers, copy editors, proofreaders and fundraisers. Some of them have been with the magazine for its 40 years of existence. *Canadian Dimension's* founder is one of them. The founder, I am proud to say, was an NDP member of the Legislature for Crescentwood from 1969 to 1973. I am referring to Professor Cy Gonick, who has been with the Economics Department of the University of Manitoba for 37 years and, incidentally, now resides in Elmwood constituency.

* (14:30)

Although *Canadian Dimension* was conceived in Saskatoon in the fall of 1963, and it was born and raised in Winnipeg, it has certainly made a contribution to ensuring that Winnipeg has kept its well-deserved place on Canada's cultural and political map. It is one of the many worthy ventures that began in the basement of a Winnipeg home. As its readership and resources expanded, it then moved into the Ryan Building in the Exchange District where its office became a gathering point for some of the city's finest artists, writers and performers. The magazine's current home is also in the Exchange at the Emma Goldman Grassroots Centre.

Over its 40 years, *Canadian Dimension* has featured work by some of Canada's best and brightest thinkers, poets and activists, including Charles Taylor, John Warnock, Clare Culhane, Bruce Kidd, C. B. Macpherson, Lloyd Axworthy, George Grant, Milton Acorn, Dorothy Livesay and Fred Gudmundson. It has received international recognition as well. No less a figure than Noam Chomsky has endorsed it for its clear, critical thinking and analysis that is not restricted by dominant ideologies.

I would like to add my congratulations and my best wishes for its future efforts in enriching political debate in this country.

Manitoba Immigration Council

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I want to take advantage of the opportunity while the Minister of Immigration (Mr. Ashton) is actually here. That is in regard to, and the Minister of Immigration is quite often here. I will withdraw—

Mr. Speaker: Order. I would like to remind all honourable members it is against the rules of the House to make reference to members that are here or the members that are absent. I would like to remind all honourable members.

Mr. Lamoureux: Mr. Speaker, for those that might have felt any offence whatsoever, I extend my apologies.

Having said that, the minister, prior to this particular minister, was going to introduce Bill 16, The Manitoba Immigration Council Act. I tell you, when I heard about that, there were all sorts of red flags that started popping up and

down as this Government attempts again to try to possibly manipulate different communities. I am really concerned in terms of how this council advisory group is going to be put together. So, I figured this would be a good opportunity, in advance of the next session, in advance of a bill of this nature being introduced, to forewarn or to give notice to the Minister of Immigration that not only people within this Chamber but people outside of this Chamber are very closely watching what action the Government is going to be taking on the so-called Manitoba Immigration Council.

I think it is absolutely critically important that this Government recognize the value and the contributions that our cultural diversity has and immigrants and potential immigrants in the future have to our province. It would be wrong in any fashion whatsoever if this Government tries to politicize communities that could ultimately have a negative impact on the future economic and social fabric building of our province, Mr. Speaker.

So I would ask for the Minister of Immigration (Mr. Ashton) to work with others, including possibly myself, in coming up with some thoughts on how we can ensure that my skepticism will not be there so that when the bill does get introduced then it might be a remote possibility that I could support it, if it is done properly. Thank you.

House Business

Hon. Steve Ashton (Deputy Government House Leader): Mr. Speaker, I would just like to advise members of the House that by agreement with the parties in this House it is our intention today to move the various finance and remaining concurrence motions.

Mr. Speaker: It has been advised that we will be moving forward with concurrence and various finance motions.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, I would like to move, seconded by the Minister of Conservation (Mr. Ashton), that

there be granted out of the Consolidated Fund for capital purposes the sum of \$1,117,675,000 for the fiscal year ending March 31, 2004.

Motion agreed to.

Mr. Selinger: Mr. Speaker, I move, seconded by the Minister of Transportation and Government Services (Mr. Smith), that there be granted to Her Majesty for the public service of the Province for the fiscal year ending March 31, 2004, out of the Consolidated Fund the sum of \$7,068,245,500 as set out in Part A, Operating Expenditure, and \$58 million as set out in Part B, Capital Investment of the Estimates.

Motion agreed to.

* (14:40)

INTRODUCTION OF BILLS

Bill 5—The Appropriation Act, 2003 (Main and Supplementary)

Hon. Greg Selinger (Minister of Finance): I move, seconded by the Minister of Transportation and Government Services, that Bill 5, The Appropriation Act, 2003 (Main and Supplementary); Loi de 2003 portant affectation principale et supplémentaire de crédits, be now read a first time and be ordered for second reading immediately.

Motion agreed to.

SECOND READINGS

Bill 5—The Appropriation Act, 2003 (Main and Supplementary)

Hon. Greg Selinger (Minister of Finance): I move, seconded by the Minister of Transportation and Government Services, that Bill 5, The Appropriation Act, 2003 (Main and Supplementary); Loi de 2003 portant affectation principale et supplémentaire de crédits, be now read a second time and be referred to the Committee of the Whole.

Motion presented.

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

Some Honourable Members: Question.

Mr. Speaker: The question before the House is that Bill 5, The Appropriation Act, 2003 (Main and Supplementary), be now read a second time and be referred to committee.

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

INTRODUCTION OF BILLS

Bill 4—The Loan Act, 2003

Hon. Greg Selinger (Minister of Finance): I move, seconded by the Minister of Transportation and Government Services, that Bill 4, The Loan Act, 2003; Loi d'emprunt de 2003, be now read a first time and be ordered for second reading immediately.

Motion agreed to.

SECOND READINGS

Bill 4—The Loan Act, 2003

Hon. Greg Selinger (Minister of Finance): I move, seconded by the Minister of Transportation and Government Services, that Bill 4, The Loan Act, 2003; Loi d'emprunt de 2003, be now read a second time and be referred to the Committee of the Whole.

Motion presented.

Mr. Speaker: Is the House ready for the question? The question before the House is that Bill 4, The Loan Act, 2003, be now read a second time and be referred to the Committee of the Whole.

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

* (14:50)

Bill 3—The Budget Implementation and Tax Statutes Amendment Act, 2003

Hon. Greg Selinger (Minister of Finance): I move, seconded by the Minister of Transportation and Government Services, that Bill 3, The

Budget Implementation and Tax Statutes Amendment Act, 2003; Loi d'exécution du budget de 2003 et modifiant diverses dispositions législatives en matière de fiscalité, be now read a second time and be referred to the Committee of the Whole.

His Honour the Lieutenant-Governor has been advised of the bill and I table the message.

Motion presented.

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

An Honourable Member: Question.

Mr. Speaker: The question before the House is that Bill 3, The Budget Implementation and Tax Statutes Amendment Act, 2003, be now read a second time and be referred to Committee of the Whole. His Honour the Lieutenant-Governor has been advised of the bill and the message has been tabled.

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

The House will now resolve into Committee of the Whole.

* (15:00)

COMMITTEE OF THE WHOLE

Bill 4—The Loan Act, 2003

Mr. Chairperson (Conrad Santos): The Committee of the Whole will come to order to consider Bill 4, The Loan Act, 2003; and Bill 5, The Appropriation Act, 2003 (Main and Supplementary); and Bill 3, The Budget Implementation and Tax Statutes Amendment Act, 2003.

We shall proceed to consider Bill 4, The Loan Act, 2003 clause by clause. Shall clause 1 be passed?

Mr. Leonard Derkach (Russell): I have a question for the Minister of Education and Youth (Mr. Lemieux). I go back to the issue that was before the committee in the minister's Estimates,

and the issue, of course, relates back to the Sunrise School Division.

During the questions in Estimates, the minister on several occasions made it clear to us that in order to settle the strike at Sunrise, there was intervention by Treasury Board staff into the process. But the Minister of Education had indicated during that Estimates debate, and it is on the record, that indeed it was Mr. Ken Bell, who was the superintendent of Sunrise School Division, and his negotiating team who approached the Government. He said they approached the Government for assistance in resolving the dispute between CUPE and the school division.

I would like to ask the minister today whether he would confirm that that, in fact, was the case.

Hon. Ron Lemieux (Minister of Education and Youth): There were a lot of discussions going on. I had previously met with MAST and the parent organization, and certainly they raised concerns about possible harmonization challenges down the road.

As it has been stated repeatedly by the Minister of Finance as well as myself, on numerous occasions during Estimates, there was a shortfall of money, but a representative of the Government, certainly, made mention to MAST that they should look at voluntary mediation, which they took upon themselves to look at, voluntary mediation.

As I mentioned, the dollar figure did come back to the Government about how they were one third short. In other words, the taxpayer or the school division could accommodate two thirds of the harmonization salaries.

We were very forthright in telling members opposite that it was \$112,000 the first year, \$158,000 the second year and \$158,000 the third year. That portion made up the one third that they felt that they could not accommodate within their ability to cover that gap, the huge gap we talked about.

Mr. Derkach: Mr. Chair, I think we have covered the ground in terms of how much

money was extended and on what terms. That is not really where I am going.

I simply want the minister to set the record straight so that people who perhaps were implicated in his first response would feel at ease that in fact the record is corrected. For that reason, I ask whether he is now indicating to us that he was incorrect in his statements when he said that it was Mr. Ken Bell, the superintendent of the school division, and members of the negotiating team who approached the Government when we have the Minister of Finance on record indicating that, indeed, it was Mr. Lloyd Schreyer who had contacted MAST. That is what I want to clear up.

Mr. Lemieux: Mr. Chairperson, as was mentioned, Mr. Schreyer certainly wanted the two parties to get back together. There were 2000 children that were out because of busing. It truly is about the children.

I will try to address the question of the member opposite directly by saying that Mr. Schreyer was not involved in the negotiations. Mr. Schreyer received this number from the MAST body, the parent body were the ones, I understood, and either through Mr. Bell or MAST, told the government representative that there was a shortfall and how much that shortfall was. The government representative did not pick a number out of a hat. That number came to them as a result, I understand, of mediation and talking, the two parties getting together. It was the employer that came to Mr. Bell, I was advised, as the superintendent and MAST.

I cannot remember the gentleman's name now. I certainly do not like to use names in the House or in Estimates, but the MAST representative, they are the ones who came to Mr. Schreyer, a government representative, and told government what the shortfall was, why they could not make up that huge gap when you are talking about 60 percent. Hopefully, I have answered the question for the member.

Mr. Derkach: Mr. Chairperson, that is not the question I asked. I ask this on behalf of people who have been implicated in being identified as individuals who had come forward to ask for the money. The reason this is important is because

this sets those people up before their boards and before the people they are hired by.

I think it is only fair for us as legislators to ensure that the information we put on the record is accurate and is not in any way misleading, or does not suggest in any way that somebody did something that they had no authority to do from their board first of all, and, secondly, that the record is clear in terms of how the process occurred.

Now I am not asking the minister how the figure came about. That is something that I understand came about through the discussions between the school board, MAST and the Government. That is not an issue.

The issue is who it was that approached the MAST organization or the Government or the school board with regard to the offer of the assistance. The Minister of Finance has made it clear in Question Period in the House that it was Mr. Lloyd Schreyer who approached the Manitoba Association of School Trustees personnel. The Minister of Education said that it was the superintendent and his negotiating team who approached the Government. Now, we have two different stories.

I think it has been made clear to us, at least from individuals outside this building, that, no, it was not anybody from the school board who approached the Government, that, in fact, the Minister of Finance was correct that it was Mr. Lloyd Schreyer who approached MAST.

I am asking the Minister of Education if he would confirm that that, in fact, is the case, and that then sets any kind of cloud of doubt or anything of that nature over Mr. Ken Bell aside.

Mr. Lemieux: Mr. Chairperson, there were a lot of conversations going on, including the parent organization, MAST, with me and meetings that I had. They talked about many, many school divisions with regard to harmonization and so on.

Now, Mr. Schreyer spoke to MAST, absolutely. The Minister of Finance has stated that, but I am saying that—and this is not meant to be derogatory in any way—Mr. Bell was on the

negotiating team for the school division and he was working with a high official within MAST. They are the ones who brought the dollar figure and told Mr. Schreyer, a government representative, about the shortfall of \$112,000 the first year; \$158,000; and then \$158,000 the following two years.

* (15:10)

When the member from Russell—I do not say this disrespectfully—says, well, you do not want to leave anybody's name on the record and have any employer think that the employee is not doing their job. I would argue that Mr. Bell was doing his job and was representing the board. He is an employee of the board. He came to Mr. Schreyer, as I mentioned. The government representative did not grab the number out of a hat. It was from MAST and Mr. Bell that informed government of what the shortfall was. I would say that Mr. Bell was doing his job and did a very good job and certainly laid out what the gap was and what the shortfall was. What the representative of the Government did was raise voluntary mediation as an option.

Now, for example, you take a look at Prairie Rose, which is on strike. I understand that Prairie Rose is back at the table. We have been consistently saying get back to voluntary mediation, get the two parties together, get them talking.

The member from Tuxedo today mentioned, oh, well, these two situations are similar, Sunrise and Prairie Rose.

No, they are not similar at all. Sunrise School Division took advantage of voluntary mediation to settle their differences, whereas Prairie Rose, I understand, is back to conciliation, trying to settle theirs. They should be congratulated for that. They are back at the table talking now, I understand, as of today. Where you have 2000 students affected in Sunrise School Division, you have approximately 900 students affected in Prairie Rose.

For the record, it was a representative of MAST and the school division, Mr. Bell, who told government what the shortfall was, where the gap was, because they felt that they could not

make up the 60 percent. Maybe on this occasion, Mr. Chairperson, I would like to mention that as a government—and this is something that the member from Lac du Bonnet right during the strike or shortly after in one of the local papers said: Oh, my goodness, the Government is only giving \$50 per student; that is \$246,000. Why is the Government not doing more?

Well, you cannot have it both ways. He is saying, why is the Government not doing more? Then in the House, his colleagues are asking, you know, well, the Government should not have been doing this.

Mr. Chairperson, the Government provided \$50 per student, which amounted to \$246,000, for assistance with regard to amalgamation. Also, the Sunrise School Division received \$77,000 in transition funds for amalgamation in case anything else happened. Then also, the Sunrise School Division received an overall funding increase of about \$420,000 or 2 percent more than they received the year before. This Government has been standing beside amalgamated divisions, working with them and trying to help in any challenges that they might have.

I think over the past three weeks we have been absolutely straightforward and forthright towards all the questions that the members opposite have been asking about the process and so on. I am pleased to say that, because the questions they have been asking, we have been answering them. Now, maybe the answers they are getting are not the ones they want or like, but I can tell you they are the answers and they are the real answers.

Mr. Derkach: Mr. Chair, the minister seems to want to go all over the map when he answers a question or tries to answer the question. I understand it from his answer that Mr. Ken Bell, then, and his committee were not the ones who came forward to ask initially for assistance to settle the dispute between CUPE and Sunrise School Division. I think the minister confirmed that today. So they were not the ones who came forward initially to ask for help. They were, however, involved in the process of identifying the number of dollars once help was made available to them by Mr. Schreyer.

Now, the minister also said something today that is new, and I want to ask him about it. *[interjection]* I know the minister is probably having a little difficulty hearing the question because of the conversation going on in front of him. Mr. Chair, could I ask that we, perhaps, help the minister.

Mr. Chairperson: Order, please. A little quiet will help.

Mr. Lemieux: Well, it was just—

Mr. Chairperson: Oh, sorry, the member from Russell.

Mr. Lemieux: The member from Russell has not finished his question yet, but it is just that I had difficulty hearing what the question was. So I appreciate your comments, Mr. Chairperson.

Mr. Chairperson: Members of the House, please use the loge if you want to engage in conversation.

Mr. Derkach: Thank you, Mr. Chair. Back to my question with the minister. The minister brought some new information to the House today and that is that he met with MAST prior to the settlement of the dispute. Now, my understanding was that the school board had sent a letter requesting a meeting, and that meeting did not take place until July. The request came in March, and the minister says he met with MAST. Did he meet with MAST to discuss how to resolve that labour dispute, and can he tell me when he met with MAST?

Mr. Lemieux: Well, Mr. Chairperson, I thank the member for the question. I had mentioned this before during Estimates that I had met with MAST previously; it was a regular scheduled meeting, and no, it was not specifically to deal with Sunrise. What I mentioned was, or any other specific division, it was just meant to talk about the challenges that they felt might be out there as a result of harmonization of salaries or pensions or anything related to amalgamations. It was a general discussion, and there were many issues discussed, which I am certainly not privileged to mention here. But it was a regularly scheduled meeting that we had, and so we went through a lot of issues.

Mr. Derkach: Well, you see, Mr. Chair, that is why I go back to my questions, because the minister brings extraneous issues to the table here when we are talking specifically about the Sunrise issue. Now, he just confirmed that his meeting with MAST had nothing to do with the settlement of the dispute between Sunrise and CUPE, and that is what we are talking about here. So I ask the minister whether, in fact, it was Mr. Ken Bell or his negotiating team that brought, initially, the matter to him or to the Government. Today I think he confirmed that the answer was negative to that, that, in fact, it was Mr. Lloyd Schreyer who approached the MAST organization or MAST personnel to offer assistance to settle the dispute.

Now, when I liken this to the dispute that is going on in Prairie Rose, this offer of money, I understand, went to the board or went to MAST on April 10. Could the minister confirm that, in fact, that was the date that Mr. Schreyer approached MAST with the offer of financial assistance to settle the dispute?

Mr. Lemieux: Mr. Chairperson, as I mentioned previously, that Mr. Schreyer, and the Minister of Finance has stated this as well, that the government representative offered voluntary mediation as a way for the two parties to settle their issues, whatever they might be. Mr. Bell and a high-ranking official at MAST came to Mr. Schreyer, telling Mr. Schreyer the result of their deliberations, where the shortfall was. So now you have Prairie Rose School Division that is involved in a labour dispute currently. We have been continually recommending to them, or not recommending to them but, I guess, suggesting to them, as I did in the House, that they look at voluntary mediation to get back. I understand the two parties are back together now through conciliation. They used their conciliation officer and they are back at the table now.

There is the difference. I am trying to point out to my critic, the Member for Tuxedo (Mrs. Stefanson) that there is the difference. They went through voluntary mediation in Sunrise School Division. They have not reached that point yet, or do they maybe even seem to need voluntary mediation? Maybe they can settle their differences just through conciliation. That is

what I am trying to point out. That is the difference between the two divisions.

* (15:20)

There are a lot of other differences. There are 2000 children that were affected by the strike in Sunrise and there are only about, not that it is any less or more important but there are 900 children affected by the busing dispute in Prairie Rose. Every day we have been checking and monitoring the situation in Prairie Rose. I understand that on occasion there are one or two children that are missing from day to day, but it is not always two days in a row. Some are missing because of illness and so on.

We have been keeping close, just monitoring it in a close way to see what the impacts would be in a negative way with regard to the strike in Prairie Rose. We are hoping that the two parties will get together and resolve their differences.

I know the Member for Russell (Mr. Derkach) does not want to hear this again, but it does bear repeating. You had Sunrise School Division, Mr. Bell, and a high-ranking official asking for assistance from the Government because there was a shortfall, because their gap in salary was so huge, up to 60 percent. Then you have Louis Riel School Division who settled on their own. I think it was Mountain View or maybe it was Pembina Trails, I stand to be corrected, that settled without asking government for any assistance or needing government assistance at all. They settled it. Now you have Prairie Rose that appears to be working out their own differences.

That is why you have such a variety in amalgamated divisions. There is no real consistency between them when it comes down to collective bargaining. You have so many differences and yet they are all amalgamated divisions.

Yes, Mr. Schreyer, as was pointed out, spoke to MAST and offered voluntary mediation which they accepted, but it was then the member from MAST and Mr. Bell who pointed out to their government representative where the

shortfall was and that they needed government assistance.

Mr. Derkach: Mr. Chair, once again, the minister implicates the superintendent of the school and the negotiating team. He says it was Mr. Bell and a high-ranking MAST official who approached the Government for assistance. That is not the case. As a matter of fact, the Minister of Finance said it was Mr. Schreyer who initiated the contact. You cannot have it both ways.

The chair of the school board has made it very clear that they did not ask for financial help. I want to ask the Minister of Education whether he will confirm that Mr. Schreyer—this is information, I think, that will come forward sooner or later if we have to, with it in documented form, but I want to ask the minister whether he will confirm today that Mr. Schreyer did offer financial assistance to MAST when he initially contacted MAST for the resolution of the dispute?

Mr. Lemieux: Mr. Schreyer talked to MAST and basically said why do these parties not get together and use voluntary mediation to solve their problems.

What I am saying is, when Mr. Bell and a high-ranking official from MAST came back to Mr. Schreyer and told them the amount, Mr. Schreyer did not pick the number out of a hat. Someone told him this. It was Mr. Bell and, I cannot remember the gentleman's name, a high-ranking official—because I cannot remember the gentleman's name, I apologize for that—from MAST. They approached government and said, look, here is the shortfall. They made a case for it. They did so because they were saying it is such a huge gap in salaries, up to 60 percent.

It is a situation where you had Mr. Bell and MAST as part of that negotiating team. MAST often participates in negotiations and contracts around the province and deals with labour disputes, in this particular case in Sunrise where the children ended up going back to school. It was great. There were 2000 kids back in school with not that much disruption.

I am concerned, of course, about Prairie Rose. I want to mention that because even though the parties are back to the table, they certainly have their challenges, but it is nice to see them back at the table. Well, it is not nice to see them back at the table, but I think it is appropriate that taxpayers would want them to be back at the table talking to each other and trying to solve their labour differences, whether they be pensions or salaries or whatever it might be.

Here in Manitoba you have a number of different divisions that have been able to either solve them themselves because of the amounts, I am presuming the amounts of money that the Province already supplies them. But in some divisions, they are not able to bridge the gap. I think everyone realizes now, as the Member for Russell (Mr. Derkach) mentioned, it is not a case of disputing the amount of money, because the gap was so huge there and it was so unusual compared to any other division.

I really think that the Sunrise School Division, through MAST or someone else, would thank Mr. Schreyer for suggesting voluntary mediation and trying to get them to bridge the gap. Sometimes it takes somebody else to get people together to start talking before they get too entrenched.

I hope that is the case in Prairie Rose. I know the member representing Prairie Rose is here today, and I know what it is like in small communities. People work together. They play hockey together. They coach together. They live together. They go to the same store together. It can be difficult.

So I hope that they are able to solve their dispute in an amicable way and have the children being bused once again.

Mr. Derkach: Well, Mr. Chair, the minister says that he is concerned about children and about the fact that there were 2000 children not riding the school buses in Sunrise, and he says that that is a different situation than Prairie Rose because there are only 900 children in Prairie Rose who are not riding the school bus.

I wonder what this minister would say to the public of Manitoba if one of those cars that is

transporting these children to school right now was involved in an accident where a child was killed. What would he say? Is it okay because there are only 900 students not riding the school buses, and in Sunrise there were 2000?

We know that the contract ended in Prairie Rose on December 31. We also know from sources that, in fact, Sunrise went on strike on the 8th of April, and in a week, in one week, government moved in and made a settlement because this was prior to an election.

We have Prairie Rose out on strike now for more than 15 days.

An Honourable Member: They did not ask for mediation.

Mr. Derkach: Oh, I hear the comment, they did not ask for mediation. Those children are still at risk who are driving to school in cars because the Manitoba Public Insurance corporation, I think, has some very specific rules about car-pooling and hauling children by cars as school buses.

I do not know what the minister has done about that, Mr. Chair, because this puts children in a very dangerous situation. Even if one child loses his or her life in a car vehicle accident, which is not transporting students with school bus signage, with proper authority, the minister has a problem. I do not want him to have that kind of a problem, to be honest with you. I wish that somehow that strike was settled in favour of the children so the children could be riding to school in safe buses once again.

*(15:30)

I do not envy the minister for trying to put a resolution to this, but the fact remains here that we had a government that moved expeditiously to resolve a dispute when the strike was called on the 8th of April and Mr. Schreyer intervened within hours of a calling of that strike because there was an impending election. We could trace the steps in terms of whether or not there were any signals about an election coming, but I am not going to do that here.

I want to ask the Minister of Finance a question. In his responses yesterday in the House, the

Minister of Finance says, and I quote: "Once again, Mr. Speaker, they are trying to construct a theory that because there was a fixed date on an election, an employee went out with a sack of money to solve a problem."

Now, that is a very interesting statement. The Minister of Finance made that statement in response to a question yesterday, which says to me that the minister has confirmed that there was a fixed date for the election that was known, because I quote that again: "Once again, Mr. Speaker, they are trying to construct a theory that because there was a fixed date on an election, an employee went out with a sack of money to solve the problem."

The Minister of Finance here confirms that there was knowledge of the election date. Not my words, Mr. Chair. Those are the words of the Finance Minister.

Now, I want to go back to ask the Minister of Finance: When, in fact, did Mr. Schreyer join the employment of Treasury Board?

Hon. Greg Selinger (Minister of Finance): First of all, the member's previous point, I was summarizing the point of view of the Official Opposition. I was not confirming a date for an election. So I just want the record to be clear on that. I think that was how it was understood at the time that I put it across.

With respect to the employment date of Mr. Schreyer, I would have to get specifics on that, but it was about four years ago. I believe it was in the first year of our new mandate, but I would have to confirm the dates on that.

Mr. Derkach: Can I ask the minister: What position was Mr. Schreyer appointed to when he was appointed by Order-in-Council to government?

Mr. Selinger: Once again, I would have to check the Order-in-Council, but, as I understand it, he was appointed as Secretary to the Compensation Committee of Cabinet.

Mr. Derkach: So he was appointed as a political appointment to the secretariat of the Compensation Committee of Cabinet. Is that correct?

Mr. Selinger: I am not sure it is appropriate to characterize an Order-in-Council appointment. As a matter of fact, I do not think it is appropriate to characterize an Order-in-Council appointment as necessarily a political appointment. He was appointed because of his professional experience, over 20 years, up to 30 years in labour relations. I think that was the reason he was appointed, because of his long experience in labour relations.

Mr. Derkach: Well, Mr. Chair, that is not the case. Can I ask the minister whether Mr. Schreyer has contributed to the New Democratic Party financially?

Mr. Selinger: I would not know whether he has or has not. I would have to check the records on that. I think it is a matter of public record that donations over a certain amount are a matter of public record. I think those records are available to the member.

Mr. Derkach: Well, Mr. Chair, I think I make my point. The next question I have for the Minister of Finance is: Is Mr. Schreyer being paid for through his appointment as the secretary to the committee of Cabinet, or is it now a committee of Treasury Board?

Mr. Selinger: Compensation Committee is a subcommittee of Cabinet and it has Cabinet members on it. Mr. Schreyer is an employee of Treasury Board. Treasury Board is a committee of Cabinet as well.

Mr. Derkach: Mr. Chair, through you to the Minister of Finance: Can the Minister of Finance indicate whether Mr. Schreyer then acts on his own, or acts on the direction of a lead minister of the committee of Treasury Board or Cabinet, or does he act on the instructions from the Premier himself?

Mr. Selinger: As I indicated before in Hansard in the House of September 25, Mr. Schreyer, as Secretary to the Compensation Committee, provides information to the members of that committee. He monitors the dynamics of labour relations that are going on in the community, in the public sector in particular. He has discretion to contact employers, as he did in the case of MAST. This was the same behaviour that

occurred by previous secretaries to Compensation Committee. They had the ability to reach out and talk to employer representatives about the labour relations processes they were involved in.

Mr. Derkach: The minister is wrong, I hate to inform him, because nowhere did we have the Secretary to Treasury Board or the secretary of a subcommittee of Treasury Board ever contact a labour group or an employer group with money to resolve a dispute.

Now, I want to ask the Minister of Finance whether Mr. Schreyer has a discretionary amount of money that he is able to use for his purposes to settle disputes in the public sector or otherwise.

Mr. Selinger: No, I do not believe he does. Any issues with respect to money, he has to get government approval for making any commitments in that regard.

Mr. Derkach: What the minister is saying is that Mr. Schreyer came back to government, to himself as minister, and indicated how much money it would require to settle the dispute between Sunrise and CUPE.

Mr. Selinger: The member would have come back with information to the compensation subcommittee about what he thought was an appropriate amount based on the information he had received from the employers in question.

Mr. Derkach: Can the minister tell me whether Mr. Schreyer has authority to offer even \$1 in financial assistance in the settlement to a dispute prior to coming to the minister or to government?

Mr. Selinger: I do not believe he does. I believe he has the ability to talk to people about the nature of their problem and to discuss with them what possible solutions are to that and only to take that information back and to offer advice to the compensation subcommittee on what is reasonable and appropriate in the circumstances.

Mr. Derkach: So is the minister saying that Mr. Schreyer did not have any authority to offer any financial assistance to MAST when he met with

MAST officials to help settle the dispute between Sunrise and CUPE?

* (15:40)

Mr. Selinger: No, actually I am not saying that. I am saying that he had the ability, obviously, to discuss their needs in relation to resolving this matter, and if there was something that grew out of that, that needed final approval on, that would come back to government, but, certainly, he had the ability to discuss their requirements that grew out of the mediation process in discussions he was having with the employer and their bargaining agents.

Mr. Derkach: Mr. Chair, my question is specific. Did Mr. Schreyer have any authority from the minister to offer financial assistance to help resolve the dispute between Sunrise and CUPE on the first occasion when he met with MAST officials?

Mr. Selinger: Once again, I think what I am saying, and I know what I am saying, is that he had the discretion to discuss with them what their needs were. In any collective bargaining process, one of the key issues usually is resources. In this case, it has been made clear, I think, in previous responses to questions, that there were wage disparities up to 56 percent between the merging units. Certainly, in the early letter put to the Government from that school division, they identified that as one of their key issues was wage disparities, and they were bringing that to the attention of government as one of the concerns they had. So, obviously, any government official that would be talking to the employer or their bargaining agents would be talking to them about what resources they thought they needed to resolve that labour dispute.

Mr. Derkach: Mr. Chair, my question is fairly specific and the minister understands it. He may choose not to answer it, but he understands it. The question is whether Mr. Schreyer had the minister's authority to offer financial assistance to assist in the resolution of a dispute between CUPE and Sunrise School Division on that initial meeting that he had with MAST officials. I am not talking about what discussions they had about financial arrangements that needed to be

made. The question is direct. Did he have authority from the minister to offer financial assistance on that first meeting he had with MAST officials?

Mr. Selinger: First of all, I have to repeat that the employee in question was the secretary to the compensation subcommittee and his authority flows from the whole, from the members of the committee. He had the ability to go out and discuss with the employer representative what their needs were to resolve that dispute. Among those needs or, perhaps, most importantly among those needs, were those identified in the letter that that school division had sent to the Minister of Education (Mr. Lemieux). They identified their needs as resources to resolve wage disparity issues. So, certainly, he had an ability to discuss with them what they felt their needs were to resolve the wage disparity issues when he initially met with the employer representatives.

Mr. Derkach: Well, Mr. Chair, now we have a bit of a different twist to this, because the minister in his responses in Question Period said that the only thing that Mr. Schreyer offered the board was mediation. Now he has confirmed that Mr. Schreyer did, indeed, enter into discussions about the financial needs of the division when he met with MAST. Now, also, my information is that Mr. Schreyer actually offered financial assistance on his first meeting with MAST to help resolve the labour dispute between Sunrise and MAST. I am asking the minister: Who gave him the authority? The minister said he did not give the authority because the authority comes from the Compensation Committee of Cabinet which is made up of several ministers. So did the Compensation Committee of Cabinet meet to discuss the strike at Sunrise which had just occurred on April 8, I believe? Did, then, the Compensation Committee of Cabinet authorize Mr. Schreyer to offer financial assistance when he met with a MAST official shortly after the strike began on April 8?

Mr. Selinger: I do not have the log of when the Compensation Committee met, but the Secretary to the Compensation Committee has a job description which allows him to talk to employers about their needs. Yes, he did offer them mediation and he was aware of the letter that had

been sent to the Minister of Education identifying the wage disparity issue.

Presumably, that issue would have been on the table when he discussed it with them, but he discussed with them their requirements in the context of a mediation solution, which is what I have identified in the Legislature was the vehicle that he offered them to resolve the dispute.

Part of that mediation process was the discussion of resources, and the Secretary to the Compensation Committee would obviously be discussing resources because that was the issue they put on the table as part of their initial letter and as part of their voluntary decision to enter into the mediation process.

Mr. Derkach: Well, Mr. Chair, if the minister was so confident about the fact that there is nothing to hide here, he would simply say, yes, I gave them authority to discuss what financial assistance we could give the board when he met.

The minister continues to skirt around this direct question, does not answer it. He now implicates the rest of the subcommittee of Cabinet, that he did not give the instructions, that this authority comes from the subcommittee of Cabinet.

So, Mr. Chair, there must be something here that the minister is hiding, and I leave it to him to come clean or to continue to try to cloud the issue.

But I want to ask the minister, as well: Has Mr. Schreyer been involved directly with other labour disputes in this province, and can he identify which those disputes were?

Mr. Selinger: Just with respect to the Member for Russell's comments, I have not been skirting the issue. I have been trying to clarify the way the process worked. The process is such that the Secretary to the Compensation Committee has the discretion to discuss with employers problems that they are experiencing in labour relations. In this case, we had a labour dispute or a strike under way. He was able to go out and offer them the opportunity for voluntary mediation. As I have said in the Legislature, if they did not want to enter into that voluntary

mediation process, then that would have been the end of it.

It was also clear through a letter which the Minister of Education (Mr. Lemieux) has identified was sent to him—[*interjection*] I believe the date was March 24, that they had identified a resource issue with respect to wage disparities in the merging school divisions, and those wage disparities were large, in some cases up to 56 percent. Those wage disparity issues were known, were communicated to the minister by the school division. When he contacted the employers' bargaining representative through MAST, he offered them voluntary mediation, and he was aware that wage disparities were one of the issues that were resulting in the strike occurring.

So, clearly, the first step was to see if voluntary mediation was of interest to the parties involved in the labour dispute. In the context of that, the wage disparity issue and the resources to address that were clearly part of that discussion.

Mr. Derkach: More interesting information, Mr. Chair. The minister has just said that the letter of March 24 identified the wage disparity which signaled to the Government that there was a problem.

Is the minister now saying that a decision was made to assist this division financially prior to the strike, since the letter had been received, and that there was an identification by the minister that there was a wage problem that had to be addressed? Is he saying that the Government had already made a decision to help financially before the strike occurred?

Mr. Selinger: No, I am definitely not saying that. I am saying that only once the strike had occurred did the Secretary to the Compensation Committee make contact with the Manitoba Association of School Trustees who, I understand, are acting as the employer's bargaining agent in these matters.

So that construction by the member, I think, has to be emphatically stated as being inaccurate.

Mr. Derkach: Well, Mr. Chair, we are just trying to put the pieces of the puzzle together

because the minister refuses to answer the direct question, whether Mr. Schreyer had authority from him or the Committee of Cabinet to offer financial assistance on the initial meeting that he had with MAST officials. The minister will not answer that.

* (15:50)

But, Mr. Chair, I have also asked what other labour disputes Mr. Schreyer was directly involved in in settling in terms of labour disputes in this province, and which ones he was able to resolve by offering money.

So the minister continues to skirt the issue. Now, Mr. Chair, we have a situation where on the 8th of April, the strike occurred. It did not mean that the parties were no longer talking to each other. It just meant that the strike had occurred, just as we have in Prairie Rose.

Within hours of the strike, Mr. Schreyer meets with MAST to offer financial assistance. I want to ask the minister whether any financial assistance has been offered to Prairie Rose to help in the settlement of the dispute that they have with CUPE and the bus drivers at Prairie Rose?

Mr. Selinger: The member has drawn conclusions which I do not think flow from what I have said. I have said that the Secretary to the Compensation Committee was aware, because of the letter sent to the Minister of Education, that there was a wage disparity issue. He approached the employer or the bargaining agent to offer voluntary mediation and was aware that resources were part of that discussion and worked with the employer and/or their bargaining agents to try to resolve that in the context of mediation.

The Secretary to the Compensation Committee, as I understand it—and this is, I understand, normal practice in previous administrations—had that discretion to contact employers and discuss with them their labour relations matters. Usually, labour relations matters involve questions of resources. So it is not unusual to assume that resources would be discussed when the Secretary to the Compensation Committee talks to any employer or their bargaining agents. I mean, that is clearly one of the issues that is under discussion.

Now, that is not to say, as I indicated earlier, that they go out there with a specific or pre-conceived amount of money in question. They go out there to see what the needs are and how they can be resolved in a way that addresses the labour dispute.

Mr. Derkach: Mr. Chair, I know that the Leader of the Opposition (Mr. Murray) has some questions for the Premier (Mr. Doer), but I will just ask the Minister of Finance one more time.

The Minister of Finance has clearly tried to dodge the issue about direct financial assistance by the Secretary to the Compensation Committee of Cabinet to the employer. I do not know of any other time in history—and I have to tell the Minister of Finance that, in fact, we have been doing research in this regard to see whether or not at any other point in history a Secretary to the Compensation Committee of Cabinet has gone out to offer direct financial assistance in a labour dispute.

Now, whether it is voluntary mediation or not is not the point. The point here is that on the eve of an election, the secretary, a political appointee to the Compensation Committee of Cabinet, goes out, meets with MAST officials and offers to resolve a labour dispute with money.

Now, I do not care how you cut this thing, it is still unethical, to say the least, to offer money because two parties cannot see their way to resolving a salary dispute.

The other offensive issue here is that the officials of the school board were given every indication prior to the election that this money would be billed into the base budget of the division, and now after the election has been held, the board has now been informed that this will not be built into the base of the budget, that, in fact, this is one-time support over a period of three years.

So, Mr. Chair, I have to say that there are some issues with regard to the process at least, and in my humble opinion, some political interference by the minister, both of Education and of Finance, into a labour dispute that is highly irregular and suspicious because of the

timing, just days before an election. I leave that with the minister. I leave it to him to try to explain to the public of this province and to become accountable for the way in which he has jurisdiction over taxpayer money.

Mr. Selinger: The member has made a long statement there. I just want to correct some of the inaccuracies that I believe exist in that statement. First of all, I understand that it is common practice for the secretary to a compensation committee to talk to employer groups about what their needs are with regard to resolving a labour dispute. Usually, those needs in part relate to resources. Usually, those needs relate to resources and the secretary to a compensation committee can understand those needs and listen to those needs and search for ways to help the employer resolve that matter. So I do not think there is anything unusual about that from what I have been led to believe.

Then, secondly, if they have some needs that they need to find, if some of those resource requirements are required from government, they can bring that discussion back to the compensation committee for resolution. In my experience, there are many times when secretaries to compensation committee come back with recommendations on how a labour matter can be resolved that involves resources, resources that have to be budgeted for, and, in this case, as I understand it, in the first year there was a sum of \$112,000 that was needed to match the two thirds that was put on the table. This \$112,000 equalled the one third, and that this money was found by the Minister of Education within the school grants program, which, as I understand it, is about \$750 million. So it seemed that with that contribution of one third to match the two thirds, there could be a resolution of this matter over three years as part of the collective bargaining process. So, as I understand it, this is the role that the Secretary to the Compensation Committee plays.

Then the member puts this in the context of an election, which was called, I believe in early May, some three to four weeks later—

An Honourable Member: April 17 to May 1 is four weeks? What kind of a calendar do you work out of?

Mr. Selinger: Well, once again, I do not recall interrupting the member when he was making his statement, but I am indicating to the member that he made contact—the strike occurred on April 8, if the facts are properly recorded, and the member contacted the MAST organization on April 8 to see what resolution could be brought to this matter through—

An Honourable Member: So get to the strike.

Mr. Selinger: The strike had occurred and that is what triggered the attention of the secretary to—

An Honourable Member: So, if Prairie Rose went on strike, would you contact them?

Mr. Selinger: Well, once again, he offered them a resource. The member is interrupting. I do not recall anybody interrupting him when he was speaking. All I am saying is that the member approached them once it appeared that the collective bargaining process had broken down and that it had resulted in a strike. He offered them support through voluntary mediation, and, obviously, that process involved a discussion of resources. I mean, that was what had been identified in the March 24 letter to the Minister of Education.

Then the question of the context of an election. Clearly, the Government was in the latter part of the third year of their mandate, and there was the discussion of whether an election would be called in the spring or the fall, but there was no fixed date that had been communicated to anybody that I am aware of in terms of that election coming. That was entirely in the Premier's mind when that date would be identified and announced publicly.

* (16:00)

Mr. Derkach: Mr. Chair, I know the leader of our party has questions for the Premier. Just in the interim, I will ask one more question of the Minister of Finance.

The Minister of Finance has just confirmed that Mr. Schreyer contacted the MAST organization on the 8th of April, which was the day of the strike, and offered them financial resources

to resolve the dispute. That in itself is offensive because we have Prairie Rose that has been on strike for 15 days and they have yet to be offered any financial assistance to resolve their dispute.

Mr. Chair, if we are talking about children, if we are talking about the safety of children and if we are talking about the need for children to have access to transportation to get their education, which the minister himself alluded to in his responses to questions yesterday, he said they were looking at two months of school left in the school year and that they wanted to ensure that children had access to the school by having transportation provided to them.

We still have approximately seven months of school left in this school year and children are already 15 days without that service. Yet the Government has not seen fit to authorize Mr. Schreyer to offer financial resources to resolve the dispute between Prairie Rose and CUPE.

So we have two standards now being used and the rationale the minister is using is that the disparity in harmonizing the salary was greater in Sunrise than it is in Prairie Rose. However, there are other extenuating circumstances. If you look at the total package of amalgamation and what is coming down the pipe for Prairie Rose and, perhaps, other divisions, that cost can indeed be greater than what the settlement was in Sunrise. For some reason or other, the Government is reluctant to act on this one.

Mr. Chair, I am going to leave it at that because I think the minister himself has put some inaccurate statements on the record. As a matter of fact, he said that the \$112,000 was arrived at over a period of three years. I think we have established that it was not \$112,000; it was \$428,000 over a period of three years. We will just leave it at that for now. Hopefully, as this matter continues to unfold, we will get to the bottom of what really went on in the circumstances surrounding Sunrise School Division and the election that was called on May 2.

Mr. Selinger: I indicated in Question Period today that mediation was also made available to MAST for the Prairie Rose situation. I just wanted to reiterate that for the record.

Mr. David Faurshou (Portage la Prairie): I want to ask but one question of the Minister of Education and Youth. I have made mention of it at one other occasion but, for the record, I want to ask the minister, in regard to support for children at risk, the Department of Education and Youth recognizes the 2001 Canada census to identify individuals, students of the school divisions in the province for a level of support. The minister understands that is the foundation for support. However, I would like to emphasize, in light of the current situation facing Portage la Prairie and the number of students being bused into Portage la Prairie, in addition to already a significant number of students in the Portage la Prairie School Division that have been identified as potential at-risk students by the school division itself. I will suggest that it has been estimated that the department's figures for children at risk are understated by as much as 30 percent, using the 2001 statistics.

More recently, one is aware of the situation at Swan Lake, where the administrative offices were occupied for a little time, as well as the uncertainty that is with the election and appointment of new chief and council at Sandy Bay, whether that is the premise or not, I will not say, but in any event there are significant numbers of students now being bused from both those communities.

I would like to ask the minister for his commitment today, on behalf of his department, to further investigate the potential for re-examining the actual figures of students at risk or candidates for support under that particular program in the Portage la Prairie School Division. Will he do that today? Because this issue is of paramount concern to not only the students, teachers and parents of the Portage la Prairie School Division, but the community in general.

Mr. Lemieux: Mr. Chairperson, as a government, we have never had a closed mind or closed door to any request or suggestion with regard to any challenges that we have, not only in the education system, but with regard to other departments or other issues. I just want to say to the member from Portage la Prairie we have certainly spoken off the record about this, and we have talked about the numbers that are being used, but I have to tell you that with regard to

Level 1, Level 2 and Level 3 funding, with regard to special needs, our Government has introduced many more dollars than the previous government did. That is maybe not a dispute today, but what I am trying to say is that we have continued to support special needs, whether it is Level 1, Level 2 and Level 3.

Now those are virtue of applications that are made to the department and through the department, and are conducted at the school level prior to coming to government. So I just want to say that we as a government talked about appropriate educational programming. We talked about bringing legislation in with regard to appropriate educational programming and we are committed to that.

With regard to the numbers that the member from Portage refers to using StatsCan numbers from 2001, I am not clear on exactly what he is referring to. The numbers, I have no doubt, are accurate, but I am not sure the point he is trying to make with regard to using those numbers.

Mr. Chairperson: I thought you asked one question.

Mr. Faurshou: Mr. Chairperson, what I am looking to ask is to review the actual level of support for students at risk, and rather than using the 2001 Canada census form, to effectively recognize the figures or documentation from the Portage la Prairie School Division for the allocation of resources which are desperately needed by the Portage la Prairie School Division.

Mr. Lemieux: Mr. Chairperson, resources do vary from division to division, but based on their circumstances, as I mentioned in my earlier answer, we do not have a closed door or a closed mind to receiving suggestions or having input from school divisions.

Having said that, I met with the Portage la Prairie School Division about five months ago, thereabouts. We discussed this particular issue. I made a commitment at that time that the department would be looking at the different numbers and would see what the difference would be between the StatsCan number and the number the Portage la Prairie School Division was putting forward.

I can get back to the member about this particular area. I do not know what kind of analysis has been done from the department to take a look at what the real difference would be as far as dollars go or what challenges that would pose. I will have either departmental officials get back to the member or I will get back to the member with regard to this issue.

* (16:10)

Mr. Stuart Murray (Leader of the Official Opposition): I wonder if the Premier could confirm that during the 1999 election campaign he made a comment that indicated he would be serving as the ethics chair for his party and for his Government.

Hon. Gary Doer (Premier): That is inaccurate.

Mr. Murray: Is it the date that is inaccurate?

Mr. Doer: If the member opposite wants to go through the whole Monnin inquiry, I am perfectly prepared to do so.

Mr. Murray: That is probably interesting reading. My question simply was: Did he indicate he would be the ethics counsellor, the ethics commissioner for his party?

Mr. Doer: This will take at least an hour to explain to the member opposite because the whole discussion came about as a result of the discussions and legislation that arose from the Monnin inquiry. I am perfectly prepared to go there if the member opposite wants to discuss the Monnin inquiry in 1999 and its findings. *[interjection]* If you want to know the context, if the member opposite wants to get into the Monnin inquiry, I am very ready to go.

Mr. Murray: I guess the sensitivity—maybe, perhaps, the First Minister is being hoisted on his own petard. I just asked the question very seriously whether he indicated he was going to do that. I am just asking for factual information. I believe that is what the process is about is to ask questions to move ahead.

I take it that perhaps there was something wrong with the date but that, in fact, the First Minister at that time indicated he would be the ethics commissioner for his party.

On that basis, I wonder if the First Minister could share with us today whether he believes the Minister of Education when he talks about Sunrise saying that it was all about the children, or whether he believes the Minister of Finance who said that Mr. Schreyer was instructed to get in touch with the people at MAST and Sunrise. As the ethics counsellor, which of his ministers would he agree with?

Mr. Doer: Both ministers have been answering questions for a considerable period of time. I would ask the member to read through their answers. They are on the public record.

Mr. Murray: As is the First Minister on the public record about being the ethics commissioner for his party. On that basis, the questions are not put toward the Minister of Education or the Minister of Finance. I am asking the Premier, who, I believe, is the individual who would have to make the decisions when issues around—as we are talking about Sunrise. The Minister of Education has been asked numerous questions. I understand that, as has the Minister of Finance. We have one minister saying one thing and another minister saying another thing.

I am happy to read transcript. As a matter of fact, I will tell the First Minister I have been reading the transcripts. I am asking him as the First Minister: Which one of his ministers does he believe?

Mr. Doer: Well, Mr. Chair, the bottom line is that the ministers are responsible for their area of responsibility. They are carrying out their responsibilities pursuant to their oath of office.

Mr. Murray: Mr. Chair, I wonder if the Premier could confirm that he made reference to the fact that he signs all the cheques; in other words, that the buck stops with him when it comes to decisions, particularly around finances.

Mr. Doer: That was a statement made about an issue. The bottom line is there are delegated authorities throughout government. I have great confidence in our Finance Minister (Mr. Selinger). I think it is very important if you read the Public Accounts today, you will find that the Minister of Finance has had the best record in 10 years, again, on coming in within the Budget of the provincial government on the expenditure side.

You will find in the Public Accounts that the Minister of Finance and the whole government in the years prior to the election campaign have underdrawn from the rainy day fund. In fact, the payment to debt, when you subtracted the rainy day amount, was about \$75 million, over \$70 million in terms of net positive results in the Government.

I am sure the member opposite will want to read the Fourth Quarter statement of the provincial government which indicated a .2 variation. I think that there was only one Conservative year that had a better performance and that was in the '92 year, but that was when the deficit was \$865 million. We had a plus \$70 million when you take into consideration the Public Accounts.

So the overall performance of the Government is pretty positive. We just recently received another credit upgrade. I would have thought the Leader of the Opposition and his whole opposition bench would be very, very positive towards the government of the day for the second credit upgrade within nine months, the second credit upgrade. I do not think there has ever been two credit upgrades in a period of nine months in a long, long time.

In terms of the big picture, in terms of the Minister of Finance dealing with the challenges, it is the Minister of Finance's responsibility to deal with the cost-effective delivery of services in government through the Cabinet, and it is the Minister of Education's (Mr. Lemieux) responsibility to deal with the education of children.

Mr. Chair, members would know that there are always interesting challenges within different responsibilities in government. The Minister of Finance is often the goalie for government, but he also has to be a person trying to find solutions to challenges.

I think that the Public Accounts and the latest upgrade, Mr. Chair, speak more. We can argue back and forth and do what politicians do, but you have independent financial institutions in Moody's in January of 2003 and then an independent body in September of 2003, both saying the province's financial situation is positive. You have the Fourth Quarter report out now today. I thought you would be asking

questions about our Fourth Quarter statement which was out at the end of our year. I think you can find that not only did we outperform what we said we would in the Third Quarter and the Second Quarter, which, by the way, was not released before the election, we outperformed it.

Oftentimes, you will find with governments and, oftentimes, as we found in 1999, governments say one thing and then something else happens after the election campaign. In terms of the big picture, the big picture is that we did better. We did better.

So, if he wants to fight the '99 election again, if he wants to refight the '99 election, I am pleased to go there. If he wants to fight the 2003 election again, I am pleased to go there. I am pleased to go there right to the year 2008 and fight it again with the member opposite.

Mr. Murray: I wonder if the First Minister could recall a conversation that took place on a radio interview that he does every Wednesday morning when he was asked about the fact that Manitoba Hydro was suffering losses because of the drought situation. He responded to the question, stating that any shortfalls of Manitoba Hydro would not be in jeopardy because of, I think it is over a billion dollars, I believe, was the number he talked about in retained earnings. I am just a little curious if the Premier could confirm as to how much cash is in retained earnings.

* (16:20)

Mr. Doer: The member opposite, I am not sure whether he was at the Hydro committee, but all those questions were asked of Hydro, and all those questions were put to the committee members last Wednesday night, as I recall it. There was nothing in the committee that was inconsistent with what happened in the First Quarter report of Hydro. Hydro put out a report. In fact, a couple of weeks before Hydro put out a report, people were talking about the impact of the drought.

The one interesting part about the Hydro First Quarter report, it said that there was a \$51-million loss in the first quarter of Hydro's operations. The one thing I said to the member

opposite before the committee, if there is no surplus, there is no dividend. It was kind of interesting because members opposite have been saying this is a raid, this is this and this is that, even though many Conservative provinces and many Liberal provinces have dividends based on surpluses.

First of all, we would prefer not to have a drought; it is having a major impact on our water levels. The member opposite would know this, having access to a cottage in the Winnipeg River system which produces 40 percent of the water. *[interjection]* I am not going to deal with the fantasy world of the member from Springfield, but he is welcome to his fantasy world. It looks like a very, very creative mind is at work over there. The last time I saw something from the Member for Springfield (Mr. Schuler) he was running around Springfield saying the sky is falling, the sky is falling, the NDP is going to build a casino in your backyard or in your front yard. *[interjection]*

Mr. Chairperson, if I could conclude my answer on Hydro, I was being rudely interrupted by the member from Springfield. Trying to deal with his fantasy world at the same time I am trying to answer a very serious question from the Leader of the Opposition is sometimes awkward, but back to point.

Hydro, obviously, has had a very tough year with the drought, but it also—

Some Honourable Members: Oh, oh.

Mr. Chairperson: Order. The honourable First Minister has the floor.

Mr. Doer: The committee went through the hearings, et cetera. I am sure he has gone through Hansard, but we always said that the dividend to deal with the economic events after September 11, to deal with the federal accounting error, we always said that those dividends would only be subject to a surplus. They could not come out of a situation where there was no surplus. I think that was gone over hour after hour a week ago Wednesday. I am sure the member opposite has read the testimony from Hydro and from the minister responsible.

Mr. Murray: That is a fairly long rambling non-answer. I just would ask the First Minister, is he aware of how much cash is in retained earnings in Manitoba Hydro?

Mr. Doer: Well, Mr. Chairperson, I want to be accurate, but the issue of retained earnings was dealt with at committee last week. I would refer the member to the Hansard and the CEO's answer.

Mr. Murray: Well, that is a very curious answer, only on the basis that when this First Minister and his Government decided to raid Manitoba Hydro of the \$288 they did not have, he did not seem to be that careful about consulting with anybody. It was kind of a raid in the middle of the night.

I am trying to get an understanding and perhaps he could recall back to an answer he gave on radio, which would have been a couple of weeks ago. It is not that long ago because it was a big issue with respect to the fact that Manitoba Hydro was experiencing a drought and there was a concern about where rates might go. There is some suggestion that rates might have to go up 18 percent, 15 percent. That is an option.

When asked specifically about it on the radio program, the First Minister was very confident to say people should not worry about a thing with respect to Manitoba Hydro because they had a certain number of dollars. I do not know if it was \$1 billion. Again, the First Minister's knowledge of this issue is why I am asking the question.

I, like him, can also read Hansard, but I think it is an important, a huge issue for Manitoba. It is one of our Crown jewels as we all know with respect to Manitoba Hydro. I just find it interesting. Again, I am just curious if the First Minister could just explain and then we can move on to other issues, but how much cash, with respect to Manitoba Hydro, how much cash is there in retained earnings?

Mr. Doer: I heard that you were talking about the radio. On the same radio station, I heard Mr. Brennan comment on the retained earning amount. I believe the member opposite would

have heard that. I believe he commented on it in committee last week. I want to double-check the number to make sure it is accurate because if I am off a nickel or something I will get criticized.

The second point is the member opposite talks about Crown jewels. That is why he will know how upset we still are about the sale of a Crown jewel at \$13 a share, and now it is \$40 a share some five or six years later. So the term Crown jewels is something we understand—

Point of Order

Mr. Chairperson: Point of order being raised by the Leader of the Official Opposition.

Mr. Murray: I just want to make sure, if I clarify, if the First Minister is referring to MTS, which I believe I was in attendance where he personally handed them an excellence in management award. Is that the same MTS we are talking about? I just wanted to clarify for the record.

Mr. Chairperson: Disputes as to facts are not points of order.

* * *

Mr. Doer: So I will continue on in my answer. I was very delighted to give the management excellence award to the management of the telephone system, the telecom system. Mr. Bill Fraser was a person I put over there as the comptroller when it was a Crown corporation to deal with some challenges there as a new minister. He is an honest, capable, competent individual. He was the comptroller, then the manager of the system when it was sold.

The management had been constant; the shareholders have not. The shareholders have gone from the people of Manitoba to people outside of this province. So the issue has never been the issue of management. It was why did you sell a Crown corporation, a Crown jewel for \$13 a share? It is now over \$40 a share. The people of Manitoba were absolutely double-dealt by the former Conservative government and that is why nobody will ever trust you with a Crown corporation again in Manitoba, rightly so.

Mr. Murray: Classic that the chipmunks behind would be applauding the fact that he believes it is bad when there is value in stock. That is incredible; that is absolutely incredible that he would believe that, but that is the true leader coming out in this—

An Honourable Member: Point of order.

Some Honourable Members: Oh, oh.

Mr. Chairperson: Order, please.

Point of Order

Mr. Doer: It is against our rules for the Leader of the Opposition to call the member from Springfield a chipmunk. I think he should retract that comment.

Mr. Chairperson: This Assembly is a House of honourable members, and we should be very careful in speaking our words when we are referring to a member of this Assembly.

* * *

* (16:30)

Mr. Murray: Right, well, thank you very much, Mr. Chair. I would just make comment that I am surprised, as I have been asking the First Minister just how much cash is in retained earnings because of the way that they have treated Manitoba Hydro. I think it is just fascinating that with two or three attempts to try to clarify that, with the Minister of Finance sitting within earshot, that everybody would know, if they had run a business or been involved in a business, and, certainly, the president of Hydro would know, and it is right in Hansard if the Premier would care to read it, that there is no cash in retained earnings according to the president of Hydro. That is the issue. Understand the fact that there is no cash in retained earnings.

Anyway, I digress. To the facts. When it comes to this First Minister who is involved, obviously involved, with the decision that was made to have one of their political staff, Mr. Schreyer, cut a deal with Sunrise School Division prior to an election campaign, I would ask the First Minister if he believes that the issue was dealt with with respect to the way the

Minister of Education says it was about the children, or if he believes that it was dealt with in respect to the way that the Minister of Finance talks about the fact that the political staff person went out because that is what people from Treasury Board do in a labour dispute.

Mr. Doer: Mr. Speaker, I said before, the Minister of Finance and Minister of Education have answered this question. To me, the kind of gotcha questions that the member opposite is asking—the Minister of Education has been before this Assembly for hours, the Minister of Finance has been before the Leader of the Opposition just a few, for the last period of time. The bottom line is their statements speak for themselves.

Mr. Murray: Would the Premier agree that it would be inappropriate to have political interference to settle a strike prior to an election campaign?

Mr. Doer: The issue of the election campaign, members opposite can try to construct some kind of conspiracy here, but I can assure the members opposite that the decision to have an election is based on a number of factors. One would look at Ontario, an election was delayed at least two weeks from the time it was potentially scheduled or rumoured to take place because of the lights going out in Ontario.

I know in Manitoba, the biggest concern we had all the way through the spring period, and I just want the member to know this, the biggest concern I had as Premier was SARS. That was the biggest issue that I was concerned about and preparing for West Nile. Those were factors that certainly we knew that in the fall of 2002, there were people that lost their lives because of West Nile. We were trying to work with the City on a West Nile strategy. We also knew that there were incidents of SARS in Ontario, in British Columbia, there were rumours and tests going on in Saskatchewan and in Alberta about SARS.

I mean, you can go after this issue of election timing, but I want to say to the member opposite, there were other issues as well. There was no issue that would be more important than the issue of the public health of people. Quite frankly, at that time, in the dates you are

referencing, there was still some uncertainty about this disease. Obviously, that was one of the considerations that any government should make.

There were so many other factors, I think members opposite would know that I committed ourselves to bringing the House back. There was a rumour a year ago that we were going to call an election. Every time there was a poll that was out, there was a rumour about an election. Then there were rumours about an election again before we were going to call the House back. Members opposite said, oh, when are you going to call the House back? Then there were rumours that we were not going to bring in a budget because we were too scared to face the House with a budget. Every week there was another rumour. Now there is a retroactive rumour.

I am just going to tell the member opposite that they can put this retroactive spin on something, but you know what? We do have to deal with hundreds of issues. This was one of the hundred issues that ministers were dealing with. The big public health issues were the most important issues that we were facing, as well as getting ready to present a budget to the Legislature. In fact, that is what we did.

But some of the rumours, I remember the rumours going on from members opposite that we were going to call an election a year ago. Then they were going to call an election in the fall of 2002; then we were going to call an election and not face the House. Most of the predictions, the kind of political predictions, and, I would dare say, the political analysis retroactively were, quite frankly, wrong. We had no difficulty facing the House with a budget. Certainly, those were the dominant issues that were on our radar screen at the time. If you want to think something else was more important than that and was the issue that had an election or not, quite frankly, you are so far off base. It might make good political comment.

I can assure the member opposite, my biggest concern in the spring of 2003 and remains one of the largest concerns we have is the whole issue of public health and the whole issue of disease. Look at what is going on in Ontario now with the inquiry. Look what is

going on with some of the testimony coming out. Look at what is coming on in terms of some of the issues that we are going to have to deal with. Those are very serious issues. These are very, very, very important life-and-death issues.

I can assure members opposite that those were the issues that we were thinking about and I was thinking about. Some of these other issues that you are trying to say was this and that, that is not true. You will continue to work away at it and try to create this.

I just want to assure you that there were a lot bigger, bigger issues to deal with. There are a lot of big issues right now. The BSE issue is huge right now in Manitoba. It is a very, very important issue. Members asked a lot of questions on it. We have talked about it a lot. I just want to go back to the fundamental premise. The election timing, all the predictions about election timing had been wrong before, and, quite frankly, now the retroactive analyses are wrong.

Mr. Murray: I would say that we hear the First Minister, we hear the Minister of Finance having this sort of their words, some sort of a conspiracy. If there is no conspiracy, then my question is very, very simple. Was it the Premier or the Minister of Finance that directed Lloyd Schreyer to solve Sunrise's problem with a \$428,000 commitment on behalf of the taxpayers of Manitoba prior to the election call? This so-called issue just, it goes away. If we understand, it was the Premier that directed him, or was it the Minister of Finance that directed Mr. Schreyer to put a bag of money on the table to solve the issue in Sunrise? There is the issue, Mr. Chairman, no conspiracy, just a straight-ahead question.

Mr. Doer: Well, 80 percent of the rhetoric in the question is false, so I am not going to dignify it with an answer.

* (16:40)

Mr. Murray: Well, again, it is just simply a matter, and the First Minister, the Minister of Finance (Mr. Selinger), the Minister of Education (Mr. Lemieux) wonder why we ask these questions. It is just very simple. All we need to know is who directed Lloyd Schreyer, and we move on. But the fact is that they will not come

clean. They will not say who directed Mr. Schreyer to politically interfere with a labour dispute prior to the election, and so the questions will remain.

Mr. Harry Schellenberg, Acting Chairperson, in the Chair

The First Minister says that he does not want to dignify a question with an answer. Clearly, that is his prerogative. We have been hearing that from that side on this issue for some time, but it does not ring true that Mr. Lloyd Schreyer would go out on his own horse and decide that he is going to solve this issue. Somebody directed him. So was it the Minister of Finance, or was it the First Minister? Who directed Lloyd Schreyer to interfere to ensure the strike was settled? All be it, as we have heard from this First Minister, that there are big issues. I get that. I think we all get that here, but it comes down simply to who directed Lloyd Schreyer to solve the issue with the labour dispute in Sunrise. That is the question.

Mr. Doer: The ministers have gone over the letter that came in from the school division. The mediation process was entered into. The fact that Mr. Schreyer reports to the Minister of Finance, we have gone through this continually. I just want to go back to the big picture. The big picture here is that at the time this was happening, there were other disputes that we were dealing with as well. We have offered mediation to the other school division that is in a dispute. We certainly have no difficulty offering mediation and other means of settling issues. The bottom line is that the theory about a factor to call the election, you know, was the unemployment rate in March more important than the unemployment rate in April. Members opposite try to make the unemployment rate an issue. Issues and challenges come to government and they go away from it.

Mr. Murray: Mr. Acting Chair, I conclude my questions.

The Acting Chairperson (Mr. Harry Schellenberg): Any further questions?

Seeing there are no further questions, we shall proceed to consider Bill 4, The Loan Act, clause by clause. Is it the wish of the committee that we proceed in blocks of clauses? *[Agreed]*

Clauses 1 and 2—pass; clauses 3 and 4—pass; clauses 5 through 8—pass; Schedule A—pass; schedule B—pass; enacting clause—pass; title—pass. Bill be reported.

Bill 5—The Appropriation Act, 2003 (Main and Supplementary)

The Acting Chairperson (Mr. Harry Schellenberg): We shall now proceed to consider Bill 5, The Appropriation Act 2003 (Main and Supplementary), clause by clause.

Clause 1—pass; clause 2—pass; clause 3—pass; clause 4—pass; schedule A—pass; schedule B—pass; preamble—pass; enacting clause—pass; title—pass. Bill be reported.

Bill 3—The Budget Implementation and Tax Statutes Amendment Act, 2003

The Acting Chairperson (Mr. Harry Schellenberg): We shall now proceed to consider Bill 3, The Budget Implementation and Tax Statutes Amendment Act, 2003, clause by clause.

Because of the length of the bill, is the committee agreeable to consider the bill in blocks of clauses to conform to the parts of the bill? *[Agreed]*

Clauses 1 to 12—pass; clauses 13 to 25—pass; clauses 26 to 32—pass; clauses 33 to 52—pass; clauses 53 to 63—pass; clauses 64 to 76—pass; clauses 77 to 101—pass; clauses 102 to 112—pass; clauses 113 to 138—pass; clauses 139 to 148—pass; clause 149—pass; table of contents—pass; enacting clause—pass; title—pass.

Is it the will of the committee that I report the bill?

Some Honourable Members: Yes.

Some Honourable Members: No.

Voice Vote

The Acting Chairperson (Mr. Harry Schellenberg): All those in favour of reporting the bill, say yea.

Some Honourable Members: Yea.

The Acting Chairperson (Mr. Harry Schellenberg): All those opposed to reporting the bill, say nay.

Some Honourable Members: Nay.

The Acting Chairperson (Mr. Harry Schellenberg): In my opinion, the Yeas have it.

Some Honourable Members: On division.

The Acting Chairperson (Mr. Harry Schellenberg): The bill will be reported on division.

Committee rise. Call in the Speaker.

* (16:50)

IN SESSION

Committee Report

Mr. Speaker: Before we continue, I would just like to remind all honourable members that ties and jackets should be on.

Mr. Conrad Santos (Chairperson): Mr. Speaker, the Committee of the Whole has considered Bill 4, The Loan Act, 2003; Bill 5, The Appropriation Act, 2003; and Bill 3, The Budget Implementation and Tax Statutes Amendment Act, 2003, and reports the same without amendment.

I move, seconded by the honourable Member for Selkirk (Mr. Dewar), that the report of the Committee of the Whole be received.

Motion presented.

Mr. Speaker: Is it the will of the House to receive the committee? *[Agreed]*

THIRD READINGS

Bill 4—The Loan Act, 2003

Hon. Steve Ashton (Deputy Government House Leader): I move, seconded by the Minister of Finance (Mr. Selinger), that Bill 4, The Loan Act, 2003, reported from the Committee of the Whole, be concurred in and be now read for a third time and passed.

Motion presented.

Mr. Speaker: Is it the will of the House to adopt the motion?

Some Honourable Members: Agreed.

Some Honourable Members: No.

Voice Vote

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

Some Honourable Members: Yea.

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

Some Honourable Members: Nay.

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

An Honourable Member: On division, Mr. Speaker.

Mr. Speaker: On division.

Bill 5—The Appropriation Act, 2003 (Main and Supplementary)

Hon. Steve Ashton (Deputy Government House Leader): I move, seconded by the Minister of Finance (Mr. Selinger), that Bill 5, The Appropriation Act, 2003 (Main and Supplementary), reported from the Committee of the Whole, be concurred in and be now read for a third time and passed.

Motion presented.

Mr. Speaker: Is it the will of the House to adopt the motion?

Some Honourable Members: Agreed.

Some Honourable Members: No.

Voice Vote

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

Some Honourable Members: Yea.

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

Some Honourable Members: Nay.

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

An Honourable Member: On division, Mr. Speaker.

Mr. Speaker: On division.

Bill 3—The Budget Implementation and Tax Statutes Amendment Act, 2003

Hon. Steve Ashton (Deputy Government House Leader): In the final item of business in terms of dealing with this, Mr. Speaker, I move, seconded by the Minister of Finance (Mr. Selinger), that Bill 3, The Budget Implementation and Tax Statutes Amendment Act, 2003; Loi d'exécution du budget de 2003 et modifiant diverses dispositions législatives en matière de fiscalité, reported from the Committee of the Whole, be concurred in and be now read for a third time and passed.

Motion presented.

Hon. Jon Gerrard (River Heights): Mr. Speaker, I speak now to put a few comments on the record about the First Session of the Thirty-eighth Legislature which we will soon bring to a close. Let me start by saying a big thank you to the legislative staff and to all who have worked very hard to ensure that the democratic process works well in Manitoba. It is vital that we have an Assembly with open debate and good democracy.

I will comment at this point that this session, which, when we complete it tomorrow, will have lasted 18 days, is probably one of the shortest on record. As Liberals, we pushed for more time, but we agreed after discussions with the other two parties to co-operate in the process and to work quickly and co-operatively in this Legislature, even though we believe that there are some very important issues that need to be discussed and debated and questioned.

The issue of bovine spongiform encephalopathy, BSE, has dominated the legislative session. This is a very important and significant

issue to cattle producers in Manitoba and, indeed, to many others in rural Manitoba, to industries throughout the province, and, I would suggest, to virtually every citizen in this province in one way or another.

Over the course of the last several months, I visited cattle producers in the Interlake, in the region of Alonsa, in southwestern Manitoba, in southern Manitoba looking and talking with people in feedlots, in slaughtering plants like B J Packers in Beausejour and others. This is a subject which is, of course, dear to all of our hearts, because we want the industry to do well and the people who are involved in this industry to do well. As Liberals, we are very concerned, not only about cattle producers, but about sheep producers, bison producers, elk producers and others, even hunters who are affected in one way or another by the discovery of the BSE.

During the course of this Legislative session, I and the Member for Inkster (Mr. Lamoureux) have raised many questions in this seeking a better and improved support from the provincial government. We have raised also issues at the federal level. I was pleased that when I raised concerns about the loan program and the fact that the banks were denying loans, the Government responded quickly to producers in the Alonsa area and to others.

On the other hand, there have been many times when the Government has been very slow to respond and have programs which were not as well thought out as they could have been. It is positive that we have the border opened to boxed beef and to muscle cuts. We still strive to open the border to live animals. We see that it is problematic and very disappointing that the border was not quickly opened to live sheep and bison and elk, animals which are not affected by bovine spongiform encephalopathy. These producers have been adversely affected and caught up in this very unfortunate circumstance.

We will continue as Liberals to work very hard on behalf of producers and do everything we can to advance their cause and the cause of Manitobans, including Manitoba's consumers that need to be assured that there is high-quality and guaranteed BSE-free beef for Manitobans.

The second major area of concern in this Legislature dealt with health issues. Health

issues in the Assiniboine Regional Health Authority area were raised numerous times. We had demonstrations in front of the Legislature. I called as a result of concerns that I heard visiting people in Erickson, in Wawanesa, phone calls, e-mails, petitions, letters from people in this area. I called for an independent review by somebody who was not from the Assiniboine Regional Health Authority area. I am pleased that the Minister of Health (Mr. Chomiak) acknowledged that there was need to move to an independent review of the circumstances. It shows that sometimes democracy can work.

At the time, clearly, we as Liberals will continue to be very vigilant, making sure that the minister follows through. I have called for better planning and a better forward-thinking publicly presented plan for the Assiniboine Regional Health Authority. It was clear that there was a plan, which the minister has called a Tory plan, presented in '99 or 2000, which called for the closing of a number of hospitals. The minister rejected this plan, he has told us, but, unfortunately, there was not another comprehensive plan put in place, although we hear now that there is one being asked by the minister for the end of this year. We look forward to that plan when it is presented, because we see that it is very important that there can be a publicly presented plan which people can look at and provide input to.

*(17:00)

We see that not only hospital and acute care but preventive care is very important and are pleased to be part of the All-Party Task Force on Environmental Tobacco Smoke. Smoke, whether direct or indirect, for nonsmokers is the single biggest cause of preventable and premature death for Manitobans. It is clearly a major concern, not only for the health of Manitobans, but also for the cost of health care.

There are huge costs associated with the health care involved in treating those who are sick as a result of exposure to smoke and the products within smoke, the carcinogens, and it is vital that we move as quickly as possible to make changes. As Liberals, we will support strongly a province-wide smoking ban and are looking forward to participating in the recommendations brought forward by the task force into how that can be implemented.

Education is a third issue which has been very important in this Legislature. We note, as the Conservatives have, that two weeks before an election, the NDP brought money forward which did not go through Treasury Board until long after the election. In a fashion, it looked as if the NDP were trying to have an influence on the outcome of the election in Beausejour, the Lac du Bonnet area.

There have been important justice issues. We have raised the fact that the trial which the Minister of Justice (Mr. Mackintosh) has noted and has said involves Hells Angels gang members, we have called and talked to and asked the Minister of Justice why he is going to provide money to Hells Angels, and we await resolution of this issue knowing that there are concerns.

There are issues which we brought forward on behalf of business for better environmental planning in terms of the floodway and sewage. The minister, the Government gave a now; it is going to do it now, but it turns out that that means sometime in the next 20 or 30 years.

We note that there is a lot of extra spending and reduced revenues in a variety of other ways, which give the Government a \$200-million, perhaps, gap, and we called for an interim report and await that interim report.

We also note that one of our primary issues in the election which was young people, that the NDP have cancelled the magazine *Manitoba Calling*. It is apparent that the NDP is no longer calling for people to return to Manitoba because they know that their policies are not working.

Manitoba and the NDP are not calling anymore, and that is perhaps the note to finish on. It is a sad note. We want and need better in the future, and we look forward to the next session of the Legislature.

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, I am delighted just to say a few words about this session that is coming to a close.

Certainly, there were a number of issues that were raised in this Chamber by members of the

Progressive Conservative Party of Manitoba caucus, I think issues that are important to all Manitobans and, I think, issues, I believe, that we have seen the Doer government fail, with respect to issues raised in this Chamber. Not only raised in this Chamber, but raised on the streets of Winnipeg, Brandon, and communities throughout Manitoba.

I must give credit to the member from Steinbach. He also has been very aggressive in terms of some of the issues that were raised. I could go on to all the communities throughout Manitoba where we have seen Manitobans look at the Doer government with concern, because our province continues to fall further and further behind.

I would like to speak to a couple of the issues. For example, when it comes to justice, or, as we see in Manitoba, the lack of justice, we know full well that the Hells Angels have moved in since the member from Concordia has been the Premier of the province of Manitoba. We have seen the Hells Angels move into Manitoba and, quite frankly, it is the Hells Angels that are in charge. Innocent citizens are suffering. They are afraid, because the Minister of Justice, under this Premier, will not stand up for the victims that are suffering. We find that to be wrong, because this should all be about the victims and victims rights.

We see gang-related incidents, Mr. Speaker. There have been 37 gang murders in Manitoba. This Minister of Justice, other than putting out press releases, does zip, nada about doing anything to respect the fact that there are people in Manitoba that do not believe that they are safe in their communities.

We asked today about the Integrated Child Exploitation Unit. If the Premier truly cares about children in Manitoba, if he truly cares about ensuring that those that would harm children, who are most valuable in our society, Mr. Speaker, he would do the right thing, and ensure that the provincial government flows money to ensure that that unit is permanently operated.

When it comes to education, is it not interesting, Mr. Speaker, I wonder if the Integrated Child Exploitation Unit could have money flow

as quickly to it, as we saw money flow to the Sunrise School Division. Done, without any Treasury Board approval, because what we are finding out in this Chamber is that, when it comes to the Sunrise School Division, nothing but good old political interference will ensure that we get a labour dispute settled.

What we have seen through the course of Estimates process, through Question Period, whether it is the Minister of Education (Mr. Lemieux), whether it is the Minister of Finance (Mr. Selinger), and, indeed, when I was asking the First Minister, they talk about a conspiracy. Well, is that not interesting? Clearly, there would be no conspiracy if one of them and, I think, it should start at the top with the Premier, would simply stand up and tell the Chamber, all Manitobans, that he was the one that directed Mr. Lloyd Schreyer to take a bag of cash and go in and solve the labour dispute. Why? Because on the horizon, there was an election looming, and that constituency was one that we heard the First Minister talk about time and time again. They tried in the by-election to be successful; they failed. They tried in the last provincial election to go after Lac du Bonnet, but our Member for Lac du Bonnet (Mr. Hawranik) is the best Member for Lac du Bonnet. That is why we were successful in Lac du Bonnet, because we had the right member.

It is interesting that, when you talk about political interference, political interference is all about trying to get in front of the taxpayers. We do not know, Mr. Speaker, but we will find out who said they were going to put it into the base budget to buy the election, or try, and then find out that, oops, after the election is over, gosh, we were not so successful, I think we will change our mind, that we will not put it into the base budget after all.

Somebody, Mr. Speaker, is going to be nominated for an Emmy over there, for the best director. We do not know if it is the Premier or the Minister of Finance or the Minister of Education.

Oh, by the way, Mr. Speaker, when the next session comes, it will be interesting to see what kind of a shell game, which one of these peas gets moved around, because there could be a whole new cast of characters under this director.

When you talk about political interference, we saw it with the Sunrise School Division, and we saw it again with this First Minister (Mr. Doer) with respect to the PUB. Rates were being appealed, and it was this Premier that basically admonished everybody from the PUB down through the whole organization while those rates were being heard at an appeal.

* (17:10)

The Minister of Justice (Mr. Mackintosh) always jumps up when asked a question about why they are soft on crime in this province because he cannot comment because it would be inappropriate, because, apparently, it is before the courts, but the Premier has the ability or the arrogance to stand up and make comments about rates that are before an appeal board. Well, is it not interesting, Mr. Speaker? Once again, we find a double standard.

Whether it was Bill Turner or Byron Williams who indicated that the Premier frankly should butt out when it comes to issues around the PUB, we believe on this side that the PUB is an organization that represents the taxpayers. It is that arm's length honest broker. The Premier would have you believe it is not good enough. We are going to have to change it from top to bottom. I think he wants more of his own political hacks in there to do his bidding for him. Well, we are going to stand for the PUB, Mr. Speaker. We are not going to allow that to happen. We believe the PUB is that honest broker.

When it came to health care, and it is interesting because before this session was called, the Doer government tried to convince Manitobans through a publication that the crisis was over in health care. That is what their publication said. Frankly, the only crisis is the crisis in the way that this Government is dealing with health care. We were on the front steps of the Legislature. Do we not find it interesting that Manitobans, who are suffering because this Government is uncaring and is heartless, in order to get any sense of satisfaction, have to appear at the front steps of the Legislature for a hearing, trying to understand why it is that they are not being treated properly by this Government that is uncaring and heartless? We saw communities come before us, communities that are afraid that this

heartless government is going to close their rural hospitals. Shame.

During the campaign, we heard all sorts of platitudes, all sorts of guarantees. One would wonder, the First Minister during a campaign, does he just want to use rural Manitoba as a backdrop for campaign promises, or is he committed to them? Because, if he was committed, he would have stood at the steps of the Legislature, and he would have said to all of those people from the Assiniboine Regional Health Authority: Do not worry. I am the Premier and I am not going to close one rural hospital.

Did we hear that? No, we did not. We heard nothing like that. We all know that those people that were standing at the steps, and some of them with their children standing there, holding up what we know as we travel across Manitoba is that big H that means there is a hospital in this community. I hope for the sake of those rural Manitobans, that when they are standing up and you drive through rural Manitoba, that those H's do stand for hospitals and they do not stand for: Help, we do not have a hospital here. That is what we hear from this Government.

Today is day 134 of the BSE crisis in Manitoba, day 134. We know that this Government, when they put a plethora of programs together, it is nothing more than a mirage. They want to advertise and pat themselves on the back about all the programs that they have put together. The problem is the programs do not work. That is the problem.

What we used to see in rural Manitoba is there was a place of hope and a place of opportunity for all Manitobans. They value our local communities. They looked after their neighbours. That was what made rural Manitoba special, Mr. Speaker. But under the Doer government, the foundation of rural Manitoba is crumbling. It is crumbling, because they have no programs that understand how rural Manitoba should work. We, on this side of the House, Mr. Speaker, actually have people that are involved as cow-calf operators. They understand the plight.

What we see is the fact that the Doer government is hollowing out and leaving behind

rural Manitoba. During this election the NDP talked about reaching out to the heartland. Well, what they have done is they have left it behind. I would say that the actions of this Government are starving the people of rural Manitoba. The fact of life is, when you talk to a family, as I did, and they say imagine how it feels to feed the world, but you cannot feed your family. That is what Manitoba families are trying to say to a government that is uncaring and does not listen.

Mr. Speaker, this Premier must understand that you cannot govern on words alone. You need to act. Manitobans deserve better. Manitobans deserve a government that listens. Manitobans deserve a government that will act in their best interests, not demand that those Manitobans have to come to the Legislature to get an audience. I asked the Premier to go out, listen to families that are hurting out there. Then he will do the right thing, and he will get a cash advance program immediately to help those people.

Hon. Gary Doer (Premier): I think it was four years ago, almost to this week, where there was a lot of pointing and shouting and predicting going on in the concurrence motion in this Legislature. Members opposite were full of fury and noise, and predicting, Mr. Speaker, that, after the legislative measures that we had brought in, we were going to be destined to be a one-term government, and not be back here today with our first budget concurrence motion after our re-election in 1999. So you will have to understand—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: You will have to understand, Mr. Speaker, that the people of Manitoba, the people of this province understand that the first "H" for any of us going out to work on their behalf is the "H" for honesty. It is the "H" for honesty, and it is also an "H" across Manitoba for hope. We believe in hope. We believe in hope, and we deliver hope every day in government as a team of men and women.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: Mr. Speaker, the public can figure it out, that trying to promise half a billion dollars of tax cuts, or \$950 million of tax cuts and, at the same time, promising only to fund health care and education by 1 percent and 0 percent. They have actually figured it out, that you cannot be all things to all people. You cannot try to be on all sides of every issue every day. You cannot ask a question, one question to, say, spend more money, and the second question to spend more money, and a third question to spend more money, and then come back and say: Cut the taxes, cut the taxes, cut the taxes.

The people of Manitoba should be given more credit, Mr. Speaker, than members opposite give them, because they have intelligence. They can see through a person who runs around with a bowl of fudge one day, and a vote for a good budget the next day. I would suggest to members opposite that that is very important in terms of the debate in this Legislature, to have some consistency on the intellectual challenges that face us.

We are in an energetic and inclusive team of men and women. We are the only team of men and women that represents the northern ridings of Manitoba. We represent the rural ridings of Manitoba, and we represent the urban ridings of Manitoba. We are the only party.

* (17:20)

We believe a government should try to unite people, to try to work to unite people on common causes. The politics of the old time of dividing people—the people of Neepawa and Spring Hill should be divided against the people working at an MCI bus plant, or the people of Gimli in the Seagram's plant should be divided against the people at the Flyer bus company, or the BSE producers and cattle producers. We believe, when some part of our province is being challenged, we all should be challenged. We should all be united, instead of the politics of division. That is the difference.

We have had tremendous challenges since the border was closed on May 20. There is no question; we have had tremendous challenges. I want to thank all members for putting forward constructive ideas to deal with the BSE crisis.

People are in a crisis. I want to congratulate our Minister of Agriculture (Ms. Wowchuk), who has steadfastly put forward many ideas. We know that there are other challenges ahead. We know that the measures that we have put in place do not even begin to bridge the economic gap and, even more distressing, the economic uncertainty with the border closing.

We have gone through a very tough summer with BSE, forest fires that are equal, almost in hectares, the lost land and forest, to any other year in the record of Manitoba, and, of course, the drought. We know that our people are up to those challenges. We know that, even though Hydro and other entities in government are facing really tough times, the people of Manitoba know that we are a team of men and women that will have our Crown corporations owned for the benefit of all the people of Manitoba, not just being sold off to the privileged few.

The second phase of Red River College just opened last night officially, thousands of students. The new Brandon Regional Health Centre, after seven times being promised by members opposite, has just been opened by this Government. We look forward to building the Wuskwatim dam in partnership with Aboriginal people in northern Manitoba. Deeds, not words; *facta non verba*.

Getting on with real items. Real items, such as increasing the population through immigration for the best in performance in population increases in the last 15 years. A second credit upgrade. Again, the first time any government has gotten two credit upgrades. A debt reduction plan that continues to be on track. Also, increasing the minimum wage every year we are in office for working people. Getting rid of the Tory clawback on children to deal with child poverty. That is what this Government is all about. We have even tried to use common sense to extend summer, so we will have the tourist industry start after the Labour Day weekend.

I could go on all day long. But we are an energetic team of men and women that always puts all the people of Manitoba first. That is why we are on this side. We will continue to work on behalf of all the people of this province.

Mr. Speaker: The honourable Deputy Government House Leader, on House business.

House Business

Hon. Steve Ashton (Deputy Government House Leader): On House business, Mr. Speaker.

I am wondering if in order to deal with Royal Assent and the disposition of this bill that we could agree not to see the clock.

Mr. Speaker: Is it agreed that the House will not see the clock? [*Agreed*]

* * *

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

Some Honourable Members: Question.

Mr. Speaker: The question before the House is that Bill 3, The Budget Implementation and Tax Statutes Amendment Act, 2003, as reported from the Committee of the Whole, be concurred in and be now read for a third time and passed.

Is it the will of the House to adopt the motion?

Some Honourable Members: Agreed.

Some Honourable Members: No.

Voice Vote

Mr. Speaker: All those in favour of the motion, say yea.

Some Honourable Members: Yea.

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

Some Honourable Members: Nay.

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

* * *

Mr. Leonard Derkach (Official Opposition House Leader): Yeas and Nays, Mr. Speaker.

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

Order. Is the House ready for the question?

Some Honourable Members: Question.

Mr. Speaker: The question before the House is that Bill 3, The Budget Implementation and Tax Statutes Amendment Act, 2003, as reported from the Committee of the Whole, be concurred in and be now read for a third time and passed.

Division

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

Yeas

Aglugub, Allan, Altemeyer, Ashton, Bjornson, Brick, Caldwell, Chomiak, Dewar, Doer, Irvin-Ross, Jennissen, Jha, Korzeniowski, Lathlin, Lemieux, Maloway, Martindale, Melnick, Nevakshonoff, Oswald, Reid, Robinson, Rondeau, Santos, Schellenberg, Selinger, Smith, Struthers, Wowchuk.

Nays

Cummings, Derkach, Driedger, Eichler, Faurshou, Gerrard, Goertzen, Hawranik, Lamoureux, Loewen, Maguire, Mitchelson, Murray, Penner, Reimer, Rocan, Rowat, Schuler, Taillieu, Tweed.

Madam Clerk (Patricia Chaychuk): Yeas 30, Nays 20

Mr. Speaker: The motion has been carried.

Point of Order

* (17:30)

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

Mr. Peter Dyck (Pembina): Point of order, yes.

Mr. Speaker, I was paired with the Minister of Justice and, consequently, I could not vote. I would have voted against the bill.

Mr. Speaker: I thank the honourable member for that information.

* * *

Mr. Speaker: We will take a couple of minutes to prepare for the Royal Assent and his Honour the Lieutenant-Governor.

ROYAL ASSENT

Deputy Sergeant-at-Arms (Mr. Blake Dunn): His Honour the Lieutenant-Governor.

His Honour Peter Liba, Lieutenant-Governor of the Province of Manitoba, having entered the House and being seated on the Throne, Mr. Speaker addressed His Honour the Lieutenant-Governor in the following words:

Mr. Speaker: Your Honour:

The Legislative Assembly of Manitoba asks Your Honour to accept the following bills:

Madam Clerk Assistant (Monique Grenier):

Bill 4—The Loan Act, 2003; Loi d'emprunt de 2003

Bill 5—The Appropriation Act, 2003 (Main and Supplementary); Loi de 2003 portant affectation principale et supplémentaire de crédits

Madam Clerk (Patricia Chaychuk): In Her Majesty's name, the Lieutenant-Governor thanks the Legislative Assembly and assents to these bills.

Mr. Speaker: Your Honour:

At this sitting, the Legislative Assembly has passed certain bills that I ask Your Honour to give assent to.

Madam Clerk Assistant: Bill 3—The Budget Implementation and Tax Statutes Amendment Act, 2003/Loi d'exécution du budget de 2003 et modifiant diverses dispositions législatives en matière de fiscalité

Madam Clerk: In her Majesty's name, His Honour assents to this bill.

His Honour was then pleased to retire.

God Save the Queen was sung.

O Canada! was sung.

Mr. Speaker: Please be seated.

The hour being past 5:30, this House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Wednesday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, September 30, 2003

CONTENTS

| ROUTINE PROCEEDINGS | | | |
|---|------|--|------|
| Presenting Petitions | | Annual Report of the Debt Retirement Fund for the fiscal year ending March 31, 2003 | |
| Dialysis Services | | Selinger | 1434 |
| Driedger | 1433 | Public Accounts, Vols. 1, 2 and 3 for the fiscal year ending March 31, 2003 | |
| Supported Living Program | | Selinger | 1434 |
| Dyck | 1433 | Annual Report of the Manitoba Sustainable Development Innovations Fund for the fiscal year ending March 31, 2003 | |
| Lake Sturgeon | | Ashton | 1434 |
| Goertzen | 1434 | Annual Report of the Department of Labour and Immigration for the fiscal year ending March 31, 2003 | |
| Tabling of Reports | | Ashton | 1434 |
| Annual Report of the Department of Finance for the fiscal year ending March 31, 2003 | | Annual Report of the Department of Conservation for the fiscal year ending March 31, 2003 | |
| Selinger | 1434 | Ashton | 1434 |
| Annual Report of the Manitoba Civil Service Commission for the fiscal year ending March 31, 2003 | | Annual Report of the Department of Agriculture and Food for the fiscal year ending March 31, 2003 | |
| Selinger | 1434 | Wowchuk | 1435 |
| Annual Report of the Manitoba Employee Pensions and Other Costs for the fiscal year ending March 31, 2003 | | Annual Report of the Manitoba Agricultural Credit Corporation for the fiscal year ending March 31, 2003 | |
| Selinger | 1434 | Wowchuk | 1435 |
| Annual Report of the Special Operating Agencies Financing Authority for the fiscal year ending March 31, 2003 | | Annual Report of the Manitoba Farm Mediation Board for the fiscal year ending March 31, 2003 | |
| Selinger | 1434 | Wowchuk | 1435 |
| Annual Report of the Enabling Appropriations and Other Appropriations for the fiscal year ending March 31, 2003 | | Annual Report of the Food Development Centre for the fiscal year ending March 31, 2003 | |
| Selinger | 1434 | Wowchuk | 1435 |
| Annual Report of the Manitoba Foundation for the fiscal year ending March 31, 2003 | | Annual Report of the Co-operative Loans and Loan Guarantee Board for the fiscal year ending March 31, 2003 | |
| Selinger | 1434 | Wowchuk | 1435 |
| Annual Report of the Fiscal Stabilization Fund for the fiscal year ending March 31, 2003 | | | |
| Selinger | 1434 | | |

| | | | |
|---|------|---|------------|
| Annual Report of the Co-operative Promotion Board for the fiscal year ending March 31, 2003 Wowchuk | 1435 | Annual Report of the Mail Management Agency for the fiscal year ending March 31, 2003 Smith | 1435 |
| Progress Report of the Canada-Manitoba Infrastructure Program for the period March 31, 2002–March 31, 2003 Wowchuk | 1435 | Annual Report of the Manitoba Lotteries Corporation for the fiscal year ending March 31, 2003 Smith | 1435 |
| Annual Report of the Department of Family Services and Housing for the fiscal year ending March 31, 2003 Caldwell | 1435 | First Quarter Report of the Manitoba Lotteries Corporation for the three months ended June 30, 2003 Smith | 1435 |
| Annual Report of the Manitoba Social Services Appeal Board for the fiscal year ending March 31, 2003 Caldwell | 1435 | Annual Report of the Department of Aboriginal and Northern Affairs for the fiscal year ending March 31, 2003 Lathlin | 1435 |
| Annual Report of Healthy Child Manitoba for the fiscal year ending March 31, 2003 Caldwell | 1435 | Annual Report of Sport for the fiscal year ending March 31, 2003 Robinson | 1435 |
| Annual Report of the Manitoba Council on Post-Secondary Education for the fiscal year ending March 31, 2003 Caldwell | 1435 | Annual Report of Community Support Programs for the fiscal year ending March 31, 2003 Robinson | 1435 |
| Annual Report of the University of Manitoba for the fiscal year ending March 31, 2003 Caldwell | 1435 | Annual Report of Culture, Heritage and Tourism for the fiscal year ending March 31, 2003 Robinson | 1435 |
| Annual Report of the Department of Transportation and Government Services and Emergency Measures for the fiscal year ending March 31, 2003 Smith | 1435 | Oral Questions | |
| Annual Report of Fleet Vehicle Agency for the fiscal year ending March 31, 2003 Smith | 1435 | Integrated Child Exploitation Unit Murray; Doer | 1435 |
| Annual Report of the Materials Distribution Agency for the fiscal year ending March 31, 2003 Smith | 1435 | Crime Rate Hawranik; Chomiak | 1437 |
| Annual Report of the Land Management Services for the fiscal year ending March 31, 2003 Smith | 1435 | Halfway Houses Hawranik; Chomiak | 1437 |
| | | The Maples Surgical Centre Driedger; Chomiak | 1438 |
| | | Pan Am Clinic Tweed; Ashton | 1439, 1444 |
| | | Prairie Rose School Division Stefanson; Selinger | 1440 |

| | | | |
|--|------|--|------------|
| Sunrise School Division Stefanson; Selinger | 1440 | Second Readings Bill 5—The Appropriation Act, 2003 (Main and Supplementary) | |
| Bovine Spongiform Encephalopathy Penner; Wowchuk | 1440 | Selinger | 1448 |
| Flight Training Programs Gerrard; Selinger | 1442 | Bill 4—The Loan Act, 2003 Selinger | 1448 |
| Lamoureux; Selinger | 1442 | Bill 3—The Budget Implementation and Tax Statutes Amendment Act, 2003 | |
| Emergency Measures Organization Jennisen; Smith | 1443 | Selinger | 1448 |
| Red River Floodway Expansion Taillieu; Ashton | 1443 | Committee of the Whole Bill 4—The Loan Act, 2003 | 1449, 1467 |
| Members' Statements | | Bill 5—The Appropriation Act, 2003 (Main and Supplementary) | 1468 |
| Simplot Canada Ltd. Fauschou | 1444 | Bill 3—The Budget Implementation and Tax Statutes Amendment Act, 2003 | 1468 |
| World Teachers' Day Bjornson | 1445 | Third Readings Bill 4—The Loan Act, 2003 | |
| Dr. Denis Fortier Rocan | 1446 | Ashton | 1468 |
| Canadian Dimension Magazine Maloway | 1446 | Bill 5—The Appropriation Act, 2003 (Main and Supplementary) | |
| Manitoba Immigration Council Lamoureux | 1447 | Ashton | 1469 |
| | | Gerrard | 1469 |
| | | Murray | 1471 |
| | | Doer | 1473 |
| ORDERS OF THE DAY | | | |
| GOVERNMENT BUSINESS | | | |
| Introduction of Bills | | Royal Assent Bill 4—The Loan Act, 2003 | 1476 |
| Bill 5—The Appropriation Act, 2003 (Main and Supplementary) Selinger | 1448 | Bill 5—The Appropriation Act, 2003 (Main and Supplementary) | 1476 |
| Bill 4—The Loan Act, 2003 Selinger | 1448 | Bill 3—The Budget Implementation and Tax Statutes Amendment Act, 2003 | 1476 |