

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

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authority of
The Honourable George Hickes
Speaker*

MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Ninth Legislature

Member	Constituency	Political Affiliation
ALLAN, Nancy, Hon.	St. Vital	N.D.P.
ALTEMEYER, Rob	Wolseley	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
BJORNSON, Peter, Hon.	Gimli	N.D.P.
BLADY, Sharon	Kirkfield Park	N.D.P.
BOROTSIK, Rick	Brandon West	P.C.
BRAUN, Erna	Rossmere	N.D.P.
BRICK, Marilyn	St. Norbert	N.D.P.
BRIESE, Stuart	Ste. Rose	P.C.
CALDWELL, Drew	Brandon East	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CULLEN, Cliff	Turtle Mountain	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.
GRAYDON, Cliff	Emerson	P.C.
HAWRANIK, Gerald	Lac du Bonnet	P.C.
HICKES, George, Hon.	Point Douglas	N.D.P.
HOWARD, Jennifer	Fort Rouge	N.D.P.
IRVIN-ROSS, Kerri, Hon.	Fort Garry	N.D.P.
JENNISSON, Gerard	Flin Flon	N.D.P.
JHA, Bidhu	Radisson	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar, Hon.	The Pas	N.D.P.
LEMIEUX, Ron, Hon.	La Verendrye	N.D.P.
MACKINTOSH, Gord, Hon.	St. Johns	N.D.P.
MAGUIRE, Larry	Arthur-Virden	P.C.
MALOWAY, Jim	Elmwood	N.D.P.
MARCELINO, Flor	Wellington	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McFADYEN, Hugh	Fort Whyte	P.C.
McGIFFORD, Diane, Hon.	Lord Roberts	N.D.P.
MELNICK, Christine, Hon.	Riel	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
NEVAKSHONOFF, Tom	Interlake	N.D.P.
OSWALD, Theresa, Hon.	Seine River	N.D.P.
PEDERSEN, Blaine	Carman	P.C.
REID, Daryl	Transcona	N.D.P.
ROBINSON, Eric, Hon.	Rupertsland	N.D.P.
RONDEAU, Jim, Hon.	Assiniboia	N.D.P.
ROWAT, Leanne	Minnedosa	P.C.
SARAN, Mohinder	The Maples	N.D.P.
SCHULER, Ron	Springfield	P.C.
SELBY, Erin	Southdale	N.D.P.
SELINGER, Greg, Hon.	St. Boniface	N.D.P.
STEFANSON, Heather	Tuxedo	P.C.
STRUTHERS, Stan, Hon.	Dauphin-Roblin	N.D.P.
SWAN, Andrew	Minto	N.D.P.
TAILLIEU, Mavis	Morris	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, October 18, 2007

The House met at 1:30 p.m.

ROUTINE PROCEEDINGS

PETITIONS

**Cottage Owners and Homeowners
Access to Property**

Mr. Gerald Hawranik (Lac du Bonnet): Mr. Speaker, I wish to present the following petition to the Legislative Assembly.

These are the reasons for the petition:

Due to an ongoing blockade, some cottage and homeowners have been unable to access their cottages and homes in eastern Manitoba for several weeks.

These cottage and homeowners are extremely frustrated about this lack of access, and they do not appreciate the provincial government's advice that they should have patience while no action is being taken to resolve the issue.

These cottage and homeowners are very concerned that if they are unable to properly winterize their cottages and homes before freeze-up, costly property damage will ensue.

Cottage and homeowners do not want to be held financially responsible for property damages that they could not prevent.

We petition the Legislative Assembly as follows:

To request the ministers of Conservation and Justice to consider taking timely steps to resolve the blockade and to restore cottage owners and homeowners access to their property.

To request the Minister of Conservation to consider paying compensation to cottage and homeowners who suffer property damage as a result of being unable to access their property due to the blockade.

Signed by Brigitte Goertzen, Lorne Goertzen, Ivon Saber and many others, Mr. Speaker.

Neepawa, Minnedosa and Areas—Local Hospitals

Mr. Stuart Briese (Ste. Rose): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

Residents of Neepawa, Minnedosa and the surrounding areas are concerned about the long-term viability of their respective local hospitals. Impending retirements, physician shortages, and the closure of many other rural emergency rooms have caused residents to fear that their health-care facilities may also face closure in the future.

Local physicians and many residents have expressed their support for a proposed regional health centre to service both communities.

It is believed that a new regional health centre would help secure and maintain physicians and would therefore better serve the health-care needs of the region.

The success of other regional hospitals, such as Boundary Trails Health Centre, has set the precedent for the viability and success of a similar health centre for the Neepawa and Minnedosa area.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Health (Ms. Oswald) to consider the feasibility of a joint health centre, including an emergency room to service Neepawa and Minnedosa and the surrounding area.

To urge the Minister of Health to consider sustaining health-care services in this area by working with local physicians and the Assiniboine Regional Health Authority on this initiative.

This petition is signed by Debra Kasprick, Eric Kasprick, Judie Birch and many, many others.

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

Provincial Nominee Program

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

The background to this petition is as follows:

Immigration is critically important to the future of our province, and the 1998 federal Provincial Nominee Program is the best immigration program Manitoba's ever had.

The current government needs to recognize that the backlog in processing PNP applications is causing additional stress and anxiety for would-be immigrants and their family and friends here in Manitoba.

The current government needs to recognize the unfairness in its current policy on who qualifies to be an applicant, more specifically, by not allowing professionals such as health-care workers to be able to apply for PNP certificates in the same way a computer technician would be able to.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Premier (Mr. Doer) and his government to recognize and acknowledge how important immigration is to our province by improving and strengthening the Provincial Nominee Program.

Signed by R. Reyes, A. Gonzales, J. Alfonso and many other Manitobans. Thank you, Mr. Speaker.

COMMITTEE REPORTS

Standing Committee on Social and Economic Development

First Report

Mr. Doug Martindale (Chairperson): Mr. Speaker, I wish to present the First Report of the Standing Committee on Social and Economic Development.

Madam Clerk (Patricia Chaychuk): Your Standing Committee on Social and Economic Development presents the following—

Mr. Speaker: Dispense?

Some Honourable Members: Dispense.

Your Standing Committee on Social and Economic Development presents the following as its First Report.

Meetings

Your committee met on Wednesday, October 17, 2007, at 6 p.m. in Room 255 of the Legislative Building.

Matters under Consideration

Bill No. 3 – The Healthy Child Manitoba Act/Loi sur la stratégie « Enfants en santé Manitoba

Bill No. 13 – The Organic Agricultural Products Act/Loi sur les produits agricoles biologiques

Bill No. 16 – The Statutory Holidays Act (Various Acts Amended)/Loi sur les jours fériés (modification de diverses dispositions législatives)

Bill No. 18 – The Forest Health Protection Act/Loi sur la protection de la santé des forêts

Committee Membership

Committee Membership for the meeting:

Hon. Ms. Allan

Ms. Braun

Mr. Dewar

Hon. Ms. Irvin-Ross

Mr. Martindale

Mr. Swan

Hon. Mr. Struthers

Mr. Eichler

Mr. Faurschou

Mr. Goertzen

Mrs. Taillieu

Your committee elected Mr. Martindale as the Chairperson.

Your committee elected Ms. Braun as the Vice-Chairperson.

Public Presentations

Your committee heard five presentations on Bill No. 3 – The Healthy Child Manitoba Act/Loi sur la stratégie « Enfants en santé Manitoba », from:

Dr. Fraser Mustard, Founders' Network

Doraine Wachniak, Private Citizen

Trish Ward, Parent-Child Coalitions

Strini Reddy, Early Childhood Development

Advisory Committee

Mark Gray, Manitoba Institute of Child Health

Your committee heard one presentation on Bill No. 13 – The Organic Agricultural Products Act/Loi sur les produits agricoles biologiques, from:

Mel Groening, Private Citizen

Your committee heard one presentation on Bill No. 16 – The Statutory Holidays Act (Various Acts Amended)/Loi sur les jours fériés (modification de diverses dispositions législatives), from:

Shannon Martin, Canadian Federation of Independent Business

Written Submissions

Your committee received one written submission, by leave, on Bill No. 3 – The Healthy Child Manitoba Act/Loi sur la stratégie « Enfants en santé Manitoba », from:

Dr. Fraser Mustard, Founders Network

Bills Considered and Reported

Bill No. 3 – The Healthy Child Manitoba Act/Loi sur la stratégie « Enfants en santé Manitoba »

Your committee agreed to report this bill without amendment.

Bill No. 13 – The Organic Agricultural Products Act/Loi sur les produits agricoles biologiques

Your committee agreed to report this bill without amendment.

Bill No. 16 – The Statutory Holidays Act (Various Acts Amended)/Loi sur les jours fériés (modification de diverses dispositions législatives)

Your committee agreed to report this bill with the following amendments.

THAT Clause 1 of the Bill be amended by replacing the proposed clause (a.1) with the following:

(a.1) Louis Riel Day (the third Monday in February);

THAT the proposed item 2.1, as set out in Clause 2 of the Bill, be amended by striking out everything after "February," and substituting "to be known as "Louis Riel Day"".

THAT Clause 3 of the Bill be amended by striking out "the third Monday in February," and substituting "Louis Riel Day (the third Monday in February),".

Bill No. 18 – The Forest Health Protection Act/Loi sur la protection de la santé des forêts

Your committee agreed to report this bill without amendment.

Mr. Martindale: Mr. Speaker, I move, seconded by the honourable Member for Rossmere (Ms. Braun), that the report of the committee be received.

Motion agreed to.

TABLING OF REPORTS

Hon. Christine Melnick (Minister of Water Stewardship): Mr. Speaker, I am pleased to table the 2006-2007 Conservation Districts of Manitoba Annual Report and the 2006-2007 Manitoba Habitat Heritage Corporation Annual Report.

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, I'd like to table the following: the Finance Special Operating Agencies Financing Authority Annual Report of '06-07, the Public Service Group Insurance Fund Actuarial Report as at December 31, '06 and the report on Fidelity Bonds according to section 20 of The Public Officers Act.

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, I'd like to draw the attention of honourable members to the Speaker's Gallery where we have with us today Andrew Podger who is the national president of the Institute of Public Administration from Australia.

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

Also in the public gallery we have from Faith Academy 23 grade 11 students under the direction of Mr. Mike Ringham. This group is located in the constituency of the honourable Minister of Family Services and Housing (Mr. Mackintosh).

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

ORAL QUESTIONS

Manitoba Hydro Power Line Other Projects in Manitoba

Mr. Hugh McFadyen (Leader of the Official Opposition): Mr. Speaker, Manitobans are looking for answers as to why it is that this NDP government,

through its political interference in Manitoba Hydro, is going to leave every Manitoba family \$2,000 poorer at minimum. It's going to contribute to greenhouse gas emissions, thereby jeopardizing the future of our planet and is denying east-side Manitoba residents desperately needed economic development opportunities.

On the issue of line loss related to the government's decision to force Hydro to run their power line down the much longer west-side route, the NDP has been saying, using the number 16 megawatts. We now know that that number is based on wrong assumptions.

The Premier said yesterday that he tabled a document proving this in the House yesterday. We have checked it with clerks and that, again, Mr. Speaker, is not an accurate statement.

So I want to just ask the Premier: Given that the 16-megawatt line loss estimate appears to assume existing levels of generation when one of the purposes of building the third bipole line is to provide capacity for new hydro generating dams in the north, I want to ask him, is he cancelling Gull-Keeyask, Conawapa and Wuskwatim or is he using phony estimates in relation to line loss?

Hon. Gary Doer (Premier): Mr. Speaker, there's only one government that's cancelled Conawapa, and it's the members opposite that cancelled Conawapa. They cancelled Conawapa, and it was confirmed again in *Hansard* in 1990 by members opposite. Rather than taking a proposed agreement that was negotiated by the NDP in the mid-80s, rather than having some delay that was requested by Ontario of a couple of years, the members opposite cancelled it. They cancelled it for political reasons. They cancelled it definitely for political reasons.

Well, the economics of building Conawapa at that time were absolutely as good as the economics of building Limestone. They cancelled Limestone. We built it. It was economically viable. We negotiated Conawapa. They politically negotiated a cancellation on Conawapa, and that is the absolute true history on this issue and the true history of Hydro sales and the issue of transmission in Manitoba.

* (13:40)

Mr. McFadyen: Mr. Speaker, the answers are so predictable, I wonder sometimes why we even bother having Question Period.

I want to ask the Premier, through you, Mr. Speaker, given that he's in favour of building dams it would appear from his comments, even when there aren't customers at the other end—which is exactly what Newfoundland did which got them into trouble with respect to negotiating prices—setting that aside, though, given that he seems to be confirming that he's going ahead with Conawapa, I wonder if he could just indicate why it is that he's using phony line loss numbers.

Mr. Doer: Well, Mr. Speaker, we're using the memo from Mr. Brennan, and I think it's important to ensure—*[interjection]* Well, we did table it two days ago, but I'm glad the member is waking up. Can somebody please wake him up on Tuesdays so he can know what we did Tuesdays as opposed to waiting till Thursday?

Some Honourable Members: Oh, oh.

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

Mr. Doer: Mr. Speaker, again, we were talking yesterday about some of the history of Hydro and—

This won't be a point of order.

Mr. Speaker: Order.

Point of Order

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

Mr. McFadyen: Mr. Speaker, we've made inquiries of the Clerk's office and they have indicated to us that no such document was tabled, and the Premier is asserting that he did table the document.

So, I just wonder, Mr. Speaker, it relates to the assertions he's making in Question Period. If he has tabled the document, that would be news to the Clerk's office. If he hasn't, I wonder if he would be good enough to table it today.

Mr. Doer: Mr. Speaker, on the same point of order, I believe the Minister of Finance (Mr. Selinger), when he was answering the question a couple of days ago, said he would table the letter. And I have three copies as well, if it wasn't tabled.

Mr. Speaker: On the point of order raised—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. A point of order is a very serious matter. *[interjection]* Order.

On a point of order raised by the honourable official opposition, he does not have a point of order. It's a dispute over the facts.

* * *

Mr. Speaker: The honourable First Minister has the floor.

Mr. Doer: Thank you, and the minister will table them.

Mr. Speaker, the—

An Honourable Member: Table them now.

Mr. Speaker: Order.

An Honourable Member: No, you have got to table it.

Mr. Speaker: Order.

Mr. Doer: The minister said he would table it. Any document or letter can be asked for two days ago to be tabled. I thought it was and here it is.

To continue on, on my answer, Mr. Speaker. *[interjection]*

Mr. Speaker, it's in the public domain. It's in a letter to the editor today, and it was commented on yesterday, and it's been in the media actually last week as the correct number as well.

Mr. Speaker, I would point out that the proposed east-side line has been made over the years. It was made in 1966. There was a proposal long before the NDP was ever elected. There was a proposal to build the line on the east side. Hydro, at the time in 1966, decided not to build the line on the east side, and they cited they did risk reliability by putting both lines through the Interlake. They cited the fact, if you look at the history, that there were existing roads, existing rail lines, existing infrastructure in the Interlake site as opposed to muskeg and other costs on the east side.

There was a second proposal to build the line in 1990. The member opposite has confirmed that. There was a proposal in 1990 to build the line on the east side. The government of the day chose not to build the line on the east side, Mr. Speaker. The government of the day chose not to build the line on the east side for their own reasons.

The decision on Conawapa was a couple of years later. They didn't build the line on the east side, Mr. Speaker, and now we're in a situation where we've had the do nothing approach for the last—since

1990. The do nothing approach does increase reliability risks. It does decrease the issue of export sales. We believe that building a line that is most doable, and in this case we believe the most doable line, and it will be opposed and it will need a Clean Environment Commission, is on the west side.

Mr. McFadyen: I now know why the reluctance to table Mr. Brennan's document. He indicates in the letter dated October 15, of this year, addressed to the Finance Minister that the assumption is that the line on the west side would reduce losses by 76, and the one on the east side would reduce losses by 92 with existing generation in the system, Mr. Speaker.

So, given that the assumption is based on existing generation, I wonder if the Premier can just try one more time. Is he cancelling Conawapa, Gull-Keeyask and Wuskwatim, or is he using phony line loss numbers?

Mr. Doer: Mr. Speaker, the additional amount of electricity generated by Conawapa will be able to be handled on the west side.

Hollow Water Cottage Barricades Passage for Cottagers

Mr. Gerald Hawranik (Lac du Bonnet): It's a month since illegal barricades went up at Hollow Water on a public road, and there's no end to the dispute in sight. Now Hollow Water is deciding who will be able to go through the barricades despite the fact that the barricades are on a public road.

So I ask the Minister of Conservation: In negotiations with Hollow Water last weekend, did he give Hollow Water a veto over who could go through the barricades and who cannot?

Hon. Stan Struthers (Minister of Conservation): Whether our friends across the way like it or not, we're still working hard to make sure those barricades come down. If that is not successful by the end of this week, we will have a plan in place to get cottagers into Ayers Cove, Pelican harbour and all of the cottagers who need to winterize their cottages, Mr. Speaker.

Mr. Hawranik: Hollow Water is making the decision on who can pass through the barricades, the government isn't, on a public road. Reports have been surfacing that some Manitobans, hunters in particular, were allowed to cross the illegal barricades provided that they paid for this privilege.

So I ask the Minister of Conservation: In his negotiations with Hollow Water last weekend, did he

agree to allow Hollow Water to convert a public road into a toll road?

Mr. Struthers: The Member for Lac du Bonnet is wrong again. We are providing access this weekend for all cottagers. Underline the word "all" a couple of times. All cottagers in those subdivisions. Period.

Rural Health Care Emergency Room Closures

Mr. Cliff Cullen (Turtle Mountain): Mr. Speaker, the residents in the community of Baldur awoke this morning to find a notice from the regional health authority in their mailboxes. The notice states that the Baldur health centre will not be providing emergency room and acute care services until further notice. This brings the total number of ERs currently closed in the province to 14.

What is the minister going to do about the ER closure in Baldur?

Hon. Theresa Oswald (Minister of Health): As I said to the member before, the single most important thing that we can be doing to help regional health authorities in maintaining their health services is to increase our complement of doctors. We're going to work very diligently with the regional health authority on recruitment and retention to ensure that there are doctors, nurses and other health-care professionals available on the front line to assist those individuals. We need to continue to work to build that complement of doctors, and that's what we've committed to do.

Mr. Cullen: It's pretty clear that it's time for this minister to step outside the Perimeter. In this particular case, it's a shortage of lab and X-ray technologists. Now, Mr. Speaker, there are 14 emergency rooms closed in rural Manitoba.

Why does this minister continue to compromise patient safety in Manitoba?

*(13:50)

Ms. Oswald: Well, again, Mr. Speaker, I'll say to the member opposite that we're working diligently with the regional health authorities on their recruitment and retention efforts. We began that, of course, in our commitment to increase the spaces in our medical school here at home, because we know that the single most effective thing that we can do is grow our doctors at home.

Secondly, Mr. Speaker, we're working very diligently with international medical graduates, with

the Faculty of Medicine and with the College of Physicians and Surgeons to bring those doctors here to Manitoba to ensure that we have them.

Thirdly, I think the most important thing we can do is to continue to bring services to rural Manitoba where doctors will want to work. That's why we recently announced the expansion of the ER in Steinbach, the ORs in Ste. Anne, and the list goes on and on.

Mr. Cullen: Mr. Speaker, this minister can't ignore the fact that there's 14 emergency rooms closed in Manitoba. This just proves how fragile health care actually is in Manitoba.

When is the minister going to end the rhetoric and actually take some action?

Ms. Oswald: Well, I'll say again for the record that we're not ignoring health care in rural Manitoba. It was this party in the recent election that made promises for Ste. Anne, for Steinbach, for Peguis, for Berens River, for Gimli, all over rural Manitoba. It occurs to me that during that same election, the members opposite, comprised primarily, incidentally, of members representing rural Manitoba, managed to get out of Winnipeg only once for one announcement on rural health care.

But let the hits keep coming: CT scanners in Brandon, Steinbach, Thompson, The Pas, Selkirk, Morden and Winkler; 160 new ambulances mostly for rural Manitoba; the elimination of ambulance fees and cancer care to Manitoba. We're committed. We have got more work to do.

What did they promise, Mr. Speaker?

Trans-Canada Highway Twinning in Headingley

Mrs. Mavis Taillieu (Morris): We all know of the terrible tragedy that happened in Headingley last Friday, and we feel profound grief for the families and our community. This seven-kilometre stretch has seen over 100 accidents in the last two years. Mr. Speaker, 18,000 vehicles travel along this highway every day. In the interest of protecting public safety, I must call on this government to honour the commitment to complete the twinning of Highway No. 1 through Headingley.

Mr. Speaker, I ask the Minister of Infrastructure and Transportation (Mr. Lemieux): Will he ensure this project is completed within the next budget year to help protect the motoring public?

Hon. Steve Ashton (Acting Minister of Infrastructure and Transportation): Mr. Speaker, certainly, we all feel for the families of this particular accident and any accident in this province. Certainly, we have made a commitment as a government to an historic investment in our highway system, driven very much by the need to improve safety throughout the province, in every part of it.

In 1981, we did sign an MOU with the R.M. of Headingley. Indeed, there has been some progress already within Headingley in terms of the work that was part of that. We are also, Mr. Speaker, looking at the other aspects of the plan which included the staged median and turning lanes. This is all part of, I think, our acceptance in this province that the roads were ignored too long and we're reinvesting.

Mrs. Taillieu: Yesterday, the Premier (Mr. Doer) said he was committed to finishing the twinning of the Trans-Canada Highway to the Saskatchewan border. He knows the seven-kilometre stretch through Headingley remains undivided in three places and a terrible accident occurred at one of those.

This past Tuesday, the Assistant Deputy Minister of Infrastructure and Transportation was on CJOB talking about highway projects such as those in Headingley, and he said, and I'm quoting: We have a flexible response program to handle these kinds of situations.

Mr. Speaker, I ask the Minister of Infrastructure and Transportation: Will he make this a priority and advance this project to next year and ensure a safe highway for all of us?

Mr. Ashton: Mr. Speaker, we're very proud of the fact that we, indeed, have moved ahead with highway projects across this country, including the twinning of Highway 1. I should point out to the member that Headingley already is twinned. The issue there is in terms of medians and in terms of other safety improvements such as turning lanes, which were part of the MOU with Headingley in 2001. Indeed, we are looking at the completion of that. We've already made significant progress.

This is again part of our \$4-billion, 10-year re-investment in our highways program, and the No. 1 job of that highways re-investment, dealing with those ignored highways for many years, is safety. That is why we started the job with Headingley and will continue to push forward with that improvement as we do across the province.

Ranchers Choice Investors CED Tax Credit Program

Mr. Leonard Derkach (Russell): During the debate on Agriculture Estimates, the minister indicated that a new tax credit program for rural economic development projects was developed for investors. This program, offering a 30 percent tax credit, has included projects such as a biodiesel plant and also a grocery store.

Mr. Speaker, I want to ask the Minister of Agriculture why investors in Ranchers Choice were not afforded the opportunity to take advantage of the 30 percent tax credit program that she has implemented.

Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives): Mr. Speaker, the producers who were working together on a co-op put their plan in place as to how they were going to raise their money, and they were aware about the CED tax credit.

Mr. Derkach: Mr. Speaker, in talking to many of the investors who invested in the project, they were not aware of a 30 percent tax credit program that was made available to the project. That is also the case with the hemp producers.

I want to ask the minister whether she made it a priority to indicate to those investors that, indeed, a 30 percent tax investment credit was available to them when they invested money in Ranchers Choice or in the hemp project, which were both in the Dauphin area.

Ms. Wowchuk: Mr. Speaker, when people come to this province or provincial people, residents, look at making investments, they are made aware of all of the projects. The member is fully aware that it has to come through a municipality. The municipality has to make the application, but those people who are looking at investments are made aware of all the different programs that are available.

The member says he has talked to some of the people that invested in Ranchers Choice. They were not aware of it. It would be the executive, the people that are in charge of the project, that are making the decisions on the financing that would then be responsible for making a decision with the municipality as to whether or not to create a CED tax credit, Mr. Speaker.

Interprovincial Trade Barriers

Mr. Larry Maguire (Arthur-Virden): British Columbia-Alberta Trade Investment and Labour Mobility Agreement came into effect in April. By eliminating trade barriers, British Columbia's real gross domestic product has grown by \$4.8 billion and creates up to 78,000 jobs. By contrast, Mr. Speaker, this NDP government has watched 40,000 Manitobans leave this province. We can't afford to sit back and, once again, be left in the dust by our western neighbours.

Mr. Speaker, when is this Minister of Competitiveness, Training, and Trade (Mr. Rondeau) going to wake up and realize that Manitoba needs to reduce trade barriers interprovincially today?

Hon. Gary Doer (Premier): Manitoba trades with Alberta and British Columbia. We also have more trade internally with Ontario, Québec and Saskatchewan. We believe in an internal trade agreement. We know the all-party committee in Saskatchewan—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: All provinces have agreed now to have full procurement for Crown corporations. The federal government was last in. All provinces have agreed to an agricultural agreement that includes, on pages 37 and 38, orderly marketing, in the so-called free trade agreement of TILMA. I would ask the member to read that.

All provinces have agreed to labour mobility and full recognition of credentials on April 1, 2009. We're one province short of an energy agreement. Only Newfoundland and Labrador—

Mr. Speaker: Order.

* (14:00)

Mr. Maguire: Mr. Speaker, the Premier was a strong opponent of free trade with the United States. This has proven to be a very poor position.

Also, this House wouldn't pass a resolution, the government wouldn't pass a resolution on improving trade arrangements in this House this morning, Mr. Speaker. The Premier himself has said that it's difficult to get 13 premiers to agree on an issue. This government can't stand on its own two feet. It can't support its spending habits without relying on equalization payments of 38 percent of its budget.

Now this government won't even take responsibility for enhancing interprovincial trade. When will the Minister of Competitiveness, Training and Trade (Mr. Rondeau) demonstrate leadership and realize that reducing red tape and reducing trade barriers is a benefit for all Manitobans, instead of continuing its reliance on federal transfers?

Mr. Doer: Mr. Speaker, to continue on, where the disagreement is, and if you look at the all-party, including the Sask Party and NDP in Saskatchewan, their analysis was that TILMA, with the ability of citizens to take municipalities to court, would actually create more red tape, more bureaucracy and less trade.

So, the issue that we're dealing with, and we're very close to getting an agreement, is to having something similar to PERC, which is the reliability dispute mechanism that we use with B.C. Hydro, Manitoba Hydro, Québec Hydro, Ontario Hydro. We're using a PERC model to resolve disputes and have teeth in this panel. I think we're very close to getting an agreement. We have to look south for trade. We have to look east for trade. We have to look west for trade, and we have to look north to trade as we did with Churchill, Mr. Speaker.

The Maples Constituency Nomination Discussions with Chief of Staff

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, my question is for the Premier. I am requesting that the Premier simply answer yes or no, or—

Some Honourable Members: Oh, oh.

Mr. Lamoureux: That is a challenge.

If he chooses or, Mr. Speaker, or he may choose not to give an answer, meaning he is hiding the truth. In regard to the NDP Maples nomination, there was a letter which we know the Premier has read. The question is very simple: Has the Premier discussed the letter in question with his chief of staff?

Mr. Doer: Mr. Speaker, is the member going to resign? Yes or no.

Mr. Lamoureux: Mr.—

Some Honourable Members: Oh, oh.

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

Mr. Lamoureux: In order to demonstrate a very clear example of a yes or no answer, Mr. Speaker, the answer is no.

The question that I have for the Premier is: Will he recognize the fact that his issue of accountability to this Legislature on this issue is one that he should not be very proud of? I am extending an invitation to the Premier to come and defend his position, or lack thereof, to his own constituency at the Munroe public library on November 5. Will he have the political courage, as I believe I would in my constituency to debate this Premier, and come out to a public meeting on the issue in his own constituency?

Mr. Doer: Well, I know the member likes to light his hair on fire and then call the media to get press attention, Mr. Speaker. He went to the media on a date that I was already tied up with the top 50 companies, Deloitte & Touche. You know, actually some of us have responsibilities that we set months in advance, but I'd be more than willing to have 10 debates in Inkster when he resigns during the by-election.

Request for Debate

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, the Premier hasn't even provided a shred of proof. He refuses to answer questions. I would be more than happy to pick the date in his constituency. I will make myself available to challenge the Premier in his own constituency.

So, if you're not available on November 5, Mr. Premier, you pick the date. I'll be there.

Mr. Speaker, if this Premier doesn't have the courage to do that, if he—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. Everyone knows, questions or answers, they go through the Chair, not person to person. So I ask all members for their co-operation.

Mr. Lamoureux: Yes, Mr. Speaker. The Premier knows full well that if he cannot gather the intestinal fortitude in order to come and defend his position to his constituents, and he can't make the meeting and he doesn't want to meet with me to debate the issue, any one of his 33 seals are more than welcome to come and debate the issue. Anyone on that bench—

Mr. Speaker: Order. The last few days I've cautioned members about the strong language that is not warranted in this Chamber. I'm asking the co-operation of all honourable members.

The honourable First Minister has the floor.

Hon. Gary Doer (Premier): Thank you, Mr. Speaker. I would look forward to debating in the constituency of Inkster. I promise the member if he follows through on his word—Sheila Copps gave her word that if the GST was not repealed, she'd resign.

The member opposite gave his word. Elections Manitoba dealt with this issue, and he put his seat on the line. It's on tape, it's in the media. I know he likes publicity stunts. That's all he does in this House.

If he wants to have a debate, I'll show up in Inkster. In fact, I'll commit to him that if he resigns today, I'll call the by-election tomorrow, and we'll debate from there on in.

Small Business Climate Government Initiatives

Ms. Flor Marcelino (Wellington): I had the pleasure of attending at the University of Manitoba the launch of Small Business Week last Friday, and although we use the term "small business," its impact on our provincial economy is anything but small; 97 percent of all businesses in Manitoba have fewer than 50 employees. Small businesses account for approximately 23 percent of Manitoba's GDP.

Would the Minister of Competitiveness, Training and Trade please advise the House what the government is doing to enhance Manitoba's small business climate?

Hon. Jim Rondeau (Minister of Competitiveness, Training and Trade): I'm pleased to inform the House and all Manitobans about the very positive things that we're doing for small business. The first one is we've moved small business tax from 8 percent to moving to 2 percent; that's a 75 percent reduction. We've moved the threshold from \$200,000 to \$400,000; that's a doubling.

Also, we're trying to look at improving how we do business with small business. That means moving forward with BizPal, which is an electronic way of allowing all the forms and pieces of licences and permits on-line. We're making sure there's a single window, we're making sure business can be conducted on-line so that forms can be saved by Google save and submitted by e-mail. We're making sure that electronic transmissions can occur.

So, in short, Mr. Speaker, we're moving forward on taxes, we're moving forward on reductions, we're moving forward on tax credits, and we're moving forward on reducing red tape in real time in co-operation with the small business community.

Spirited Energy Advertising Campaign Shipping and Handling Charges on Web Site

Mrs. Leanne Rowat (Minnedosa): Let me break this down: Spirited Energy pen, \$3; shipping and handling, \$8. Spirited Energy budget, \$3 million; forcing the government to stop spending taxpayers' dollars on Spirited Energy; priceless. There's some things money can't buy. For everything else, there's MasterCard.

Oh, let me rephrase that. There's federal transfers.

Will the Minister of Competitiveness explain why 267 percent of shipping and handling charges is applied to a \$3-pen from the Spirited Energy Web site?

*(14:10)

Hon. Jim Rondeau (Minister of Competitiveness, Training and Trade): Mr. Speaker, the member opposite, it must be Thursday, because last Thursday she talked about spend more on advertising. This time she's slugging the Spirited Energy campaign. The member opposite has spoken unfavourably about the campaign and said it's like a wart: unsightly, embarrassing.

What's sad about it, Mr. Speaker, is that this member opposite refuses to see how the business community is leading the campaign, is marketing Manitoba, is showing it in a good light. The member opposite refuses, refuses to see anything positive about any marketing of our province's assets.

This is a campaign that's led by the business community. They're moving forward on initiatives. Right now, we've put it on pause until we hear from the Auditor General and we're looking forward to her report.

Mrs. Rowat: Mr. Speaker, I asked the Minister of Competitiveness about the Spirited Energy Web site in Estimates about a week and a half ago, and he apparently knew nothing about it. I decided to check it out myself and found out that they were charging \$8 for shipping and handling of orders as small as a single pen, which came to \$11.82 with taxes.

One wonders how the Province intends to convince people in Manitoba to promote Spirited Energy when they're asked to shell out \$8, shipping and handling, for a single \$3-pen or a Frisbee.

I ask the minister: Has his government sold enough \$12-pens to make up for the \$3 million wasted on Spirited Energy?

Mr. Rondeau: Mr. Speaker, I must explain to the member opposite. I know I've only explained it about a half dozen times, but we're not directly running the Spirited Energy campaign. It's run by a group of volunteers from the business community who believe that it was in Manitoba's best interest to market the province, who talk about the positive attributes to the province.

I know the members opposite can never see anything but negative, but we believe the province has some natural attributes. We believe we should follow the business community in their guidance. They're telling us where we need to go, that we have natural attributes that can be marketed in the province, and we're following their lead.

Mr. Speaker, we look forward to the Auditor General's report on how the money has been spent, and we look forward to following any advice she gives.

Waverley West Subdivision Building of High School

Mr. Hugh McFadyen (Leader of the Official Opposition): We've asked the government several questions relating to a lack of high school in the southwestern corner of Winnipeg, the lack of a public high school to serve the many children of that area.

In today's *Free Press*, Mr. Speaker; we see reports, and certainly I've received reports from residents within my constituency about concerns about plans being made by the school division as the Waverley West development unfolds to bus children from southwestern Winnipeg to various points around the city.

There would appear to be no plan by this government to invest in the necessary schools and infrastructure to serve the area.

I wonder if the Minister of Education (Mr. Bjornson) would be good enough, today, to address the concerns being raised by parents, address the concerns of those who are considering investing in Waverley West and whether the—not matter of if but when—commitment that he's been making on the issue of the high school is something that he's making in invisible ink, just like his Spirited Energy pens.

Hon. Diane McGifford (Acting Minister of Education, Citizenship and Youth): Mr. Speaker, I thank the member for the question. It does give me the opportunity to comment on the presentation by the Pembina Trails School Division this evening to which, I believe, the member was referring.

My information is that what is being presented tonight is an interim measure which is designed to meet the needs of students entering Waverley West until the student numbers in the Waverley West area necessitates the building of a new school. When the numbers in Waverley West, which, of course, is in the very preliminary developments, Mr. Speaker, when the numbers necessitate the beginnings of the building of a new school, there will be a school. We will build a school.

Mr. McFadyen: The issue of the high school, quite apart from elementary schools in Waverley West where there is concern about a lack of plan, but the issue of high school is one where there is current demand and current need.

I wonder if the minister would be good enough to move beyond the it's not a matter of if but when rhetoric, and provide some more concrete explanation as to when is when.

Ms. McGifford: Mr. Speaker, as I just said, we think it's important that the homes be in place. I understand that the Waverley West homes won't all be completed until somewhere around 2032. As I said, when there is a need for the school, when there are sufficient students, then we will build a school.

Mr. Speaker, I could take this opportunity to point out that in 2005, we announced a \$135-million capital plan over three years, which brings our total commitments from 1999 to \$423 million, which is so far in excess of the numbers or the monies committed by the members opposite that they should be ashamed of themselves.

Roseau River Reserve Agreement with Municipality of Rosser

Mr. Ralph Eichler (Lakeside): On May 25, three days after the election, the First Minister (Mr. Doer) and the Minister of Conservation (Mr. Struthers) transferred agricultural land to Roseau River Indian reserve and turned that into a casino, and there has been no deal reached with the municipality of Rosser. I think it's time that the government stood up and took to account that the reserve needs to have an agreement with the municipality, and we ask the minister to do that today.

Hon. Eric Robinson (Acting Minister of Aboriginal and Northern Affairs): Yes, Mr. Speaker, as the member knows, and he pointed out in an earlier question with respect to the same issue, the Province is responsible for turning over land to the federal government to be designated as reserve. The matter that the member talks about, as he knows, the federal government reverted the designation of the Roseau River land on Highway 6 and the bypass as reserve land. Any discussions that have to occur are between the First Nation and the federal government. The member ought to know that.

Mr. Eichler: Mr. Speaker, under the agreement, it's the Province's responsibility to ensure there is an agreement. They have that power to do it and they should do it today.

Mr. Robinson: Yes, Mr. Speaker, I'll just refer the member to my earlier remarks.

Early Childhood Educators Program Tuition for Rural Students

Mr. David Faurshou (Portage la Prairie): Mr. Speaker, I'd like to ask a question of the Minister of Advanced Education.

During the committee of Estimates, a situation was brought forward regarding rural students taking the early childhood educators program and the differential between the tuition charged to rural students versus the tuition charged to urban students. The rural students are being charged \$6,150 for the second year early childhood educators program. That same curriculum if taken in Winnipeg would only cost \$1,500.

Why is this minister treating rural students as second-class citizens?

Hon. Diane McGifford (Minister of Advanced Education and Literacy): The Member for Portage la Prairie not only asked me about it in Estimates, he also asked the Minister of Education, Citizenship and Youth (Mr. Bjornson), and he also asked the Minister for Competitiveness, Training and Trade (Mr. Rondeau) and, I might add, put some pretty factitious information on the record at all three times. What I do want to say to him, and I told him in Estimates, is that we are undertaking a review of the matter that he brought to my attention. That is the answer to the question. It is being reviewed, Mr. Speaker.

I could tell him that the situation in Portage la Prairie is that the program there is being run through

the Continuing Education Division of Red River and Continuing Education are cost-recovery programs.

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

*(14:20)

MEMBERS' STATEMENTS

Lost Boys and Girls of Sudan

Mr. Rob Altemeyer (Wolseley): Mr. Speaker, today I am proud to offer this tribute to the Lost Boys and Lost Girls of Sudan and to the many Manitobans who have joined them in demanding an end to the appalling and ongoing genocide in Darfur. The story of how the Lost Boys and Lost Girls came to our province is at times almost too painful to hear. No one should ever have to experience the murder, rape, slavery, fear or forced migration spanning thousands of kilometres across entire African nations that they endured. That they were subjected to such inhumane treatment while still children should give all of us pause as we contemplate the true state of our world and our own roles within it.

Incredibly, the spirit of the Lost Boys and the Lost Girls remains intact, and today over 200 of them are members of a justifiably proud and growing African community here in Manitoba.

Mr. Speaker, I have had the honour and privilege of working with several of the Lost Boys in recent years, and their accomplishments as young adults should be inspirational to all of us. To name just a few:

Simon Atem is the recent recipient of the YMCA Peace Medal Award for his outstanding efforts to build community here in Canada while also raising funds to build a new school in Sudan;

Samuel Mijok Lang is now a cultural leader in his community thanks to his impassioned performance as Hot Dog on his remarkable debut CD entitled *Lost in War*;

And David Mayen serves on the executive for the Lost Boys and Lost Girls in Manitoba while he pursues nothing less than a double major at the University of Winnipeg in Economics and Business Administration.

Mr. Speaker, it is also appropriate today to pay tribute to the thousands of Manitobans who are providing their moral, political and financial support to the Lost Boys and Lost Girls of Sudan. The

vibrant student group FAIRE, Fostering Awareness of Individual Rights for Everyone, have already organized several fundraising and educational events and have many more to come. Their efforts speak to the very best qualities of the Canadian spirit.

In closing, let me just say to the Lost Boys and the Lost Girls and all their supporters that our government is honoured to have you here in our community as we all work together to make our world a better place. Welcome home.

Knowles Centre Anniversary

Mrs. Bonnie Mitchelson (River East): Thank you, Mr. Speaker, and I just want some clarification on whether I have my two minutes starting now. Thank you.

Mr. Speaker, the Knowles Centre, an important pillar of community support within our province, has recently celebrated its centennial anniversary.

In 1907, Wilfred Knowles, a clerk with the Canadian Pacific Railway, accepted a homeless child into his care. In doing so, he ignited the spark that would evolve into one of the most enduring and effective treatment facilities in our province, providing sensitive, comprehensive and community-oriented care for behavioural and emotionally troubled youth.

The Knowles Centre has successfully adapted to the changing approach towards caring for children in need. One hundred years ago, the starting point of the centre's evolution was a juvenile boys' orphanage. During the 1940s, the Knowles Centre became a popular destination for young boys whose fathers were fighting in World War II. The centre evolved into a treatment facility for troubled boys and in the 1980s became a co-ed facility.

It has continued to respond to community need by developing several new programs including a comprehensive sexual abuse treatment program, culturally appropriate treatment for Aboriginal youth and, most recently, a treatment foster care program.

While the creativity and hard work of the staff and volunteers are fundamental to the centre's success, the cultivation of a trusting and open interchange with the local community's interest has helped the centre shed the distinct connotation of the stereotypically cold, bureaucratic and anonymous institution. Rather, the progressive approach that has been utilized by the Knowles Centre has served to

integrate troubled youth into the fabric of a welcoming and supportive community.

Mr. Speaker, I'm proud to represent the constituency of River East, which has been home to Knowles Centre for many years. I was pleased to be able to celebrate Knowles' success at their gala dinner on October 12, along with board members, staff, friends and funders of Knowles.

Several former residents paid tribute to and gave credit to Knowles Centre staff for the positive impact they had had on their lives. Not only are they thankful, but as a community we are thankful for everything the Knowles Centre has given to improving the lives of troubled youth and thereby the lives of us all. Thank you.

Legal Education and Action Fund

Ms. Sharon Blady (Kirkfield Park): I was very pleased to attend the Women's Legal Education and Action Fund breakfast this morning in support of LEAF's work promoting women's equality.

LEAF was established in 1985 to ensure the rights of women and girls are upheld by Canadian courts and human rights commissions and to provide public education on issues of gender equality. LEAF has been instrumental in advancing the case for women's equality. From issues like violence against women to sexual harassment to spousal support, LEAF has been there for women. In fact, Mr. Speaker, LEAF has intervened in over 140 court cases, many of them landmark decisions for women.

Today's breakfast commemorated the 1929 Persons Case where women were recognized as persons under the law. Governor General Award winner Mary Eberts addressed the breakfast highlighting Manitoba's leadership and the challenges that are ongoing in the fight for women's equality. She spoke passionately about gender and equity among First Peoples and Canadian society as a whole. Ms. Eberts also made note of the impact that federal government cuts to the Status of Women Canada and the Court Challenges Program have had in turning the clock back in the advancement of women's rights. This includes the recent loss of the National Association of Women and the Law.

Advancing the case for women's rights is beneficial to our entire province. We all benefit from a society that is fair and equitable. Employers gain from a diverse and respectful workplace rooted in the appreciation for individual skills and abilities. Youth

grow up to know that equal opportunity awaits them in the workplace and society in general.

I want to extend congratulations to LEAF, their sponsors and volunteers, for their well-attended breakfast and wish them much success in their future endeavours. LEAF's hard work does not go unnoticed. Thank you, Mr. Speaker.

Grant Moffat

Mrs. Leanne Rowat (Minnedosa): Grant Moffatt of Forrest, Manitoba, has been missing since August 18, 2006, when he disappeared on his way to Ste. Rose. He was an active community leader in areas that included activities such as Charalouis cattle breeder, youth supporter and agricultural journalist.

Because of Grant's passion for agriculture and the community, families and friends have decided to establish two awards in his honour. These awards will be channelled from the Grant Moffatt Fund, and they will focus on getting Manitoba youth involved in the purebred beef industry.

Reflecting Grant's extensive history as a participant in the Manitoba Livestock Expo, cash awards will be given to deserving youth in the showmanship division of the event. The Grant Moffatt Showmanship Award will be given to the champion and the reserve in three different divisions. As well, Grant's family will present the overall grand champion with a trophy and a plaque. The Grant Moffatt Fund Committee felt that these awards would be a fitting tribute to Grant by encouraging youth to participate.

The second award recognizes Grant's strong support for youth involvement in the cattle industry. The committee will select multiple youth based on need to receive the Grant Moffatt Herd Builder Award. The cash accompanying these awards will be applied to purchasing registered heifer calves so that the youth can build a purebred beef cattle herd.

The unresolved absence of Grant Moffatt from his community is deeply saddening, but I wish to commend his family and friends for establishing these awards in his honour. By supporting youth involvement in agriculture, causes very close to Grant's heart are continued and promoted within his community. I am sure that Grant would very much appreciate these gestures. Thank you, Mr. Speaker.

* (14:30)

National Citizenship Week

Mr. Mohinder Saran (The Maples): Mr. Speaker, I rise before the House to recognize National Citizenship Week and to celebrate the 60th anniversary of Canadian citizenship.

In 1947, Mr. Speaker, Canada became the first Commonwealth country to gain its own citizenship separate from Great Britain. This step set the stage for Canada's gradual move away from being a British colony toward its own independent nationhood.

Since then, over 6.1 million people have been granted Canadian citizenship. Today, 60 years later, immigration continues to be one of the largest factors behind this country's growth and success.

Manitoba has benefited greatly from the arrival of 10,800 immigrants who have chosen to settle in the province over the course of this last year alone. Many of the newcomers to our province choose to make my constituency, The Maples, their home. These immigrant groups contribute to the vibrant diversity we are privileged to enjoy in that part of the city. With all of the cultural and social differences that define us, however, it is important to remember that with the exception of Canada's Aboriginal peoples, all of us at one time came from another country and are united, therefore, by our immigrant past.

Mr. Speaker, citizenship means something different to each and every Canadian. It signifies far more than simply being called Canadian, and we all play a role in defining the identity and the unique values we hold as a society. National Citizenship Week is about recognizing the diversity that characterizes this country and celebrating the national identity that unites us.

Thank you, Mr. Speaker.

GRIEVANCES

Mr. Speaker: The honourable Member for Carman, on a grievance?

Mr. Blaine Pedersen (Carman): Yes. On a grievance.

I would like to issue a grievance on this Hydro bipole fiasco that we're into right now. There are a couple of things that we really do agree on, which is odd but nonetheless it is. There is a need for bipole 3; I think most people would agree to that. There is an importance for growing our out-of-province sales of hydro, and there is potential for far more sales.

When we look at the coal-fired stations both south and east, we know that there's potential for lots more sales. So let's get a bipole 3 up and running.

However, there are a couple of other points that I would really like the parties to agree on. First of all, what we need to do is let Hydro act independent of government interference. That's how a Crown corporation should run. It shouldn't be up to the whim of the party in power to decide where this line is going. And it would be an interesting thought, too, for them to listen to Manitobans on this and what all Manitobans have to say on this. *[interjection]*

I could go there but I won't. I'll leave that one alone.

The NDP has committed to a third bipole line on the west side of Lake Winnipegosis, on the west side of the province. When you look at a map of Manitoba and you see the sheer foolery of this, how it's going to cost \$500 million more at least—I think that's being very low-balling the estimates; it's going to cost a lot more than that. We're going to have significant line loss, and everybody talks about numbers, but we know that there will be additional line loss just because the line is going to be longer. That's unfortunate because this is clean power that could be used to displace coal power.

Now, just looking at the proposed line to go around the west side, we know that bipole lines and all hydro lines are vulnerable to extreme weather, and just the fact that you're going to make this 400 kilometres longer exposes you to that much more risk, that much more weather factor. The east-side line would be 400 kilometres shorter, thereby allowing us some measure of insurance to less likely have weather-related difficulties on the line.

Again, we agree that it shouldn't go down the Interlake. We need some physical separation from the other two bipoles, but the east side makes so much more sense for many reasons, and it's unfortunate that politics is getting in the way of this, of making a rational decision. Just the fact that running the line down the east side would present an opportunity for east-side First Nations communities instead of ignoring them, that would provide so much more potential economic development for them, both from the line and from the increased access to their communities. We need to take that into consideration. We can't just ignore them.

Running down the west side is actually going to take out more boreal forest than what it would on the east side, something that this government tends to ignore. You're also going to run through a lot of agricultural land that is producing now that will take it out of production, never mind the increased liability of people damaging the line because they'll have increased accessibility to it through the west side.

It's just amazing how this decision comes by that way. We like to think of governments acting in our best interest, but this one clearly is not. The idea that the east side is pristine and you can't have a wildlife refuge there is just sheer foolishness. There are already two hydro transmission lines on the east side. There's three winter roads running through this pristine wilderness and there are, on the table right now, plans for more roads. How can you have these developments but totally ignore an east-side line?

Going back to the west side again, the excess power loss—and the numbers are being debated hotly today and will be debated hotly for a number of weeks to come—whatever number you want to use, this is extra line loss that we're talking about. It takes away from development such as the St. Leon wind power. You're defeating yourself by producing more power there and then running a line on a strange detour, only to have equivalent line losses coming around that way. So it's really unfortunate that they won't back down and let Hydro act as they should, as an independent Crown corporation.

Their so-called pact and veto power on the east side of the native reserves on the east side is falling apart as we speak. Chief George Kemp of Berens River is quoted as being in favour of the east-side line and felt that the WNO agreement now has been left in tatters because of the government's abandonment of the east-side option.

A number of other reserves have also expressed anger about this. You have to wonder where was this so-called agreement and what's happening to it and where are they now and are they just going to be left again, left as a political football? That's very unfortunate, because we're talking about people's lives there. That's extreme poverty that we could address by something like this.

As far as the UNESCO heritage site, again, you have to look at the map. Take a map of Manitoba and draw out these, and you'll see that there's room for a UNESCO site. There's room for traditional areas for the native reserves, and there is room for a

75-metre-wide hydro bipole line coming down the east side which would contribute untold economic development both for Manitoba and in terms of exporting power.

This government has, in typical fashion, just closed the door to this development and has settled on a strange option that we just can't understand. However, when you're depending on transfer payments for your money and 38 percent of your budget, maybe \$500 million doesn't really matter. There'll be just more coming from the feds every year.

That's a strange way to do business, to depend on welfare from the federal government. I know they like to blame the federal government for all their problems, but at the same time they have their hand out and dealing with that too. It's just unfortunate that this government continues to ignore the best advice from their own Crown corporation and listen. I hope, in future, they will listen to Manitobans.

Thank you, Mr. Speaker.

* (14:40)

ORDERS OF THE DAY (Continued)

GOVERNMENT BUSINESS

Hon. Gord Mackintosh (Minister of Family Services and Housing): Mr. Speaker, would you please call second readings, Bills 21, 22, 7, 9, and the rest in the order they appear?

DEBATE ON SECOND READINGS

Bill 21—The Housing and Renewal Corporation Amendment Act

Mr. Speaker: Resume debate on second reading of Bill 21, The Housing and Renewal Corporation Amendment Act (Fund for Housing Revitalization), standing in the name of the honourable Member for Portage la Prairie (Mr. Fauschou).

What is the will of the House? Is it the will of the House for the bill to remain standing in the name of the honourable Member for Portage la Prairie?

Some Honourable Members: No.

Mr. Speaker: No. It's been denied.

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I do want to actually talk a little bit about this Bill 21. I

have, over the years, raised the issue of land banks in terms of the Meadows West area. There's a large bank of land that the government has owned for many years. Over those years, I've somewhat followed in terms what's been transpiring, and there's always been some highs and lows in terms of expectations.

As of today, and the other day when I was actually inside the Estimates, I had the opportunity to ask the current minister in regard to what was happening there. I had asked the minister in regard to the most recent update on the property. What I found out is that the government is still waiting for expressions of interest, and nothing has really happened on the file in the past couple of years.

Well, Mr. Speaker, it was a couple of years ago when I had raised the same issue with the former minister of housing, and that minister had indicated that she would work in co-operation and do some consultation. My primary concern has always been making sure that the residents that live around that community are consulted, that they're brought into what's going to be happening in that area.

Mr. Speaker, I believe, in the northwest corner of Winnipeg, that's really the last parcel of property in which we could actually see some sort of a residential development. We've been waiting for years. It's only in the last three or four years that we've actually seen any housing development, and that's in part primarily because of some new developers, a consortium of individuals that have had a vision of bringing more new homes just in the Meadows West area. I applaud them for their efforts, and I have suggested publicly to others that hopefully we will see something happen with the Manitoba-owned land.

I would encourage the government to work in co-operation with the people that are developing the east side of Keewatin because the property they have is on the west side of Keewatin, and see if in fact there is something that is there.

Mr. Speaker, it would be wonderful to get some sort of a residents' group. I've afforded the previous minister the opportunity to have dialogue with local residents. I would do the same thing for this particular minister, make sure that the residents in the communities do have the opportunity to contribute.

The last thing I want to see is a political statement that is made that was similar to what

happened with Waverley West. That's why we have Bill 21 here today, Mr. Speaker. What this bill is doing is it's saying: Well, there's going to be a huge sum of money that's going to be coming from a development that we're hoping to see take place, and there's going to be thousands of homes that are going to be built in this area. We anticipate that it'll be like, I think the numbers were somewhere in the neighbourhood of 35,000, 40,000 people is what it's going to be once it's all done, in terms of the numbers of people in this particular project.

What we're going to do—"we're" being government—was proposing to do is to take all the profits from that and put it into the inner city. Well, Mr. Speaker, I have a couple of issues with that. The first is I drive through the inner city every day virtually. I feel very passionate about our housing and housing conditions, the overall housing stock of our inner city and the North End.

I have served on resident boards. I have served on co-op boards. I'm very familiar with the types of housing needs in the inner city and Winnipeg's North End. I can even recall back in 1988-89 when the Member for Burrows (Mr. Martindale) was on a housing advocacy group, and he talked about things that could be happening back then. I'm very much aware of the involvement, the direct involvement government has in the North End, inner city in terms of housing. In some areas there have been some positive things, but in areas where the government has most control they have not done well. They have not done well at all.

Ms. Marilyn Brick, Acting Speaker, in the Chair

The issue that I'm specifically referring to is the large non-housing complexes, whether it's the Blake Gardens, the Gilbert Parks, the Turtle Mountains and the need to be there to enable and to promote and to encourage and educate the residents that live in these large complexes to enable them to have a higher sense of ownership. These are the types of things which government should be taking policy initiatives on.

But what about the issue of money? Well, I like to think, Madam Acting Speaker, that whether the Waverley West builds houses or doesn't build houses, that the inner city and North End needs and other areas of the city of Winnipeg but in particular the inner-city's needs are going to be met, that if it takes \$25 million, \$250 million, whatever it takes, the government's going to ensure that it has the ability to be able to take corrective actions on the

things that need to happen in Winnipeg's North End and the inner city in dealing with housing.

That means we need to see more infill housing. That means we have to tear down derelict homes. That means it's not good enough just to let houses be boarded up and sit boarded up, being havens for all sorts of illegal activities quite often. I don't want the inner city or the North End and even some other of the older communities to be subject to be waiting for a Waverley heights project to materialize on money in order for a particular project to materialize.

I think that the government's either committed to the inner city and the North End or it's not. If it's committed, then it shouldn't really matter in terms of what happens in Waverley. What should be the importance of that Waverley development should be how is that Waverley development's future going to look as it gets developed, same principle that should apply for Meadows West.

So, for example, if there's a need for rapid transit, well, maybe the money should be going towards—if there are any profits and we don't know if there are going to be profits. After all, the NDP is involved in this. We don't know if there are going to be any profits, but maybe if you check with the communities that are going to be impacted the very most by this particular development, maybe they would rather see the rapid transit put into place, Madam Acting Speaker.

This is an area which I know that you and many of your colleagues represent. I would think that the monies that are raised, if there are going to be profits, might be able to or better able to service the communities of Waverley West and the surrounding areas. So I don't know why it is that we have to have legislation brought in to try to score political points in terms of Winnipeg's inner city. If you want to score political points on Winnipeg's inner city, what you really need to do is make the commitment, the commitment to provide affordable, safe housing in these areas. We don't need to wait until Waverley West is developed.

So we'll wait and see in terms of what happens in the committee stage of this bill. I appreciate the opportunity to be able to say a few words. Thank you, Madam Acting Speaker.

* (14:50)

Mr. Hugh McFadyen (Leader of the Official Opposition): I am pleased to rise and speak on the issue of Bill 21, The Housing and Renewal

Corporation Amendment Act, and to raise concerns that we have, that I have as the Member for Fort Whyte, with this legislation.

Firstly, Madam Acting Speaker, the legislation is unnecessary. The government has every right and every ability, through its regular appropriations under its budget, to address issues of need in our inner city, and that ability exists quite independently of this legislation. It is a matter for budgeting, the normal priority setting that takes place as a government goes through the process of establishing its budgets which will include, as part of the analysis, a consideration of what the needs are for housing in our city. That would include the needs for public housing. It will include other needs that exist with respect to accommodations in the province of Manitoba.

We know, Madam Acting Speaker, that the motivation for this legislation is political, that the government was under pressure, was under criticism from some advocates, who were opposed and are opposed to urban sprawl. Some of those concerns that have been raised by some of those groups are legitimate issues, obviously, matters to be taken into account by government.

But, rather than addressing those issues that have been raised, Madam Acting Speaker, the government went ahead with what is essentially a smoke-and-mirrors bill to try to provide the impression that the government was concerned about inner-city housing and other needs for housing within our city and our province.

We have other concerns as well. The legislation's politically motivated. It's unnecessary, and further, Madam Acting Speaker, we know that the government's role as a developer is questionable at the very least. We've got the history of the Seven Oaks School Division. We've got a history by this Premier (Mr. Doer) and his predecessor, Mr. Pawley, of interfering in property developments in different ways, lawsuits having arisen from that political interference in past years.

So they've got a track record of mismanaging housing. They've got a track record of mismanaging other areas of government. We need to consider the issue of Crocus and the mismanagement of that issue, the fact that the government is going to, through political interference with Manitoba Hydro, leave a massive legacy of debt for future generations.

So, when we look at this record of mismanagement, we have concerns about the government's role in developing a major subdivision such as Waverley West. We believe that the role of government is to facilitate development to the extent that the government is an owner of lands to, if it is going to develop or dispose of those lands, to ensure the taxpayers achieve the highest level of benefit through that development.

But government as developer, Madam Acting Speaker, is a matter of concern for us. There's a lack of transparency in terms of the way the development is managed. We have no confidence that debt that is acquired by government to be left to taxpayers is being appropriately accounted for. We have concerns about receipts coming in from the sale of property and for the management of expenditures when it comes to the development of Waverley West.

So these are all fundamental issues with the role of government as a business in the world of development when there are so many others who have expertise in these areas and who are able to provide and fulfil a role within our society that has certainly not been perfect, but has largely been effective, Madam Acting Speaker.

So we look at Seven Oaks. We look at their mismanagement at Aiyawin, at Hydra House, Crocus, at Hydro, and a variety of areas, and we, in opposition, are deeply concerned that the government's entry into the world of development on a large scale like this is going to leave taxpayers ultimately on the hook.

As it goes with most developments, it's the later stages of development before any profit is realized, if there is a profit. It's front-end loaded in terms of expenditures. There's a lag in terms of profits; there are the initial receipts from the first phases of development that normally go toward repaying debt and covering expenditures, and profits are at the back end of the project.

What that means is that to the extent that the government doesn't fritter away opportunities to generate profit along the way, to the extent that there is profit at the end of the process, that is greatly deferred. We have a concern that those who advocate on behalf of inner-city housing and the needs that are very obvious in our city when you look at public housing in various places—rat-infested public housing under the watch of this government; we have public housing fiascos in every corner of our province—that the perpetuation of this approach is bad news for

Manitoba taxpayers and bad news for those who rely on services from government in the area of public housing.

So there is certainly the risk of government as developer, mismanaging, but there's also the false sense of security that might be provided to those who are seeking more government investment in the area of public housing that the Waverley West development will generate profits in a timely way that can be used to address these needs. The reality is that if there are profits, they'll be some distance down the road and that those who are looking for help may be misled into thinking that this bill is going to provide some immediate relief for those looking for government investment. That would be an unfortunate situation if people felt that they were being misled, and perhaps more importantly, Madam Acting Speaker, if the government was able to use Bill 21 to try to give people a false sense that they were taking action in this area when, in fact, that action may be many years down the road, if there is any action at all, and that assumes quite a bit. The assumptions, we worry, are that there will be a profit, but their track record to date is one of losing money, not of making money. So we are not optimistic that there will be money left at the end of this process for the needs that have been identified in the legislation.

So we have concerns about the bill for all of those reasons. It's unnecessary; it plays into the issue of government playing the role of developer, particularly a government that has a horrendous track record of mismanagement, and it creates the false impression that the government is meeting present needs with Bill 21 when, in fact, it may be many, many years down the road before any proceeds are available to invest in this area.

So these are our objections in principle to this bill, Madam Acting Speaker, and as we look to the particulars we see many significant flaws. We've got vague definitions; we see the word "need" as a defined term. It's extremely vague; it includes things such as, and I quote: "any other factors the corporation considers relevant," which provides wide discretion for the corporation, this government corporation, to disburse funds in ways that may not, in fact, address needs and in ways that may, we fear, go toward, for example, unfunded liabilities that currently exist within the department, debt obligations which have been built up under the NDP within the Housing department, and other areas that don't actually meet needs but are used to paper over past scandals and past mismanagement.

So, Madam Acting Speaker, we have a concern about all of these things. We have a concern that, in effect, what the government is doing, much as they attempted to do with Hydro revenues in an earlier day, is to create a political slush fund and a political smoke-and-mirrors operation that allows them to create the impression of action when there is no action and allows them to disburse funds in ways that may not achieve the goals that the legislation purports to set out. That would be an unfortunate result, because we think those who are wanting to see more investment in the inner city will be disappointed; their expectations will be raised, but as is often the case with this government, there will be a mismatch between expectations and reality, and the reality will be considerably different than what the expectation is that would be created by this bill.

* (15:00)

Now, we've got other specific concerns: A lack of accountability that under the bill, MHRC has the authority to issue money from the fund to approved projects even if the deposits of incoming profits cannot keep pace. So, when profits are available, they are then to be paid back into the fund. This is a recipe for borrowing against projected future income which may never, in fact, come about.

So to start spending money on the basis of some wishful thinking in terms of future revenue is a classic NDP formula for creating debt in the present and not having to account for it until the future. That is the sort of ticking time bomb mentality of financial mismanagement that we see as all too common under this government.

We also see that the bill ignores many of the problems created by some of the new developments that the government is hoping to generate a profit from. I'll use Waverley West as an example because it's one near and dear to my heart and of particular interest to my constituents. Waverley West will, when it is under way, create added pressures and challenges in the southwest corner of the city. There are already significant transportation bottlenecks and challenges on Waverley Street and other routes that are commonly used by people in the southwest part of the city and those who travel into the city from outside of Winnipeg who use those arteries.

We have, as it is well known, a present need for a high school in the area. That need is dictated by current residents in the Fort Whyte constituency and the communities that make up Fort Whyte, including Waverley Heights, Richmond West, Whyte Ridge,

Linden Woods and Linden Ridge. The residents of these neighbourhoods have a current need for a high school which has not been met by this government.

The concern, of course, is that this is a pattern that continues, that development goes forward in Waverley West, residents move in, there's a need for schools and other public amenities such as better transportation, and that need goes unmet by this government. Even as it feels it has the ability to waste \$500 million on a Hydro transmission line that is longer than required, even if it feels that it has the ability to waste millions on a Spirited Energy campaign, it can't seem to find the money to meet the needs of families with children who want to send those children to local schools within their home communities.

So the concern is that this bill goes one step further in the wrong direction and that it sends a signal that the government is not interested in meeting the needs of suburban residents when it comes to schools. I know this is an issue in other constituencies than mine. Certainly, I know the Member for Southdale (Ms. Selby), the Member for Fort Garry (Ms. Irvin-Ross), the Member for St. Norbert (Ms. Brick), the Member for Seine River (Ms. Oswald), and others will tell you that they hear from their constituents about the need for investment to deal with school pressures and other pressures within those growing communities.

This bill is bad law for a variety of reasons: (a) it's unnecessary; (b) it creates false expectations; (c) it contains a lack of accountability, the potential for a slush fund and fails to address the needs of those communities that are impacted by new suburban development.

So, Madam Acting Speaker, we have great concerns. I have great concerns about this bill in terms of its broader impact on our province and, in particular, in terms of its impact on the people that I've been elected to represent in the constituency of Fort Whyte. Thank you.

Mrs. Bonnie Mitchelson (River East): I welcome the opportunity to speak on Bill 21 here in the Legislature today, and just want to echo, certainly, some of the comments that my leader has put on the record.

Madam Acting Speaker, we know that there is absolutely no need for legislation in order to provide the kind of housing support that should be available to members of our community that are in need of

affordable housing. There is absolutely no reason why, through regular appropriation of funds through the Department of Housing, that this couldn't be accomplished, and it should be accomplished in that manner. We know for a fact that this is just smoke and mirrors by a government that purports to care about those that need affordable housing. We've only seen over the last number of years the mismanagement and the chaos in the Housing portfolio, and scandal after scandal, report after report that's been done that has asked this department to clean up its act and get on with doing the business of providing the kind of support to low-income Manitobans that needs to be there.

Madam Acting Speaker, we know for a fact that, because of the chaos in the Department of Family Services and Housing, and especially on the Housing side, they've had to call in external consultants to do an operational review of that department. Now, you would think that the department, with some leadership and direction from the minister, would be able to, after scathing reports by the Auditor General back as far as 2002, be able to clean up some of the issues and implement some of those recommendations. And here we are, five years later, and still many, many of those recommendations that were made by the Auditor back in 2002 haven't been implemented.

Because there was no leadership and no direction at the ministerial level, Madam Acting Speaker, a consultant had to be brought in at significant expense. Now, we know for a fact because the minister admitted yesterday that to date we have over \$300,000 in expenditure to an external consultant to try to fix some of the problems in Housing. We know that that's not all. I'm hearing that the Estimates of Expenditure to date could be somewhere around half a billion dollars—I mean, half a million dollars. I shouldn't say half a billion, half a million dollars.

Madam Acting Speaker, that's money in the Housing portfolio that should be going towards maintenance improvement or fixing or building new homes for those Manitobans that need affordable housing. Instead, it's being spent on consultants when, if there was true leadership within the Department of Housing, the problems would have been fixed and we would have been able to use those precious resources on affordable housing.

Madam Acting Speaker, it's questionable, very questionable whether government at all should be in

the business of development. We know that this whole file at Waverley West has been a fiasco right from day one. It was the former minister, Scott Smith, the Member for Brandon West, that botched this file when he refused to be open and transparent with the development of Waverley West and refused to have the project go before the Municipal Board. He made it his mission to try to avoid public scrutiny and left the clear impression with many, many Manitobans that there was something going on behind the scenes.

I don't know what the government was hiding from back in 2005 when they didn't put this development before public scrutiny, so that Manitobans would know indeed whether there was going to be profit or any money from Waverley West. I'm not sure what the government at the time was trying to hide.

So we have a development that's going ahead. We have no understanding of what the profits will be, if there will be any profits, and what might possibly go into the slush fund that's being set up by the government today. I'm sure, Madam Acting Speaker, that there will be people that will come out to committee and raise some of the same issues that we have raised.

*(15:10)

Now, I want to go on to say that we've seen unprecedented action by this government over the last number of budgets. If we go back to the year 2000 and 2001, this government started to borrow money through The Loan Act authority to fund housing initiatives, and we haven't heard clearly from the minister to date exactly how that money was spent.

But, if we look back to the year 2000 to today, the government has borrowed over \$160 million to support housing initiatives through the Department of Housing in government, and that is unprecedented, Madam Acting Speaker. And I guess I question where that money has gone. Where's the accountability for that money?

We do know that we have housing stock right throughout Manitoba that is in deplorable condition. We've heard of mould issues that haven't been resolved. We've heard of bed bug issues that haven't been resolved. We know there are cockroaches in some of our housing complexes that need to be fixed. And when I look at the amount of money that has been borrowed, that isn't even money that's been

appropriated through the normal budgetary process. When we look at all these dollars that have been borrowed to go into the housing stock in our province, and we see the end result, which is continued deterioration of our housing stock, we have to question how we can trust this government to put money into any fund and indicate that they're going to commit to public housing.

We know that in the development business, and government is in the business of developing in Waverley West, you don't see profits initially. There are up-front costs that have to be borne before we see any profits. It's my understanding that the government has done a little bit of a flip-flop when they said all of the money from Waverley West was going to go into this fund for inner-city housing, and now they've admitted that Kenaston will have to be extended. That means that some of the money that they had initially intended to put into the slush fund will now go to the extension of Kenaston. Well, we welcome the infrastructure and the dollars spent on infrastructure to support any new development, and that's really where the money should be going. The money for inner-city housing should be found through the normal budgetary process and appropriation to make sure that year after year after year we're improving the housing stock and we're providing new opportunities for people right throughout the province of Manitoba.

It's not just in Winnipeg and in Winnipeg's needy areas. It's right throughout the province of Manitoba. I hear from my colleagues, and I know some of them will have an opportunity to put comments on the record, but in their communities they're experiencing a lack of affordable housing. They're experiencing a lack of affordable housing for seniors and for others. I know in Brandon, the economy is doing well with the second shift at Maple Leaf, and there are some real concerns around affordable housing for families. Madam Acting Speaker, we're not seeing the openness and the accountability and the transparency within the Department of Housing to know where the dollars are being spent.

We also know, when CMHC back in 1998 signed an agreement and turned the housing stock that they had managed over to the Province of Manitoba through MHRC, that they had indicated that the Province could keep any profits they made as a result of remortgaging that housing stock, and we know that mortgage rates have come down significantly since 1998, and we know that that

money was left with the Province and part of the agreement was that that money, over the years till 2030, would be spent reinvesting in that housing stock and maintaining it. Well, Madam Acting Speaker, we see, in the city of Winnipeg specifically, we've heard horror stories about the deplorable conditions that people have to live in. Where is that money going that was earmarked? I know that it's somewhere around \$50 million or \$60 million a year that comes and flows from that deferred revenue account that should be supporting housing. Yet we're not seeing those positive results, and we haven't had any accountability or any explanation from this minister or this government on where that money is being spent.

Madam Acting Speaker, we've seen, time after time, when it comes to management of tax resources, we've seen significant mismanagement by this government. We only have to look to Aiyawin, and that was in the Department of Housing, to Hydra House, to the scandal at Seven Oaks School Division, to the Crocus scandal that's front and centre again in this past week in the newspaper, and I know that there's more to come, through the Burntwood Regional Health Authority, and the floodway expansion.

Every time this government looks at areas that need improvement, they tend to mismanage, and we've seen time after time, conflicts of interest. We've seen red flags ignored, and as a result, we have no reason, as Manitobans, to think that we can trust this government to manage this new fund in an appropriate manner.

I don't think Manitobans will see any money in this fund for many, many years. I think that this, again, is sort of looking into the future and saying, well, first of all, we don't know if there is going to be any money because we've never had any public scrutiny of the proposal so we don't know. We have to depend on what the government tells us, and I'm not sure that we can depend on accurate information. We've seen many, many times, in this Legislature, how inaccurate information has been brought forward by this government, that we're not getting the full answers. I mean, if they wanted Manitobans to know what the answers were, they would have had the public scrutiny through the Municipal Board at Waverley West before the project even got off the ground.

Madam Acting Speaker, we see, time and time again, that we have a government that runs programs

out of control, has no concern for the tax dollars, the hard-earned tax dollars that Manitobans provide to this government on a year-by-year basis. We don't believe that this is the route to go. We believe, as a party, that government should be out of the development business. We should leave that to the developers, but that government should be in the development of housing for those in Manitoba that are in need. When we see money squandered and wasted in many, many areas, we really have to question where this government's priorities are.

This is a piece of legislation that is smoke and mirrors. It will have no impact in the very near future on housing stock, and why should low-income Manitobans that need affordable housing be held hostage to some sort of bill with some imaginary number that might be there at some point in time? It's important for government to manage, to have a vision, to have a plan, and to put the money in place on a long-term basis, year after year, to provide the housing stock and the housing units that Manitobans need.

Madam Acting Speaker, we heard from the minister, and we haven't got any absolute detail on how much money from The Loan Act authority this year is going to be spent on Waverley West. When the government talks about profits in Waverley West, we have to question whether, in fact, the money that they're borrowing from The Loan Act that's going into the up-front development in Waverley West, whether that money is going to be paid back to the taxpayers of Manitoba before any money goes into the slush fund. That question hasn't been answered to date by the minister.

* (15:20)

Normally speaking, when you incur a debt, when you buy something, you've got to pay it back, and you've got to pay it back with interest. We need some answers from this government on what their plans are. Will there be any money left over when the development is done and when they pay their debt back? Or are they just going to ignore the debt and put the money into the slush fund that they have created?

Madam Acting Speaker, we have significant concerns about this legislation. We don't believe that this government has a plan in any way to develop and build the housing stock that's required by Manitobans. Who in the end loses? When we see mismanagement of tax resources, certainly it's the taxpayer that suffers but the real losers as a result of

this government's mismanagement of our Housing portfolio are the people that are very much in need of affordable housing that don't have the opportunity to have it as a result of dollars that have been squandered on scandals and on consultants that have to run the department because there's no leadership at the ministerial level to make that happen.

So we're going to listen very intently to those that come forward and make presentation on this legislation. We're going to ensure that their voices are heard and we are going to vigorously oppose this slush fund and this legislation that is ill thought-out and does nothing to support the needs of low-income Manitobans in our Manitoba community.

Madam Acting Speaker, with those comments, I know there are others that want to put some comments on the record and I'll defer to them. Thank you.

Mrs. Mavis Taillieu (Morris): I'm pleased to speak to Bill 21, but before I do that I'd like to introduce my husband, Wilf Taillieu, who's in the gallery today.

I'd like to speak a little about this bill establishing a fund for improving housing in areas of need and requires that Manitoba Housing and Renewal Corporation contribute its profits from suburban land developments to the fund. Even that intro into the explanatory note of the bill is slightly problematic I think, Madam Acting Speaker.

There are a number of concerns. They've already been addressed by our leader and by our critic for Housing, but really why is this legislation necessary? There's no reason that they have to put in legislation that they want to take the profits and put them into the general revenues or put them into housing, put them wherever they want. They can certainly do that. They don't need to tell themselves to make a law to tell them what to do with their own money here.

Let's face it, it's really not their own money. It's money that they are taking from the taxpayers of Manitoba through a loan and then reinvesting it in land development which is problematic I think from the point of view of a taxpayer because, as has been noted before, is that money going to come back to the taxpayer before the profits are taken by the government and the loan being repaid, or is that just money that's, again, taken from the taxpayer and not being repaid?

The motivation for this bill is quite clear. The government wants to consider itself as a green

government and they don't like the idea of being criticized for urban sprawl and for building a community the size of Brandon which on the outskirts of that community is going to be quite a distance from the inner city. Many critics would say to this government that's not why we elected you, to do that. But to offset any negative comments that they would incur because of that, they decided, well, we'll say that we'll direct those profits into inner-city housing.

Now, we know that the government has had problems being a developer of land in the past. We know about the debacle with the Seven Oaks School Division and the money that's been lost, some \$300,000 there that's been lost, and the double set of books, I might add, while I'm speaking about it.

We know about the incident way back in 1980, 1986-1987, when the now-Premier (Mr. Doer) was the minister responsible, and there was a bit of a problem that the government of the day got itself into and had to settle that one out of court. So they don't have a very good track record in being land developers. In fact, why is government in the business of being a land developer? The government should be doing the job of governing for the people. They shouldn't be trying to be in the business of being a land developer.

The fact that they can't even manage the Department of Housing is so significant; why could we have any confidence that they can manage a housing development the size of Waverley West?

We've had scandal after scandal in this Housing Department. We've had Hydra House, we've had Aiyawin, and now there are questions around North End Housing corporation.

Well, Madam Acting Speaker, it was just over a year ago in last year's Estimates, when I started to ask questions of this government in regard to housing, in regard to the social housing stock that had been transferred in 1999 to the government from the Canadian Housing and Renewal corporation and the money that was transferred along with that housing—and what's becoming of that money? It looks like, when you look through the annual reports, that there's something not quite right.

Now, we asked a number of questions in Estimates; we didn't get any answers. That's not a big surprise because we don't normally get answers, but it was shortly after that, about four days after that, that the government decided that they'd better do an

internal review of the Housing Department. So, what do they do? They don't put an ad in the *Free Press*. No, they put an ad on a very obscure Web site that you have to dig a bit to find, and you have to pay to get the download for the prospectus for the bid to bid on this project.

So, what happens now is they choose—it's a person, a company—KPMG that's going to do the review of the entire Department of Housing and it's supposed to be ready by December, and no—but on December 11 when the report was due, no, it's not ready yet. Why not? Well, we had to expand the scope of the review. I guess there's so much wrong in that department that in six months of review it was not enough time to figure out all the things that were wrong in this department, and this is a department that is setting up a slush fund to put money in from the profits of Waverley West so it can do what it wants with it.

We need to have some answers to the basic questions about first of all, what's wrong in the department, what is going on there, and second of all, that needs to be cleaned up and addressed before any money channels into a black hole that is under intense scrutiny right now, Madam Acting Speaker.

We also know that there has been an Auditor General's report at the Department of Housing. Many recommendations came from that report. I know that not many of those recommendations have been enacted, have been taken and put into practice, and I suspect that—and that was four years ago I want to add, four years ago—so, the department's had three years, three years, to address those concerns and they have not; hence, another review.

This department has had Auditor General's reports. It's had an internal review over Hydra House. It's had an Aiyawin scandal which resulted in an Auditor General's report. It's now had a whole review of the whole department and we are not to trust this government to take the profits from Waverley West and put them into a Department of Housing, wherever they say they're going to put it. How can we trust that?

* (15:30)

This government should be out of the development business, but they should be in the business of managing the Housing portfolio that they have without having to encounter and incur all this mismanagement and all this incompetence and all the scandals that we constantly hear about in this

department. So it's just beyond comprehension that this bill comes forward, and we are having to debate such a question as this when it's so obvious that this government is incompetent to manage the department. Now we want to give them more money? It's just wrong, Madam Acting Speaker.

With that, I want to say that I look forward to other comments; I look forward to hearing what people have to say at the committee hearings. With that, I will pass my comment on to further speakers.

Mr. Rick Borotsik (Brandon West): It's a pleasure to stand and speak to Bill 21. My colleague from Roblin obviously—Russell wasn't in his chair. Sorry. Therefore it's my turn and I really take a great pleasure in standing to speak to this bill. The reason I wish to speak to the bill is because I have some very serious concerns, Madam Acting Speaker, with not only the bill. The bill's fraught with flaws; it's fraught with clauses that certainly allow this government to not be accountable in the particular portfolio of social housing.

But I'd like to start off and first of all say that certainly myself and our party believe very strongly that there is a need for a very solid, strong, well-thought-out, well-planned, well-funded social housing program. Make no mistake about that. We believe that there are individuals within our own society that require the need of a social housing program. They need assistance in order to get a roof over their head, Madam Acting Speaker. I don't think anybody would disagree that we've got some serious problems, not only here in the city of Winnipeg but in other urban centres and rural areas within the province of Manitoba. There are people who are not able to have a house over their head. There are people who, in fact, are not able to provide housing for their children.

There are people, Madam Acting Speaker, that I know of on a personal basis that have in fact used vehicles to house themselves and their families while they're looking for suitable accommodations. I speak to that specifically with my own community right now. Not that we're in that particular desperate need, although there are some there. In fact, there was an article in our local newspaper just within the last couple of days that certainly showed that there a number of—two in particular and there are many more, but the two that were interviewed had no place to go. They were asked to leave their existing accommodations, and they had absolutely no place to go. They had been looking for weeks for

accommodations to move to and there just isn't anything. Now they have been asked to leave their current accommodations and they're totally in a bind.

The reason for that, as was mentioned earlier, is we have a very strong economy in the city of Brandon because of extremely good leadership previously on the municipal side. However, there is a manufacturer or processor that we have in the community that, in fact, is expanding its operation and there are a number of individuals moving into our community. As a matter of fact, I spoke in this House not that long ago with respect to a member's statement with the change of the face of my community, Brandon. It's a multicultural face now. We have an awful lot of people coming in from different areas. They are coming from El Salvador, from China. They are coming from the Ukraine. They are coming from all parts of the globe to be employed in this particular processor. With that influx of people, needless to say, housing is a very serious component to their accommodation to the point where it's a crisis at the present time. It's absolutely a crisis. We do not have the housing units.

So when I go back and I say it's absolutely vital that a well-thought-out, concise plan for housing is necessary, we agree with that. But that's not what this piece of legislation speaks to. Quite the opposite, quite frankly. It speaks to the inability of this government to put forward that plan. They're now looking at different avenues, different areas, different ways to fund a particular housing program which, Madam Acting Speaker, they have that ability and that right to do right now. Any numbers of millions of dollars can be put in the budget to accommodate housing, social housing. They, in fact, can do it with a long-term plan. They can do it over a five-, a 10-, a 15-year plan if they wanted to, if, in fact, they really took social housing seriously. But that doesn't seem to be what it is that they're doing and let's talk about the legislation.

First of all, governments, in my opinion, have no business doing and performing a function that the private sector can perform. Housing development, believe it or not, to those members on the opposite side, housing development, land development, infrastructure improvements in those developments is not something the government should be getting involved in. Land development is a very complex, very expensive proposal. A land development like the one that is being proposed in Waverley West is something that probably a private-sector developer would really take a serious look at, whether there is

or is not profitability in that particular development. I'm told Waverley West is anticipating some 1,100 housing units. Eleven hundred housing units, as was mentioned earlier, is a substantial amount of housing units. This is not something that is easily accomplished and accommodated. I have some fear, some real serious fear that when government gets started, gets involved, gets funding this particular development, there will be no end to the money that will be dumped into this land development and this housing development.

There's an assumption that this particular development will generate a profit. Well, not all developments generate profits, Madam Acting Speaker, and I think there are a number of variables that are in play right now that we see that when you go 12 months out, 24 months out, that perhaps this housing development doesn't have the same profitability that it does today.

Let me be a little bit more specific about that, Madam Acting Speaker. Right now, the housing market in this area is extremely strong, no doubt about it. It's very strong here in the city of Winnipeg. It's very strong in the province of Manitoba, not as strong as it is in the province of Saskatchewan or Alberta, but then again our economy is substantially slower than it is in those other jurisdictions. But make no mistake, the economy currently here in the province of Manitoba is fairly strong. It has been for the last eight years, and it's fortunate that it's been strong for the last eight years because this government has had the opportunity of squandering an economic boom for eight years, and, unfortunately, I'm sure we're going to have to fix that problem in the not-too-distant future.

But let me get back to my point. The point is right now developing a parcel of land the size of Waverly West sounds like a really good idea, but with a downturn in the economy—and it is coming. These members opposite can stick their head in the sand and they can say that, no, everything is going to be rosy because it's been rosy when we left them the legacy of that rose bloom. When we left them the legacy of that rose bloom, they've wasted it, Madam Acting Speaker, but the fact of the matter is we all know that economies are cyclical and right now the cycle is at the top and the cycle is about to change. We have a very, very strong Canadian dollar right now which is affecting the manufacturing sector. We saw that just recently in August's manufacturing sales. There's a decrease in the province of Manitoba, an increase, by the way, of some 16 percent in

Saskatchewan, but we won't even think about that when you're in government in Manitoba. The fact is is we're losing manufacturing sales.

We will, make no mistake, have an economic downturn and it will affect jobs, and when it affects jobs, Madam Acting Speaker, it affects the price of housing stock. It does do that. When you don't have a job—and, by the way, not only having a job, Manitoba also has the lowest weekly earnings of anything west of Ontario, but we won't get into that either. If you can't afford to buy a house and you haven't got a job, then the housing stock drops. That's economics 101 and obviously this government doesn't understand that.

The point I'm trying to make is today, in today's dollars, a development in Waverley West may make some sense. A year from now or two years from now, that doesn't make quite as much sense, and the price of those lots that you can achieve today is not necessarily the price of the lots that you can achieve in 18 or 24 months.

*(15:40)

By the way, a development doesn't happen overnight. You've got a huge infrastructure cost that has to go into the ground before anything can happen. You've got huge capital costs that have to be put into a developed property in order to even consider generating profits. Profits aren't generated on day one. Quite frankly, profits sometimes are never generated and that's the fear I have. When government gets involved in business, business fails. That's a fact. Government cannot do business as well as the private sector. So all of a sudden this bill says that if there is a development that's going to take place in a community, we'll talk about that, but, if development takes place in a community the profits generated are now going to go into this specific fund. We've heard the term "slush fund"; we've heard the term "unaccountable"; we've heard the term "putting in dollars that actually aren't even there" to be perfectly honest.

How are you going to fund that fund when the first opportunity you have is to put dollars into the ground, capital dollars, huge capital dollars? There're no dollars to be funded into this fund, but they're going to find it somehow, and that's the non-accountability that I worry about. I'm fearful. I should tell you I'm very fearful because we know that this particular government really doesn't know business and accounting. So where is the money going to come from? It could come from any

numbers of sources that we don't even recognize right now, and it could be thrown into a pool of funds that's going to be put into social housing.

So the first issue is that they don't need this legislation. They can fund social housing right now, put it in the budget; put whatever number you want and have a well thought out plan. Leave the Waverley West and any other developments alone. The reason I say that is right now this talks about the need with respect to social housing. Well, there are needs, I've talked of that. There are needs about social housing, not only in the city of Winnipeg, but in rural Manitoba. There are needs in Roblin; there are needs in Brandon; there are needs in Portage la Prairie; there are needs in other rural areas. Now, is all of the money that's going to go into this particular funding pool going to be going to fund the inner city and the city of Winnipeg? It seems so because it says you have to generate profits from developments in that community, in that municipality. It speaks to that.

Mr. Speaker in the Chair

If you generate profits from that specific municipality then those profits then will go back into the housing stock or to the social housing of those municipalities. Well, that certainly takes a lot of municipalities out of the equation. There are a lot of municipalities that don't have the Waverley West developments that are going to be developed by the government so that they can then share in those profits. Now, all of a sudden, the housing stock in rural Manitoba isn't going to be looked at because there's no funding available for it. That's wrong, absolutely wrong based on this legislation.

This legislation talks about need. Well it's true. It talks about the economic factors including average household income, market value of housing, the levels of unemployment and participation in the work force, crime statistics. Well, right now, if you're talking crime statistics as being one of the major need components, well, no money will go anywhere outside of the city of Winnipeg; it's going to all stay here. That's wrong because I just said that my own community is in desperate need for housing stock, desperate need for housing stock, and we're not about to wait to put our crime rates up so that we're going to be able to satisfy the criteria of the needs that are identified in this legislation. So we have to go get more crime; we have to go get more unemployment. We have to go get some devalued housing; we have to go get some terrible housing

stock in order to accommodate this particular program? No, I don't want to do that. But we need housing, we need it desperately. We're in a crisis situation right now in my community so this doesn't allow me to do anything to generate or allow us to access the funds that are going to be put into this particular program.

The other shortcoming that I see here right now, Mr. Speaker, certainly, is the accountability issue. We know that there are a number of scandals currently churning in this particular government, and I don't have to talk about the mismanagement of the Crocus file. Here was a government who was put in charge of 34,000 people's hard-earned retirement dollars, and, unfortunately, those people are now going wanting because of the mismanagement. So we know how governments mismanage. We know how governments have mismanaged a simple thing like developing a third bipole line for Manitoba Hydro. We know that they're prepared to simply shrug their shoulders and waste anywhere upwards of a half a billion, perhaps a billion dollars of our hard-earned taxpayers' dollars. They're prepared to do that just simply with a shrug of a shoulder.

Are they prepared to do the same thing, Mr. Speaker, with this particular funding pool? I'm afraid they are, and I am very concerned with their inability to manage and manage well.

The legislation, as was mentioned earlier, is not needed. It's a frivolous piece of legislation. It's a piece of legislation that has absolutely no accountability attached to it. I can see moving funds—and if you read the legislation, which I hope some of the members opposite have done, if you read it, you could drive a Mack truck through it. There are so many opportunities of flowing dollars that aren't even there, profits that aren't even there, expenses can come from other areas to fund—we already heard from the Minister of Education (Mr. Bjornson). I love this one. We heard from the Minister of Education that, in fact, there are two financial statements that are being produced out of one set of accounting. Now, that's great. Okay? If we can do that right now, that we can have two financial statements—one, by the way, showed a capital loss. They showed a loss of some \$500,000, but then they showed, somehow, a capital gain of \$800,000—no, no, I'm sorry, it was a capital loss of \$800,000, and there were cash receipts of \$500,000, which actually showed a loss of \$300,000, but that just simply disappeared because, if you look at the one set of books, there was \$500,000 sitting on that.

Well, this is exactly what's going to happen here. You're going to show a set of books where it shows cash coming in, revenue streams, by the way, net revenues coming in. You're going to show the revenue, but you're not going to show the expenses. They're going to cover off expenses in any one of a thousand departments. They'll cover off the expenses in Agriculture, if they have to, to cover off the expenses. They'll cover off the expenses in every other department. Justice, because we just heard crime is one of the criteria, why can't Justice fund some of the development in Waverley West? They probably will. They can fund capital from any one of the departments. They can hide the capital, and there is no accountability in this particular program whatsoever.

But they can show a profit. They could show a profit in the first year, if they wanted to. They can hide all of their capital costs, all of their expenses someplace and show a profit in the first year which, in fact, is an impossibility. That's the problem with this legislation. It allows you to drive a Mack truck through here, and it allows them to put in a slush fund that will have no accountability and the taxpayers will be the losers. The taxpayers will be the losers, and I am fearful, absolutely fearful, that if this goes through, in 18 months from now or two years from now, we're going to stand here in this House, we're going to ask questions and we're going to get stonewalled because it's going to be another huge scandal that they're going to try to hide. Unfortunately, we won't be able to get to the bottom of it because they'll be able to hide the dollars and cents, the profit and the costs, in a number of different financial statements. As the Minister of Education has already said, they've got experience doing it, so they might as well use that experience. They might as well cost taxpayers more dollars.

Anyway, Mr. Speaker, I do thank you for the opportunity to put my fears—and I mean that sincerely, this isn't political rhetoric, this is indeed fears. Government, this government particularly, has no business in business. This government has no business developing. This government does have a business; they have the absolute responsibility to provide social housing for those people in need. They have that responsibility. We accept that. If they came forward right now and said, here's the plan for social housing in the inner city, here's the plan for social housing in rural Manitoba, here's the plan for social housing in my community of Brandon, we would support that. I would support that.

I will not support it when they're trying to fund it on a circuitous route, a backdoor route, which isn't going to work. We know it's not going to work. It's doomed to failure. It is doomed to failure when they put any kind of effort into a business enterprise. This government is bound to fail and, Mr. Speaker, we will be here, and we will tell them, when they fail, when this legislation passes, when this slush fund we know is going to be eroded in some way, shape or form, that it's going to be slipped off to some other political donors, it's going to be slipped off to some other—

An Honourable Member: I beg your pardon.

* (15:50)

Mr. Borotsik: Oh, trust me, it's not like we don't have any of that going on right now.

It's going to be sloughed off to some other organization, some other opportunity that they have to put it in places that it shouldn't be. We're going to be here in two years from now asking them where the money went. We're going to be here in two years from now, and we're going to be able to stand and say, we told you so. It's a recipe for disaster. They have no business doing what they're doing under this piece of legislation, and, Mr. Speaker, we'll put them on notice right now. Two years from now, they will be held accountable. Thank you very much.

Mr. Leonard Derkach (Russell): Mr. Speaker, I want to add some comments to those already made on this legislation. I want to begin by saying to all Manitobans that this is a bad bill. It is a bad bill for Manitobans. It is a bad bill for legislators to pass. It is not good for anybody in this province and it is ill-conceived, because what this government is trying to do is to set up slush funds to accommodate its political needs rather than to look after the needs of people who really require social housing in our province.

Mr. Speaker, if you look at the condition of the social housing stock that we have in our province, it is deplorable. My community, a small rural community, will vouch for that. They will tell you how the housing stock in our community has deteriorated over the course of the last eight years, and it is going to continue. This bill is going to do nothing to improve the conditions of the housing stock in our province.

We just listened to the Member for Brandon West (Mr. Borotsik) who quite eloquently put the situation before the House here today with regard to

the need for more and adequate housing stock in his city. He comes from a city that is growing, a small city in our province, the second largest in our province, Mr. Speaker, but a city that continues to attract a lot of working people who are not working for those big dollars but simply need that assistance to be able to move into some subsidized housing, if you like, to be able to get that start in life.

Mr. Speaker, what this fund does is further erode the confidence of people in what the government is doing. Unfortunately, we have seen, from its very time that it was elected, that this government continues to put itself in a position where scandals are created. Scandals are something that is almost a trademark of this government. Right from the day that this government was elected, they have involved themselves in one sort of a scandal or another. It goes into every department. It doesn't matter where you look, that all happens within the realms of this administration's tenure.

It even happened before then. Their own Premier (Mr. Doer) was involved in scandals when he was minister in the Pawley administration. Now he has carried that over into an administration that he heads; an administration which he heads today has found itself in one scandal after another.

It all started very shortly after they were elected, Mr. Speaker, with the Morris-Macdonald School Division, and, of course, they tried to point fingers at everybody else in the world except take responsibility for their own actions. Immediately after that, we had the whole Agassiz School Division issue that came forward and became a scandal. After that we went on to Hydra House which became a significant scandal in this province. Then, of course, we went on to Aiyawin, and then, from there we went to Crocus.

That Crocus scandal continues to percolate in this province. That Crocus scandal will come to a head; it will come to a head because, I think, the people who had invested their hard-earned dollars are going to point at this government and say: You had a responsibility to be good stewards of our money and you squandered it.

From Crocus, Mr. Speaker, we continue to go to Seven Oaks School Division, and look at the way that this government has treated the issue of the Seven Oaks School Division. Because their supporters, their financial contributors, their former party administrative people were involved in the scandal, they kind of swept this under the rug. All of

a sudden this is an O'Leary-gate because Mr. O'Leary—who, I think, was either a president or the head of the NDP party—*[interjection]* a campaign manager for the NDP involved himself in a land development deal which was against The Public Schools Act. There is no question about that, but this government very skilfully swept that whole issue under the rug. That will come out, too, because none of these issues will go unattended when we become government because we have to get to the bottom of them.

Mr. Speaker, the Liberal Member for Inkster (Mr. Lamoureux) has brought forward an interesting issue as well, and that is about the Premier (Mr. Doer) and his cohorts trying to manipulate the nomination process within their own ranks. They can deny it, but it's just another characteristic of what this government is like.

When I said that this all comes from the Premier, being the head of this party, and the way that he's conducted himself, I want to take us back a few years ago when the Premier was the minister of urban affairs in the Pawley administration. There was a land development just near Lockport which was kind of one where—and I remember raising the issue with the Premier in the House. I asked him the question in the House about the development deal, and he said, you know, Len, he said from his seat, you've got to have your hands on the levers. He said, you've got to have your hands on the levers.

Well, he had his hands on the levers, all right, because he and his premier, who was Howard Pawley at the time, disallowed, against the act, a development in Lockport and found themselves embroiled in a lawsuit. Now this lawsuit was put on the shelf, very skilfully, for 12 long years. While the now-Premier was in opposition, this lawsuit was remanded from date to date to date. The lawyers very skilfully continued to remand this until the then-Leader of the Opposition became the Premier.

Then, when he became the Premier, lo and behold, there are no more remands. We're just going to deal with this right now, said the Premier. Let's get on with it. So, instead of going to court, well, you know, it doesn't look good for the Premier to go to court, we'll just settle this out of court. But how do you settle this out of court? Well, you use taxpayer dollars, don't you? So we'll just use a few taxpayer dollars here.

Well, that brought to mind another one. That brought to mind another settlement, another court

case that I remember, one against Mr. John Bucklaschuk, who was also a minister in the Pawley administration, who was also taken to court, and that court case didn't take place until after they were out of government, but, nevertheless, because he was a minister of the Crown, government had to accept their responsibility for him, a \$2-million court settlement for one minister.

Now, Mr. Speaker, this one wasn't so bad, because this one cost the Province only a mere \$100,000 for an out-of-court settlement for something that was illegal to begin with and a case which the Premier would have lost in the end. But what was the other part of the settlement? The other part of the settlement was that the two individuals who were suing for damages were muzzled. That's what they were paid \$100,000 for. Shut your mouth and here's \$100,000 courtesy of the taxpayers of Manitoba. Now not too much was made of that. Can they deny it? Can the members of the government deny that this happened? It's all in black and white, all documented. So they can't get out from under this.

Following that, Mr. Speaker, we have had a legacy of one scandal after another in this government. Now how does that relate to this bill? Well, I maintain, and we will see this down the road, that this bill is nothing more than an attempt to funnel money out of a development for the political purposes of this government. That is as blatant and as evident as the nose on anybody's face, because this bill is not required for housing money to be spent. This bill does nothing to improve the housing stock in this province.

*(16:00)

If the government wants to improve housing stock in this province, whether it's in the inner city, whether it's in the North End, whether it's in Brandon, whether it's in my constituency, Mr. Speaker, they have the authority to do that under the budgetary allocations that are provided each and every year. Therefore, dedicated money like this, coming from the profit, we don't even know if there are going to be any profits at this point. At this point, we don't know whether there are going to be any profits. The government is predicting that there are going to be some 1,100 houses built in Waverley West, but is there going to be enough profit there to be able to do what they say they are going to do in this bill?

Mr. Speaker, why would that money not simply go into general revenue for the Province? Why

wouldn't the government then properly budget money so that it's available for scrutiny to the public? Accountability is then evident. Then the money can be spent on housing, where it's needed. Not politically motivated, but where it's needed. I contend that this government will use any money that comes out of the development to funnel into their own priority areas, not where it's needed.

Mr. Speaker, I talk about housing and the condition of housing in this province. I want to illustrate the condition of some of the public housing in this province by using the example in my home town. Right now, we have residents—now this is subsidized housing in my community, it's an apartment that has some 40 apartment suites in it. The conditions are so bad that people are getting ill because the carpeting has not been replaced in years. Soiled carpeting, carpeting that should have been replaced 10, maybe five years ago, 10 years ago, who knows, continues to be a source of problems there. Doors are falling off. Windows are substandard. They should have been replaced. No painting has been done. No curtains have been hung. The place is deplorable. People do not want to live there. The government wonders why some of this housing stock is left vacant. Well, there's a reason. Because I wouldn't live there. I don't think anybody in this Chamber would want to live there, so why should we expect ordinary Manitobans to try and move into that?

I want to use another example. This is very real and you might think that I'm telling a fictional story here, but this truly happened in the community of Birtle. A house became available. A public house became available for rent. A family moved in, needed public housing, went to the local authority and the local authority said yes, we've got a house here. We can take you in and take you to have a look at this house. So, off they went.

They opened the door to this house. The house had never, ever been entered to since the previous occupants had left. There was a cat and a rabbit who were alive, I guess when the house was vacated, left inside the house. By this time, both animals were dead. Mr. Speaker, the house was littered with all kind of debris. There was food left in the fridge and in the freezer. The house could not be occupied because it was in deplorable condition.

Now, Mr. Speaker, when asked why this happened, the answer was quite evident and that was that, we don't have the budget and we don't have the

personnel to be able to inspect all of the housing that we have here. Now, this just happened a few short years ago under the administration of this government and its Housing Minister. Now, those are the kinds of conditions that you will find in communities because this government chooses to ignore those things and they choose not to pay attention to where the needs really are.

An Honourable Member: Relevance.

Mr. Derkach: Relevance. The minister who's responsible for the Spirited Energy campaign asked me relevance. Now, maybe he should ask himself because he's the one who has gotten himself into hot water with a campaign on Spirited Energy that doesn't work. He spent \$3 million that we could have used for public housing that would have improved some of the stock in this province and could have been spent much more wisely than what he has done.

Mr. Speaker, he is becoming the beleaguered minister who's trying to push a wet noodle uphill, and it ain't going. But he's also the minister who said, oh, we didn't know anything about Crocus, you know, this is arm's length, we didn't know anything about it. But when the memo was produced that indeed they knew about it in 2001, all of a sudden he became silent. Every time we asked the question, he didn't get up. There was somebody else getting up to answer the question for him.

So, you know, I said this morning, I was thinking of a gopher this morning. You know how on the prairies you'll have a gopher stick his head up out of the little hole, and when he hears a clap, he just ducks down. That's like this minister now, every time he hears somebody stand up to ask him a question, he ducks. Continue ducking, Mr. Minister, because the shots are going to keep coming. Mr. Speaker, there was another former minister in this House who sat just below where this minister is sitting who used to have the same characteristic. He used to duck every time somebody would stand up and ask a question.

Well, Mr. Speaker, coming back to the bill and why we would oppose this bill. I want to take a look at another aspect of why we would oppose this bill, and that is the recent findings by my colleague, the Member for River East (Mrs. Mitchelson), who very cleverly unearthed some issues in the public housing department that are certainly noteworthy to at least alert Manitobans as to what kind of administration and mismanagement this government is up to, and

that is the current issue of the operational review that's being done by KPMG.

Now, Mr. Speaker, should we be tolerating that kind of activity in the management of an issue like this? The beleaguered minister continues to stand up and try to defend the actions and the findings of this whole issue. I can tell you that if this minister were to take his responsibility seriously he would end it immediately by making sure that those people who have in any way been responsible for any of this mismanagement are replaced immediately.

When we look at monies that seem to have disappeared from housing projects, and the government continues to say that the housing project is such a positive thing for the province and has done such great work for the people who need housing in this province. Then we find out that monies have disappeared, that taxpayers continue to funnel money into a project, and that housing isn't being produced. Well, Mr. Speaker, how long should a minister in a government tolerate this kind of action? It shouldn't be one hour. It shouldn't be one minute because somebody should be going in there, not to do operational reviews, but to curtail that kind of activity so that monies don't continue to be funnelled, good money isn't being thrown after bad money. This government is known to do that. This government is known to do that on more than this occasion. They continue to do that, and they think they're going to get away with it.

Mr. Speaker, it's true that this government has just received a four-year mandate, but within that mandate people are judging them every day as to how they conduct their responsibilities and how they conduct their affairs. It's good to get elected, absolutely, but, if you're in government, you have a greater responsibility to the public than just to sit in your seats in this House and say, we're just doing a great job. You can't condemn us; don't condemn the poor people who are trying to build housing.

Well, Mr. Speaker, if there's mismanagement in that group of people that are trying to build housing in this province, you as a minister, you as a government, have a responsibility to make sure that that kind of activity ceases immediately. That's not something that this government has been characteristic of. This is going to be another scandal. We've had enough of these scandals, but this is yet another one. How many more can this government really chalk up to its name while it's been in this government?

Mr. Speaker, we talk about housing stock and whether it's safe or not. I just illustrated to the government, to this House, here, the kind of stock that we have in a rural community, far removed from the city, how badly it's being managed. If I were to go from one community to the next, I would find a similar story. The only places that the public housing stock has improved is where people have put money together in a foundation and have gone in and improved some of the housing stock on behalf of the government to make sure that people have safe places to live in.

* (16:10)

When it comes to this government, they cannot say, they cannot, in any way, take any pride in how they have managed the housing stock in this province for poorer people. Now, Mr. Speaker, it's fine to stand up in this House and say, well, we are the party that supports the poor people, but let's take a look at the evidence. Let's take a look at what the actions are. Let's take a look at what you have not done for the poor people in this province.

Mr. Speaker, it's not any different than saying, oh, we stand up for the Aboriginal people in our province, and then we have the issue of Manitoba Hydro and the Premier (Mr. Doer) making a decision to take a line down the west side of the province when, indeed, if he had taken the line on the east side of the province, on the east side of Lake Winnipeg, then communities that have Aboriginal people in them would have opportunity, would have hope, would have jobs—

An Honourable Member: Access to the world.

Mr. Derkach: —and more importantly, absolutely, access to the world. Access to communities where there are products that they can buy and take home with them.

But, no, no, no. We are going to keep those communities poor. We're going to keep them poor because that's how we control them. Once these communities have an advantage and they can get some money and they can see what's happening in the rest of the world, it's more difficult for this bunch to control them. But while you keep them poor, while you keep the poor people poor, you control them. That is not the motivation of this side of the House, and that is not how we conduct our affairs. But the evidence is there. Take a look at your housing stock. Take a look at what you're doing with

poor people in these houses. This is all smoke and mirrors, Mr. Speaker.

Mr. Speaker, I will not apologize for the remarks I've put on the record here because I have watched to see what this government does with these kinds of initiatives. And I have watched the kinds of scandals it gets itself into, because the only actions it wants to take are politically motivated. They are not looking after the needs of people. I don't care what subject you want to talk about. You want to talk about housing, we'll talk about housing.

Why is this bill bad? Because it doesn't do anything to improve the housing stock in this province. If you want to improve the housing stock in this province, put some money in the budget. I mean the economy in this province is good right now. The revenues for this government are fantastic. They're not coming from our own resources so much as they're coming from the federal transfer payments, but use some of that money, improve the housing stock for the people who need it. But, oh, no, no. We're going to get into some gimmicks here, and Bill 21 is nothing but a big gimmick, and we're going to oppose it.

We cannot support it in its form because it doesn't do anything for anyone in a positive sense, Mr. Speaker. The members who have spoken on it whether it's from Brandon West, my colleague from River East who has responsibility as critic for this portfolio, I think have summarized why this bill is bad, and I would hope that when this bill goes to committee, we're going to have some Manitobans who stand up and also give this government a message in terms of where its head should be regarding this kind of legislation.

Mr. Speaker, there's legislation on the Order Paper that we as an opposition party will support. There's legislation that maybe we'll try to amend to make it better, but in the main there is legislation here that we can support. But legislation like this, I don't even know how members sitting in the opposition benches can ever support that in their caucus if they were really to take a look at what this is, except if you've got only one thing in mind and that is to mislead, create a slush fund, use those monies for political purposes rather than what those monies should be used for, then you will support it because everybody thinks that I can get something out of this. I can get something out of this for perhaps my own political needs. Well, that game doesn't go on very long because pretty soon the

people find out exactly what you're made of and what you stand for.

So, Mr. Speaker, with those comments, I'm going to rest my case except to say that I may have another opportunity in third reading or in report stage to speak to this bill. I don't even think this bill is worthy of an amendment. This bill should be simply voted against because it's so bad it doesn't warrant an amendment. The only thing that we should all be doing is standing up in this House and asking the government to either pull it because it's so bad or withdraw it or vote against it. I know that because they have the numbers, the sheer numbers in this House, they will plough through with this legislation because somebody, somebody has said to these bunch of trained seals, you got to clap for this because it's a good thing. Good thing for who? Good thing for your political purposes, not for Manitobans.

So, with those few remarks, Mr. Speaker, I rest my case.

Mr. Drew Caldwell (Brandon East): Mr. Speaker, it's always a challenge to endure the dulcet tones and cheap demagoguery of the Member for Russell (Mr. Derkach).

Mr. Speaker, I'm proud to support this bill along with my colleagues on the government side of the House. We are committed as a government to affordable housing and to providing quality housing for the people of the province of Manitoba, and we just have to look at the historical record to underscore that fact.

In my home constituency of Brandon East, Mr. Speaker, where every single seniors public housing unit was built during the tenure of Len Evans's term in office from 1969 to 1999, every single seniors home in Brandon, every public housing unit in that community was built by New Democratic governments, every single one.

My predecessor, Len Evans, whom I'm very, very proud to call a friend and mentor, Mr. Speaker, championed the construction of Princess Park. He championed the construction of Princess Towers. He championed the construction of Grand Valley Place. He championed the construction of Winnipeg House. He championed the construction of Lawson Lodge, hundreds and hundreds of seniors housing units that were built by the Pawley NDP administration, the Schreyer NDP administration, and I'm very proud that that record continues with the Doer administration. Zero, not a unit built by the

Progressive, or regressive, Conservative Party of Manitoba.

So, as my friend, the Minister of Health (Ms. Oswald), mentioned in an earlier period of debate here, let's keep it real and let's deal with the facts as they exist, not the fantasies as they're hurled by members opposite.

Mr. Speaker, I should also add, besides the construction of every single affordable housing unit by NDP administrations in my home community of Brandon, it's interesting to note that when a housing crisis began to develop, as it naturally would when no units were built in the 1990s, not a unit, when an affordable housing crisis began to develop in Brandon, the solution by members opposite wasn't to start building affordable housing units. God forbid, that would go against their ideological opposition to caring for disadvantaged people in this province. It wasn't to start building houses; no, it was to turn the seniors homes into public housing, dare I say ghettos. So they eliminated the fact that these were seniors homes and started warehousing the poor of all ages in these seniors homes.

My colleague, my friend, the Member for Minto (Mr. Swan), talks about the members opposite being equal-opportunity oppressors, and, in fact, they were being equal-opportunity oppressors in this regard because it wasn't to start building affordable housing; it was to start warehousing the poor of all ages in what had formerly been seniors housing complexes, Mr. Speaker.

You can imagine the problems that resulted from that decision in homes, in large apartment complexes that were previously all the home of people in their 60s and their 70s and their 80s when you start to have people in their 20s, 30s, 40s moving into these units. There were all sorts of conflicts that developed, all sorts of safety concerns that developed. We're still, Mr. Speaker, we're still addressing the problems that arose from that stunningly, stunningly callous decision by members opposite. Rather than to start building more affordable housing when a crisis started to develop, no, let's not build anything. God forbid we build any affordable housing units. Let's just start warehousing everybody in the seniors homes that Len Evans, Ed Schreyer, Howard Pawley built over the course of their administrations.

* (16:20)

So they start to warehouse the poor of all ages in the seniors homes. Then, on top of that, as if to add insult to injury, they start to explore the possibilities of privatizing the public housing units in the province of Manitoba, started looking at selling off the public housing units in Manitoba, the seniors homes that had been built for Manitobans by New Democratic administrations, to sell them off to their friends for private profit.

They had a lot of practice in this, of course. They sold off the Manitoba Telephone System with no compunctions. Let's take a look at the board of directors of the Manitoba telephone system today. It's the members of the Conservative government that were defeated or had been the backroom boys and girls, Mr. Speaker, in the 1990s.

So they had a very, very strong ideological theme behind the members opposite affordable housing policy during the 1990s. Let's not build any affordable housing. Let's not do it. Let's precipitate a crisis. When there are no affordable housing units, let's not build any. Let's just start warehousing the poor generally in the seniors homes that were built by NDP administrations. Then, when things were suitably softened up, when there was a suitable softening of the affordable housing in the province, let's declare these affordable housing units a disaster and in need of selling off, so they'd be sold off for private purposes and private profits. So, the cynicism and the—I'm not sure if hypocrisy is a parliamentary word, so I won't use it, Mr. Speaker—but the effects to the nature of that word, the cynicism involved with anybody on the Tory benches proclaiming concern about affordable housing or the disadvantaged in this province is rich beyond all means.

There was nothing, not a single unit built in the 1990s. Zero, Mr. Speaker. There was no investment in affordable housing. The 1990s left Manitoba with an affordable housing crisis in this province.

I'm very proud and privileged to be part of a government and part of a history—and the history is as factual and is real as this day exists—that the party that believes in building affordable housing in this province is the New Democratic Party. The party that has a record of building affordable housing in this province is the New Democratic Party. The party that has a record of developing policies and caring in a meaningful and real way, not just a rhetorical way—as members opposite are fond of spouting rhetoric—but in a real way. The party that cares about supporting

disadvantaged people and working to make this province a good place to live for all people is the New Democratic Party.

Mr. Speaker, I should, and I will right now just before I wrap up my remarks, because I hadn't planned on speaking today, but sitting in the House and listening to the Member for Russell (Mr. Derkach) speak, it was such that it needed a general rebuttal.

In December 31, 2006, we did a—

An Honourable Member: I'm glad something motivated him.

Mr. Caldwell:—and I do thank the Member for Russell for motivating me. Thank you very much.

In 2006, Mr. Speaker, the results of affordable housing in the province of Manitoba, the investment in affordable housing since 1999, a seven-year period, in my home community of Brandon, the total number of units built in that period was 715 units, in contrast to zero for the 11 years previous; 715 units, which isn't enough. We've got a lot more work to do.

In fact today, I was very happy to see in the *Brandon Sun* that my good friend Arnold Grambo and Glen Kruk, of the Canadian Mental Health Association and the Habitat for Humanity Brandon organization, have proposed a very significant development in downtown Brandon utilizing an historic warehouse. I know that that will be coming to our government shortly for review, but we do have very, very good people, like the two gentlemen that I just mentioned, working on affordable housing in partnership with the government.

Since 1999—coming back to my initial thought before I digressed—750 units. Neighbourhood Housing Assistance program, an investment of \$2,000,699. The Residential Rehabilitation Assistance Program, an investment of \$5,987,000. Mr. Speaker, the total funding in Brandon for affordable housing since we assumed office, from 1999 to December 31, 2006, is \$10,601,000, a significant investment in affordable housing in Brandon; \$10,601,000 more than was spent by the members opposite during their time in office.

In the city of Winnipeg the results are even more impressive. The total monies spent, the total monies invested in affordable housing since 1999, \$61,504,000 in the seven years from 1999 to 2006. That's \$61,504,000 more, Mr. Speaker, than the members opposite invested in affordable housing

during their time in office. For Brandon and Winnipeg alone, it's \$72 million, in excess of \$72 million invested in affordable housing in the seven years ending December 31, 2006.

So the members opposite, as I said—you know, it's always a challenge to endure the dulcet tones and cheap demagoguery that comes forth from their benches with alarming regularity but the facts speak for themselves: zero under the Tory administration for disadvantaged Manitobans and affordable housing in our province and \$72 million from this government, Mr. Speaker. I'm very, very proud to stand with members on this side of the House as I'm very, very proud to stand with the administrations of Ed Schreyer and Howard Pawley in building this province, building affordable housing in this province, and supporting Manitobans wherever they live in this province. Thank you.

Mr. Speaker: Order. We're still dealing with Bill 21, The Housing and Renewal Corporation Amendment Act. It was standing in the name of the honourable Member for Portage la Prairie (Mr. Faurichou) and the will for it to remain standing was denied. So—

An Honourable Member: What?

Mr. Speaker: When I called the bill—*[interjection]* When I called the bill—so if the honourable member wishes to speak, he would have to seek leave of the House.

Mr. David Faurichou (Portage la Prairie): Mr. Speaker, I know I was not in attendance in the House at the time when the bill was called and I would like at this time—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. All we need is for the member to ask to seek leave of the House to speak to the bill. That's all we need.

Mr. Faurichou: Honesty overwhelms, Mr. Speaker, but I ask leave of the House to debate this bill.

Mr. Speaker: Does the honourable member have leave to speak to Bill 21?

Some Honourable Members: Leave.

Mr. Speaker: Okay, the honourable member has been granted.

Mr. Faurichou: Mr. Speaker, I do appreciate the opportunity to rise this afternoon and participate in the debate of Bill 21, The Housing and Renewal Corporation Amendment Act.

I have listened with great intensity to the speakers this afternoon and I appreciate all members' observations. It's some of the conclusions that I disagree with and especially the honourable Member for Brandon East (Mr. Caldwell) when he makes the assumption that perhaps the Conservatives do not care about public housing, and that is why we, on this side of the House, did not construct any new housing during the 10 years in office during the '90s.

Well, Mr. Speaker, a point has to be made that sooner or later, the bills have to be paid. Yes, the other side of the House indeed does spend a lot of money. They do make the statements in the House here that they're proud of their expenditures, but nowhere in this House do they ever say how proud they are about paying off the deficit. They always say that they are proud in spending the money. Well, sooner or later, the bills do come in and they do have to be paid.

You know the scenario of the drunken sailor comes to mind when I talk in this fashion but prudent expenditure should be made at all times. Again, the government says that they are making strides forward in the area of constructing new dams here in the province of Manitoba, but again, the experts, if they were to listen to them, they would not be constructing the dams at this time on the basis that Manitoba Hydro has stated that they would not like to proceed until they have at least 25 percent equity on the books. Currently, it is just, just now at about 20 percent. That is something that we always have to be cognizant of.

* (16:30)

Now, the Manitoba Housing and Renewal Corporation has indeed run quite a number of facilities all around the province, but, of late, the operational program of this branch of government has given me great, great concern. We do have housing in Portage la Prairie that is operated by this corporation, but currently the persons that are coming to live in these projects are really not homogenous, if I might use that terminology, and it's causing grave concern to those that live there. When young families come to live next door to persons in their senior years, who, again, next door to them live persons that have mental challenges, again, further down the hallway you're looking at persons that are single in nature, and, again, another different lifestyle, all of these persons next door to each other do not akin themselves to friendly neighbours. What

we have been seeing in our housing these days are disagreements, fights, a considerable unrest.

Also lending to this, too, the scrutiny of individuals that come to live in public housing has, again, not been there. My daughter in her internship with the University of Manitoba and the School of Medicine was charged with delivering medical assistance to elderly persons in public housing in downtown Winnipeg. She, along with another student, because they do travel together to offer consultation and security for one another, both individuals entering the public housing projects were very, very concerned about their safety because the individuals that inhabit some of the public housing now are engaged in activities that many of us would consider unlawful. I would say that the speculation is there that we should be, as the previous government did, scrutinizing those that inhabit our public housing to make certain that if their activities were in breach of any statute of law here in the province of Manitoba that would see them through to having to vacate the premises; they would be kicked out. That is not the case right now. I'm very disappointed that this is not happening right now with the current administration. To finish the experience of my daughter is that they were trying to deliver therapy to seniors that were residents of the public housing project, and these seniors were not coming down to their appointment in the common room where they were to receive their medical attention because they were afraid to come out of their own residence in that housing project. Inside that housing project, the Housing Renewal Corporation is now installing cameras and doors that offer more security.

But why, why are we allowing this situation to develop? It was quite evident to my daughter just upon entry into the housing project. I don't see why it is not evident to this government and to managers from the Manitoba public housing. Further to that, I just want to say to government that we have to use common sense as landlords, to understand the nature of the need for individuals, and to try and address that in a fashion that not only helps those that are coming to us in need, but also recognizing those that we are already providing housing for to make certain that their lifestyle is not contravened by someone else's lifestyle, and that's exactly what's happening.

Now, as far as the additional responsibilities to the Manitoba Housing and Renewal Corporation through Bill 21, this is by far and away totally, totally unnecessary. What this government is attempting to do at this juncture in time is to provide

additional responsibilities of operating a fund that, currently, this corporation is under investigation by KPMG to make absolutely certain that they're able to handle what they already have responsibility for. So it begs the question: Why would you be hoisting upon a corporation additional responsibilities when the question has not yet been answered as to whether or not this corporation can, in fact, handle the responsibilities it already has? So, Mr. Speaker, again, I ask the members on the government's side of the House to use common sense.

Further to the establishment of a fund, we wonder as to why the government is giving up its own responsibility in this regard. We are elected officials. We are saddled with the responsibility to safeguard the monies that come to the Treasury of the provincial government. Why would the members on the government's side of the House say that you want to abdicate from your responsibilities? Why would you want to ask the bureaucracy to be responsible for monies collected in the name of government? Yet you, as government, do not want to have a say as to how these funds are expended. Mr. Speaker, I would suggest that that would be the farthest thing from consideration in light of the current circumstances with the Manitoba Housing and Renewal Corporation.

So, once again, Mr. Speaker, I bring these concerns to the floor of the Legislative Assembly. I trust the members on the government side of the House are listening. I know that the honourable Member for Burrows (Mr. Martindale) is because he tried to interject, although I didn't hear precisely what he was stating, but I know the honourable member truly recognizes that housing is vitally important to each and every Manitoban. We, as elected officials, must do our part to help those that are less fortunate, but we have to do it in a very responsible fashion, and this particular piece of legislation is not in keeping with that statement because we have to have the assurances first off that the Housing and Renewal Corporation is functioning properly and that the responsibilities that this corporation has currently, they are able to fulfill because it is important to myself as a Manitoban that we do all that we possibly can for those that are less fortunate and in need of shelter to which all of us recognize is vital to anyone's safekeeping.

Thank you, Mr. Speaker. I do appreciate the opportunity to participate in the debate on Bill 21 this afternoon.

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

Some Honourable Members: Question.

Mr. Speaker: The question before the House is second reading of Bill 21, The Housing and Renewal Corporation Amendment Act (Fund for Housing Revitalization).

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

Bill 22—The Medical Amendment Act

Mr. Speaker: I would like to call Bill 22, The Medical Amendment Act, standing in the name of the honourable Member for Lac Du Bonnet (Mr. Hawranik).

What is the will of the House? Is it the will of the House for the bill to remain standing in the name of the honourable Member for Lac du Bonnet?

An Honourable Member: No.

Mr. Speaker: Okay. That's been denied.

* (16:40)

Mr. Kelvin Goertzen (Steinbach): Mr. Speaker, it's a pleasure to rise in the House this late afternoon to put a few comments on the record regarding Bill 22, The Medical Amendment Act. Certainly, I know that this bill has had some discussion prior to the election, so I'm not intending to prolong that discussion unnecessarily, but I do want to put a few comments on the record regarding the substance of the bill, and more generally relate it to different issues within our health care system.

The legislation allows for whistle-blower protection for those medical doctors who decide that they feel that there is another colleague in their profession who is either acting inappropriately or doesn't have the capacity to act within their profession; it allows them to disclose that to the College of Physicians without facing legal action. One can imagine, Mr. Speaker, in a situation like this that, if a doctor thought that one of his colleagues was not capable to act and they then brought that information forward to the College of Physicians and Surgeons, they might be opening themselves up to legal action. That's certainly a foreseeable situation. I know there are individuals of the bar here in this Legislature, and they might see a quick and easy lawsuit in that sort of situation. So the legislation provides that an individual can do this, so long as it's not a malicious sort of act that they're not bringing forward the concerns about the doctor or the

physician as a result of some sort of other reason other than a genuine concern for the safety of the patients that that doctor might have. So we certainly support that provision of the bill. We, I think, all believe and we've heard in many other cases in Manitoba and in Canada where doctors aren't all performing up to the standard that we would all expect. So that sort of ability to have a self-governing or self-policing, if you would, ability within the college to allow doctors to come forward and say, we think that this isn't appropriate, I think is important. I know the College of Physicians and Surgeons supports it, and we certainly support it as well.

Also contained within the act, Mr. Speaker, are provisions on advising the Minister of Health (Ms. Oswald) about by-laws that the college might be passing when it comes to treatment facilities that are coming in to the province, either the expansion of the scope or new diagnostic or treatment facilities in the province. While I don't specifically oppose those provisions, I do find it a little concerning. Certainly, there are some in the province who would wonder why it is suddenly that the government has brought forward this particular amendment to advise or to direct the College of Physicians and Surgeons to bring to the minister in advance those who might be applying for a licence here in Manitoba. I suspect there was probably some sort of a general form of communication between the college and the minister's office, some sort of less formalized form of communication, and this puts it in legislation. Certainly, because we've seen the government's track record when it comes to the Maples Surgical Centre and the various different positions they've had on that facility, it raises the question whether or not the motivation of this particular piece of the legislation is truly a good motivation, well intentioned, or whether it's a response to the Maples Surgical Centre and other private diagnostic and treatment centres, surgical centres, that might be looking to come to the province of Manitoba.

I know we debated last week the resolution that was brought forward by the Member for Fort Rouge (Ms. Howard) which was in direct contrast to her government's policy as it relates to the Maples Surgical Centre. At that time when we examined that contradiction, Mr. Speaker, I think it was clear to many of the members opposite that there didn't seem to be a clear and consistent position when it comes to how these surgical centres are treated. Now adding to that confusion is this particular piece of the

legislation, which, again, in and of itself and looking in isolation doesn't look to be harmful, doesn't look to be something that you wouldn't consider to be reasonable. But, given the context, putting it into the scenario that we've seen with the government and how they've treated groups like the Maples Surgical Centre for a number of years, saying that they weren't going to contract with them, then changing their mind and saying that they were going to contract with them, and then bringing forward a resolution to this House sponsored by one of their members, the Member for Fort Rouge, saying that they shouldn't contract with private surgical centres. I mean the contradictions continue to pile up. So that was where the caution comes with that particular piece of the bill.

I think that, not specific to the health care field, it could be in any area of government, those who are in the bureaucracy, those who are in Manitoba would expect a degree of consistency, would expect to be able to see what direction it is that the government is intending to provide, so that they can set out a framework, so they can ensure that they can develop a plan that goes forward based on a consistent principle, whether it's in a department like Health, whether it's in a department like Agriculture or whether it's in a department like Conservation.

Unfortunately, we haven't seen that direct consistency here in the area of health care as it relates to the handling of this particular private clinic. We know that there are other concerns that the bill could have addressed but didn't, because there are many other concerns within the health-care system and how it's being managed here in the province of Manitoba. We've seen reports, whether it's from the CIHI institute, or whether it's from the Fraser Institute which puts out reports on the state of health care here in Manitoba, that this government is underperforming in relation to other provinces across Canada.

The Fraser Institute report which came out earlier this week indicated that Manitoba had the longest wait times for CT scans and for ultrasounds of any province in the country, Mr. Speaker. That's an abysmal record, and, unfortunately, sometimes I think we here in the Legislature talk about long wait times and we forget that, behind those statistics, behind the raw statistics that we see published in a report like the Fraser Institute, are real human stories. There are thousands of Manitobans in our province who are waiting for a CT scan, or waiting for an ultrasound to take place, and those are human

stories that don't just impact the individual who is waiting for the particular diagnostic test but, of course, impact the families who wait there with them in worry, wondering what may or may not be wrong with their particular loved one.

So those are concerns, of course, that we have, generally, with the medical system here in Manitoba. We've had discussions about the failed promise of this government to end hallway medicine. There was a report out today from the CIHI institute. I know the Minister of Health (Ms. Oswald) likes to say that there are no people waiting. There is a report out today that indicates generally that there are increased waiting times for those who are looking to find a bed to get the appropriate care in our medical institutions across Manitoba. So those are the sorts of things that also haven't been addressed by this particular bill, or by the Minister of Health more specifically.

We discussed earlier this week in this Legislature the fact that about 1,240 doctors have left Manitoba since 1999. That's a staggering number of individuals to leave a province who are trained as medical professionals who could be providing care at the bedside of those individuals, or in the ERs where people are coming for help. In fact, I believe that's almost the size of a community like Ste. Anne. In Manitoba, I know that the members opposite, the Member for La Verendrye (Mr. Lemieux), sometimes like to trumpet some of the things that have happened in that community. I would say to him that almost every member of that community represents a doctor that has left the province of Manitoba since his government came to power.

If you can imagine what a difference that would make to the lives of individuals to have those number of doctors here to provide care for Manitobans, it would reduce the wait times. It would reduce the wait times for CT scans, it would reduce the wait times for ultrasound, and it would give peace of mind to Manitobans who are looking for appropriate care in the province and looking for the sort of care, not just that they deserve. I know sometimes we use the terminology that Manitobans deserve better health care. Of course, that's true, but it's not simply that they deserve it; they've paid for it. They've paid for it through their taxes over the years.

I mean, the medical system here in Manitoba and Canada is really an insurance system. People have paid into it over the years, and when they need it they expect that insurance system will come forward to give them the service that they deserve. One can

imagine if one was paying into an insurance system with Great-West Life or another sort of insurer for something other than a medical service, and when it came time, then, to use that insurance, that the insurance agent said: You know, you're going to have to wait for two or three years before we're actually going to pay you out for that particular death benefit, there'd be a hue and a cry, and I suspect that the members opposite would probably bring in legislation to stop that from happening, because they would recognize that that's unfair, that somebody pays into a system expecting a certain result after paying into an insurance system and then it doesn't happen.

* (16:50)

That's not any different than our medical system here in Manitoba, where many Manitobans, throughout the course of their lives, they've worked hard, paid their taxes, and then, when they show up at the door of the ER, or when they go into the hospital because they need to have some sort of a diagnostic test, that service is not available to them. They're not getting the service that they not only deserve but that they've paid for through their years of taxes.

So, while this particular piece of legislation we're willing to see go through to committee, because there are certainly some provisions within the bill that are worth supporting, I also know, Mr. Speaker, that there's much more work to do when it comes to health care. Unfortunately, this is a government that has waited seven years to start doing that work, and I think many Manitobans would consider it too late to start the work, that they simply don't have the motivation to do it.

So I look forward to hearing any presenters that come forward on Bill 22 at committee at a later time.

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I've had the opportunity to discuss this bill with my leader, and we feel that it is a bill that should be going to committee. We anticipate that it will be going relatively shortly.

Having said that, I did want to get on the record on a couple of quick points. One I found was interesting, you know, last night we sat in committee and we had the Minister responsible for Healthy Living (Ms. Irvin-Ross) there. We had a bill with which we were ultimately trying to say that the Cabinet committee for children should be reporting on a more frequent basis, a suggestion of whether it's

one year or two years, but at least more frequent than five years. If you take a look at the Minister of Health's (Ms. Oswald) bill, she's obligating a report annually. I thought it was just kind of an interesting perspective. Maybe the two of them should get together and possibly bring in a third reading amendment to ensure more accountability for our children.

The issue of liability insurance is something that I think is good. We want to ensure that doctors report when they are aware of inappropriate skills within the medical profession. We don't want to discourage that reporting, because it is somewhat of a safeguard. There are requirements to consult in regard to the diagnostics and treatments, which is good.

The question that I would have: Is there something that occurred that caused this to happen, the legislation to be brought in, or is it other provinces are moving in this direction? I wasn't really sure in terms of why it's happening at this current time.

But we look forward to the bill going to committee. I know my leader does have a number of things he would like to say about Bill 22. With those few words, we're prepared to see it pass.

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

An Honourable Member: Question.

Mr. Speaker: The question before the House is second reading of Bill 22, The Medical Amendment Act.

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

House Business

Mr. Speaker: The honourable Minister of Intergovernmental Affairs, on House business.

Hon. Steve Ashton (Deputy Government House Leader): On House business, Mr. Speaker, I'd like to announce that the Standing Committee on Social and Economic Development will meet on Monday, October 22, at 6:30 p.m., by agreement of the House, as opposed to 6 o'clock, to consider the following bills, with leave: Bills 4, 10, 21 and 22.

Mr. Speaker: Before we proceed, does the honourable member have leave? *[Agreed]*

It has been announced that the Standing Committee on Social and Economic Development will meet on Monday, October 22, at 6:30 p.m., by

agreement of the House, as opposed to 6, to consider the following bills: Bill 4, The Real Property Amendment Act (Wind Turbines); Bill 10, The Family Maintenance Amendment and Inter-jurisdictional Support Orders Amendment Act; Bill 21, The Housing and Renewal Corporation Amendment Act (Fund for Housing Revitalization); Bill 22, The Medical Amendment Act.

Bill 7—The Insurance Amendment Act

Mr. Speaker: Now I would like to call for resumed debate on second reading of Bill 7, The Insurance Amendment Act, standing in the name of the honourable Member for Portage la Prairie (Mr. Faurshou).

Mr. David Faurshou (Portage la Prairie): It is a pleasure for me to enter into debate this afternoon on Bill 7, The Insurance Amendment Act. I appreciate the opportunity to have met with the Minister of Finance and responsible for Consumer and Corporate Affairs (Mr. Selinger) where The Insurance Act is incorporated into a government department.

I will say that the industry has been engaged in development of some of what we see contained within the act, but it is a concern that I must raise on behalf of those who have been involved in the preparation of changes to The Insurance Act. It has been this since 2001, that industry stakeholders have been engaged in committee discussing the needed changes to make certain that the insurance industry here in Manitoba is guided by legislation that is in keeping with other jurisdictions so that Manitoba-based insurance companies are not hamstrung and are able to keep up with the ever-changing industry and the guidelines in other jurisdictions.

But I will say that the introduction of Bill 7 at this time was a surprise to the stakeholders that were part of the committee working on the necessary legislative changes. Seeing that they, as a committee, had not met in almost two years, to see legislation coming before the House without consultation, without at least a courtesy call was, I believe, inappropriate on behalf of this government. I would suspect that if you're going to be introducing legislation which is based upon committee work that

you'd at least hold them in high enough regard to consult with them and give them a heads up that this legislation is coming forward.

Now, further to that, though, upon review of some of the stakeholders that have participated, they are also dismayed to see that many, many of the changes that they had requested are not in this legislation. In fact, this legislation is at best an appetizer, if you will, and does not contain the full meal deal that the committee had expected from this government. Having consulted for over four years—four years, I just repeat that—that's an awfully long time to be meeting and deliberating and proposing changes, and then not to see those changes come forward. I, too, would be disappointed if I had been a party to that type of disappointment.

Now, Mr. Speaker, I know that many of the stakeholders have expressed an interest in commenting at committee. That is why I would like to see the bill pass second reading this afternoon and that way allowing the stakeholders to come forward with their expert advice so that it might be incorporated in, perhaps not this legislation, but further legislation which I know is definitely needed to keep Manitoba in step with other jurisdictions.

Thank you very much, Mr. Speaker.

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

An Honourable Member: Question.

Mr. Speaker: The question before the House is Bill 7, The Insurance Amendment Act.

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

Mr. Gerald Hawranik (Official Opposition House Leader): Yes, Mr. Speaker. Is it the will of the House to call it 5 o'clock?

Mr. Speaker: Is it the will of the House to call it 5 o'clock? *[Agreed]*

Okay. It's been agreed to.

The hour being 5 p.m., this House is adjourned and stands adjourned until Monday at 1:30 p.m.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, October 18, 2007

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The Legislative Assembly of Manitoba Debates and Proceedings
are also available on the Internet at the following address:

<http://www.gov.mb.ca/legislature/hansard/index.html>