



Second Session - Thirty-Seventh Legislature

of the

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

**Official Report  
(Hansard)**

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

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
AGLUGUB, Cris	The Maples	N.D.P.
ALLAN, Nancy	St. Vital	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
ASPER, Linda	Riel	N.D.P.
BARRETT, Becky, Hon.	Inkster	N.D.P.
CALDWELL, Drew, Hon.	Brandon East	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CUMMINGS, Glen	Ste. Rose	P.C.
DACQUAY, Louise	Seine River	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.
ENNS, Harry	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
FRIESEN, Jean, Hon.	Wolseley	N.D.P.
GERRARD, Jon, Hon.	River Heights	Lib.
GILLESHAMMER, Harold	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LATHLIN, Oscar, Hon.	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
LEMIEUX, Ron, Hon.	La Verendrye	N.D.P.
LOEWEN, John	Fort Whyte	P.C.
MACKINTOSH, Gord, Hon.	St. Johns	N.D.P.
MAGUIRE, Larry	Arthur-Virden	P.C.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McGIFFORD, Diane, Hon.	Lord Roberts	N.D.P.
MIHYCHUK, MaryAnn, Hon.	Minto	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
MURRAY, Stuart	Kirkfield Park	P.C.
NEVAKSHONOFF, Tom	Interlake	N.D.P.
PENNER, Jack	Emerson	P.C.
PENNER, Jim	Steinbach	P.C.
PITURA, Frank	Morris	P.C.
PRAZNIK, Darren	Lac du Bonnet	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack	Southdale	P.C.
ROBINSON, Eric, Hon.	Rupert Island	N.D.P.
ROCAN, Denis	Carman	P.C.
RONDEAU, Jim	Assiniboia	N.D.P.
SALE, Tim, Hon.	Fort Rouge	N.D.P.
SANTOS, Conrad	Wellington	N.D.P.
SCHELLENBERG, Harry	Rossmere	N.D.P.
SCHULER, Ron	Springfield	P.C.
SELINGER, Greg, Hon.	St. Boniface	N.D.P.
SMITH, Joy	Fort Garry	P.C.
SMITH, Scott, Hon.	Brandon West	N.D.P.
STEFANSON, Heather	Tuxedo	P.C.
STRUTHERS, Stan	Dauphin-Roblin	N.D.P.
TWEED, Mervin	Turtle Mountain	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

**LEGISLATIVE ASSEMBLY OF MANITOBA**

**Wednesday, June 13, 2001**

**The House met at 1:30 p.m.**

**PRAYERS**

**ROUTINE PROCEEDINGS**

**PRESENTING PETITIONS**

**Manitoba Hydro Lines Routes**

**Mr. Ron Schuler (Springfield):** Mr. Speaker, I would like to present the petition of Shannon Kraichy, Reginald Chrusch, Lisa Chrusch and others, praying that the Legislative Assembly of Manitoba request that the Minister responsible for Manitoba Hydro (Mr. Selinger) consider alternative routes for the additional 230kV and 500kV lines proposed for the R.M. of East St. Paul.

**Kenaston Underpass**

**Mr. John Loewen (Fort Whyte):** I would like to present the petition of Warde Fraser, Barb Gamey, Estelle Rochon Fraser and others, praying that the Premier of Manitoba (Mr. Doer) consider reversing his decision to not support construction of an underpass at Kenaston and Wilkes.

**Mrs. Myrna Driedger (Charleswood):** I beg to present the petition of Lorne Britton, Mel Eden, Ben Oakden and others, praying that the Premier of Manitoba consider reversing his decision to not support construction of an underpass at Kenaston and Wilkes.

**READING AND RECEIVING PETITIONS**

**Kenaston Underpass**

**Mr. Speaker:** The honourable Member for Tuxedo (Mrs. Stefanson), I have reviewed the petition, and it complies with the rules and practices of the House. Is it the will of the House to have the petition read?

**An Honourable Member:** Yes.

**Mr. Speaker:** The Clerk please read.

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

THAT the intersection at Wilkes and Kenaston has grown to become the largest un-separated crossing in Canada; and

THAT the volume of traffic for this railroad crossing is twelve times the acceptable limit as set out by Transport Canada; and

THAT vehicles which have to wait for trains at this intersection burn up approximately \$1.4 million in fuel, pollute the environment with over 8 tons of emissions and cause approximately \$7.3 million in motorist delays every year.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY THAT the Premier of Manitoba consider reversing his decision to not support construction of an underpass at Kenaston and Wilkes.

**Mr. Speaker:** The honourable Member for Fort Whyte (Mr. Loewen), I have reviewed the petition, and it complies with the rules and practices of the House. Is it the will of the House to have the petition read?

**Some Honourable Members:** Yes.

**Mr. Speaker:** The Clerk please read.

**Madam Clerk:** The petition of the undersigned citizens of the province of Manitoba humbly sheweth:

THAT the intersection at Wilkes and Kenaston has grown to become the largest un-separated crossing in Canada; and

THAT the volume of traffic for this railroad crossing is twelve times the acceptable limit as set out by Transport Canada; and

THAT vehicles which have to wait for trains at this intersection burn up approximately \$1.4 million in fuel, pollute the environment with over 8 tons of emissions and cause approximately \$7.3 million in motorist delays every year.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY THAT the Premier of Manitoba consider reversing his decision to not support construction of an underpass at Kenaston and Wilkes.

\* (13:35)

#### **Manitoba Hydro Lines Routes**

**Mr. Speaker:** The honourable Member for Springfield (Mr. Schuler), I have reviewed the petition, and it complies with the rules and practices of the House. Is it the will of the House to have the petition read?

**Some Honourable Members:** Yes.

**Mr. Speaker:** The Clerk please read.

**Madam Clerk:** The petition of the undersigned citizens of the province of Manitoba humbly sheweth:

THAT the R.M. of East St. Paul has the highest concentration of high voltage power lines in a residential area in Manitoba; and

THAT the R.M. of East St. Paul is the only jurisdiction in Manitoba that has both a 500kV and a 230kV line directly behind residences; and

THAT numerous studies have linked cancer, in particular childhood leukemia, to the proximity of power lines.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY THAT the Legislative Assembly of Manitoba request that the Minister responsible for Manitoba Hydro consider alternative routes for the additional 230kV and

500kV lines proposed for the R.M. of East St. Paul.

#### **Kenaston Underpass**

**Mr. Speaker:** The honourable Member for Charleswood (Mrs. Driedger), I have reviewed the petition and it complies with the rules and practices of the House. Is it the will of the House to have the petition read?

**An Honourable Member:** Yes.

**Mr. Speaker:** Clerk, please read.

**Madam Clerk:** The petition of the undersigned citizens of the province of Manitoba humbly sheweth:

THAT the intersection at Wilkes and Kenaston has grown to become the largest unseparated crossing in Canada; and

THAT the volume of traffic for this railroad crossing is twelve times the acceptable limit as set out by Transport Canada; and

THAT vehicles which have to wait for trains at this intersection burn up approximately \$1.4 million in fuel, pollute the environment with over 8 tons of emissions and cause approximately \$7.3 million in motorist delays every year.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY THAT the Premier of Manitoba consider reversing his decision to not support construction of an underpass at Kenaston and Wilkes.

#### **MINISTERIAL STATEMENTS**

##### **2001 Venice Biennale Plug In Gallery Award**

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

Plug In gallery is presenting Canada's official entry in the 49th Venice Biennale, a 15-minute audio and video installation by Canadian artists Janet Cardiff and George Bures Miller.

This is the first time a Manitoba gallery has been awarded the Biennale Commission which usually goes to much larger institutions, meaning Toronto, Vancouver or Montreal.

The gallery which received \$30,000 from the Manitoba Arts Council and \$28,300 through the Department of Intergovernmental Affairs towards a budget of \$600,000 to present the art work, the Paradise Institute, is to be congratulated for its huge success. The Cardiff-Miller piece which was commissioned by Wayne Baerwaldt, Plug In's adjunct curator, has won a Venice Biennale Special Award which is the first time a Canadian gallery has won an award at Venice. The award has been cited as an important victory in diplomatic circles.

Plug In is being lauded by the Canada Council for the Arts for its ability to handle shows of the highest international calibre, so once again Manitoba finishes first; it is tremendous for the province and tremendous for the art community.

Thank you.

\* (13:40)

**Mrs. Louise Dacquay (Seine River):** Mr. Speaker, I would like to join with the Minister of Culture, Heritage and Tourism in commending and supporting the Plug In gallery with its first official entry of the 49th Venice Biennale. I understand that this is a first in many instances, and on this side of the House we are very pleased that the gallery is being supported to being able to participate in this international event.

However, I would like to add that I believe that this is not news. I believe I read a news release about a month or more ago indicating that the province was making a contribution to support this initiative and—[interjection] Pardon me?

**An Honourable Member:** I believe it was for the award, even though it is a month later.

**Mrs. Dacquay:** Well, yes, my reference was specifically to the announcement by the Government of Manitoba relative to the funding

to support their entry into the competition. I apologize if—

**Mr. Speaker:** Order. I regret to interrupt the honourable member, but *Beauchesne's* Citation 351 indicates that the Speaker limits the Opposition reply to a period not to exceed the time taken by the minister. I note the honourable member's comments are now considered longer than those of the minister, and I would ask the honourable member to please conclude your comments.

**Mrs. Dacquay:** Thank you, Mr. Speaker. I will. We are very pleased that indeed the Plug In gallery was one of the award recipients. Thank you.

### **Municipal Roads Grant-In-Aid Program**

**Hon. Steve Ashton (Minister of Transportation and Government Services):** I am very pleased to provide the House with information on the grant-in-aid program this year in support of municipal roads in Manitoba. Under the grant-in-aid program, local governments submit transportation infrastructure projects for 50-50 cost sharing with the Province. Projects eligible for cost sharing are those on roads with municipal boundaries that connect to the provincial highway system or municipal roads that provide local access to hospitals, personal care homes, schools, or waste disposal facilities.

As part of this program, 110 Manitoba communities will receive a total of \$1.3 million in provincial support for these projects. While many of these projects are small in scale, they provide meaningful and important assistance for maintaining local transportation infrastructure. The projects range from dust control and repaving to work on major structures, such as, and this I believe is the largest grant, \$97,000 provincial contribution for bridge repairs in Souris, or another example being \$50,000 in provincial support for street reconstruction in Blumenort.

Mr. Speaker, transportation is a critical economic link for our province. It is equally important as a link for social development.

These grant-in-aid projects demonstrate how transportation infrastructure can improve our standard of living by providing access to neighbours and community centres. I would like to thank those local governments who share this vision and have matched our Government's financial contribution to this program. Thank you, Mr. Speaker.

**Mr. Harold Gilleshammer (Minnedosa):** We thank the minister for his information on the grant-in-aid program, which has been a traditional program funded by government on a 50-50 basis with municipal governments for some time in this province. The minister talks about traditional infrastructure. Of course, we are completely in support of the infrastructure program. I would raise a concern with him that infrastructure to most Manitobans means roads and water and sewer, and we see governments spending money on arenas and cultural centres, which are very important structures, but the thrust of infrastructure should be for that traditional infrastructure in roads and water and sewer programs.

I would also mention that the construction association refers to itself as an industry in crisis, and I would urge the Minister of Transportation to have those tenders move forward. The construction industry is saying they are in the biggest drought in 10 years as far as projects are concerned, and they look to government for a certain number of public sector work. Many of the long-standing construction companies in Manitoba are looking to Ontario and Alberta for work and finding it there. Workers are leaving our province. Now that the minister has the grant-in-aid program out of the way, perhaps he can spend some of his valuable time on looking at the tendering process. I raised this in Estimates in early May. Nothing has been resolved there at the end of May and early June, and I would urge the minister to take a look at those projects so that the construction industry can get to work in this province.

\* (13:45)

#### TABLING OF REPORTS

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** Mr. Speaker, I am

pleased to table the Thirtieth Annual Report of the Manitoba Law Reform Commission for 2000-2001.

#### Introduction of Guests

**Mr. Speaker:** Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have, from J. R. Walcof Elementary School, 49 Grade 5 students under the direction of Mr. Gerald Letkeman. This school is located in the constituency of the honourable Member for Pembina (Mr. Dyck).

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

#### ORAL QUESTION PERIOD

##### Ultrasound Technicians Recruitment/Retention Strategy

**Mr. Stuart Murray (Leader of the Official Opposition):** Mr. Speaker, we have obtained information today from Manitoba ultrasound technicians that has highlighted the serious concerns about the growing shortages of individuals in their profession. In 1999, we were pleased to see that six of the eight graduates remained in Manitoba to work. In the year 2000, only three of seven graduates stayed in Manitoba. In addition, they have conducted a poll which suggests that several of our experienced ultrasound technicians are seriously considering moving within the next year.

In light of the worsening situation and the growing trend of needed health care specialists, those that are leaving our province, can the Premier explain why his Government has done nothing in the last 20 months to improve the situation?

**Hon. Gary Doer (Premier):** There are presently 30 vacant EFTs in this area across the province. I think the member will find some of his numbers about retention to be quite questionable. We are aware of the situation in terms of the shortage of some of the specialists. We dealt with part of that issue last year with wage negotiations, some of the wages were the last place in Canada which represented a real

challenge for us. We resolved part of that last year in collective bargaining. Other parts of that remain a policy for us to deal out of the Recruitment and Retention Fund for people in positions that are non-unionized.

Thirdly, we are going to increase the size of the class for next September, just as we have announced with other technologists last week with Red River College.

**Mr. Murray:** The only thing questionable, I believe, is the ability of this Premier to keep his promises.

I would like to table a letter, if I could. Health care professionals are leaving. Increased training in Manitoba is not effective because the Premier has refused to keep Manitoba competitive. He has refused to provide meaningful tax relief, and he has done nothing to improve the working conditions.

In a May 11 letter from Health Sciences Centre ultrasound technicians to this Health Minister (Mr. Chomiak), they state: To train sonographers in Manitoba and provide them with experience, only to see them leave for other provinces would be a flagrant misuse of this province's resources. The Premier's lack of a health care plan is resulting in Manitobans being trained only to leave for greener pastures.

Why has this Premier done nothing to attract and retain needed ultrasound technicians?

**Mr. Doer:** Mr. Speaker, I just said that we are going to increase the size of the training positions, something that was not done for 11 years prior to us coming into office. That follows increasing the classroom size and admissions for nurses, something that had gone in the opposite direction. It follows on a decision to increase the numbers of doctors that are being trained in Manitoba, again something that went in the opposite direction in this province.

There is no question that the non-unionized sonographers at the Health Sciences Centre have a legitimate issue of recruitment and retention. We have asked, through the Minister of Health (Mr. Chomiak), for the Recruitment and Retention Fund of \$2 million to be targeted in on

this group and other groups to deal with the waiting list. We are having more ultrasounds conducted and performed in Manitoba since we were elected into office, but there is no question we should be training more and we will be training more, Mr. Speaker.

\* (13:50)

**Mr. Murray:** Mr. Speaker, he claims that he may have said it, but Manitobans do not believe him. I would like to table another letter, if I could.

As I said, Manitobans do not believe this Premier when it comes to health care promises. The situation is getting worse under this Premier's watch. In another letter from the same ultrasound technicians, they state, and I quote: The problem is now reaching a critical point. If it is not addressed quickly then the province will find itself with longer and longer waiting lists, more patient complaints and an increasing number of disgruntled and burnt-out sonographers. Unless action is taken, Mr. Speaker, these problems will only multiply as conditions deteriorate, forcing more and more sonographers, both new and experienced, to leave the province.

Mr. Speaker, will the Premier get serious about the worsening health care system in Manitoba and instruct his Health Minister, who, by the way, admits he has no plan, he has no grand scheme to solve health care, will the Premier instruct him to start taking action to attract and retain needed ultrasound technicians and other health care professionals to Manitoba?

**Mr. Doer:** Mr. Speaker, I do not know who writes his questions, but he also added "other health care professionals" in his question to us.

Let me repeat what I said in the last answer. We have taken a number of nurses that have contracted—*[interjection]* Well, you asked the question. Do you want to hear the answer? We have taken the number of nurse training positions that had decreased dramatically by about 50 percent over a 10-year period, and we are now going back by increasing that close to 50 percent to have more nurses on the front lines.

We have taken a decision to reduce the numbers of doctors in training by about 12 per year, about 20 percent. We have taken that decision that was made by the previous government to go down by 12 doctors. We have 12 more coming into medical school, and particularly targeted for rural and northern Manitobans. I know they do not care about rural Manitoba anymore, Mr. Speaker.

Thirdly, we recognize that, even with the state-of-the-art equipment like there is in Brandon, 30 EFT shortages is a problem, and we will be increasing dramatically the size of the class for these specialists. We know that we have to train more of our young people. The status quo that we inherited is not acceptable. We will work on our recruitment and retention. We did part of that in the unionized sector. We are working on the Recruitment and Retention Fund in the non-union sector.

We are proceeding to renovate the facilities at the Health Sciences Centre for ultrasound procedures. We are going to put more ultrasound capacity into the community, something that we also believe is very, very important. In the case of Brandon where there is a shortage of equipment, or the equipment is excellent, we will obviously need more staff. But, as we said before on questions on equipment, we will be utilizing the diagnostic equipment, the CAT scans, the MRIs, and the ultrasound equipment to increase our capacity on the technical side. It, obviously, needs a lot of effort, but that is five areas of positive initiative that we believe over time will make a difference for Manitoba patients.

#### **Diagnostic Testing Waiting Lists—Rural Manitoba**

**Mr. Mervin Tweed (Turtle Mountain):** Mr. Speaker, the residents of western Manitoba are again victims of another Doer government broken promise; that promise, to shorten waiting lists for diagnostic testing. Rural Manitobans now have to wait up to 12 weeks for an urgent ultrasound. Dr. Geoff Kindle of Brandon, a doctor in Brandon, said it has never been this bad.

My question: Will the minister, and I want to make it very easy for him to answer this,

indicate to western Manitoba when these unacceptable waiting lists will be resolved?

**Hon. Dave Chomiak (Minister of Health):** Mr. Speaker, as was indicated by the Premier (Mr. Doer) in his response, more action has been taken on dealing with waiting lists than any time over the last 11 years.

With respect to the situation in Brandon, there is a shortage of six EFTs with respect to Brandon. One of the students who is graduating from the present sonographer class in July will be taking up a position in Brandon. Two students, in addition, are in training, targeted back to Brandon. For the first time in a decade, we are expanding the sonographers' class in order to train more sonographers, part of a package of training that had not been done for 11 years.

After training more doctors, more nurses, more medical technologists, more X-ray, lab technicians, we are now going to be training more sonographers.

\* (13:55)

**Mr. Tweed:** Mr. Speaker, the doctor in Brandon, Doctor Kindle, must have been a mind reader, because his question to the minister of the Government is: Are they just going to continue to say, well, too bad Manitobans, you will just have to wait till things get better over the next one to two to three years?

**Mr. Chomiak:** Mr. Speaker, as we speak, the RHA in Brandon and the RHA in Winnipeg are having discussions with respect to dealing with any patients who require urgent care. I am advised that patients are getting urgent care. Of course, we are very concerned about it and ensuring it is happening.

As I indicated, one of the students is coming back to Brandon, two more are in training. In the medium term we are going to continue to manage the system. We have the state of the art, the best equipment in Manitoba in Brandon. We are training more people to operate that system, and they will not have to wait 11 years, as they did for the past 11 years for the previous government who did nothing on this issue.

**Mr. Tweed:** Mr. Speaker, I am sure that expectant mothers are very reassured by the minister's comments.

My question to the minister is: What is he doing to ensure the safety of these people who need these services today?

**Mr. Chomiak:** Mr. Speaker, first off, we are doing more ultrasounds in Manitoba than the members opposite did for the past 11 years. Secondly, we are going to be greatly increasing the sonographers' class so we will have sonographers in the province of Manitoba. Thirdly, as I indicated, a policy of co-ordination for those people requiring ultrasound service in Brandon is being worked on, as we speak, in order to deal with that issue. Fourthly, there is one sonographer coming to Brandon, two more in training to deal with the situation in Brandon.

I am sorry members opposite voted against doctors, and I am sorry they might vote against the sonographer thing, because there are shortages all across the province. We are trying to meet those shortages by our long-term plan to train more people to fill those positions and to retain them in Manitoba to rebuild the health care system so that people are here to provide this service.

### **Migration Survey Opportunities for Young People**

**Mrs. Heather Stefanson (Tuxedo):** A recent poll conducted by the Winnipeg Chamber of Commerce indicates that 75 percent of Winnipeg residents aged 18 to 34 are considering leaving Manitoba. This intolerable situation has resulted from the Doer government's failure to provide opportunities for young people.

Mr. Speaker, will the Minister of Industry admit the Doer government has failed to address the serious issue of keeping our young people in this province when three out of four want to leave for better opportunities elsewhere?

**Hon. MaryAnn Mihychuk (Minister of Industry, Trade and Mines):** Just about every member in this House, except for the Member for Tuxedo, understands we are in a growing economy and in fact our population is growing.

The members on the other side were talking about the concern about skilled individuals and opportunities that remain open in Manitoba. There are a number of opportunities in Manitoba that are available for young people, and in fact our unemployment rate has been the lowest or second-lowest for the past three years in Canada.

I would encourage members of this House to pass the word along and talk to Manitobans about the opportunities that we have in Manitoba now. There are career opportunities in Manitoba to satisfy and challenge each one of our own citizens, and hopefully a growing population will continue.

**Mrs. Stefanson:** Mr. Speaker, will the minister—clearly she does not understand that 2500 Manitobans last year left the province for new opportunities elsewhere. Will she not acknowledge that the issue of the brain drain is a reality in our province?

**Ms. Mihychuk:** Mr. Speaker, population trends and movement interprovincially have occurred from day one. Migration of people, particularly in the younger sector as they explore other opportunities, is a normal occurrence. If you look at the statistics, the record for migration during the Tory government of the past is significantly higher than now. In fact, for the past two years we have seen Manitoba's population actually grow.

\* (14:00)

**Mrs. Stefanson:** How does the Doer government expect to retain our young educated workforce when provinces like B.C. are significantly cutting income taxes to make themselves more competitive with provinces like Ontario, Alberta and even Saskatchewan? How much further will you let us fall behind?

**Ms. Mihychuk:** The No. 1 opportunity for young people is career choice and meaningful jobs. Finally this province has a government committed to education and training, the No. 1 factor to keep young people in Manitoba. With a vibrant private sector growing at levels that exceed every national expectation, Mr. Speaker, we see a number of opportunities in Manitoba only growing. Our young people will have

opportunities to stay in Manitoba, and that is the No. 1 issue.

### **Labour Legislation Impact on Business**

**Mr. Ron Schuler (Springfield):** A new poll has been released showing Manitoba business concerns are now just short of 70 percent about this Government's anti-business, anti-worker, anti-democratic legislation. Will the Minister of Labour admit that her anti-business, anti-worker, anti-democracy legislation is having a negative impact upon Manitoba's business community?

**Hon. Becky Barrett (Minister of Labour and Immigration):** I would just like to quote a couple of statistics on the economic climate in the province of Manitoba last year from the Manitoba Chambers of Commerce, Manitoba Bureau of Statistics numbers. Labour income was up 7.3 percent in 2000. Total employment grew by 11 700 jobs, the strongest since 1986, stronger than any of the 11 years the former government was in power. In 2000, Manitobans created 13 000 full-time positions, the strongest increase since 1976, again stronger than any time in the two former governments.

The unemployment rate last year was the lowest in Manitoba since 1976. Are you getting a sense of the trends here?

**Mr. Schuler:** To this Government business concerns are trivial. What does this Minister of Labour say to Art De Fehr of Palliser Furniture, who forewarned this minister last year: Do not put our future at risk for the wrong reasons?

Why did this minister risk Manitoba's future with Bill 44?

**Ms. Barrett:** I would say No. 1 is the reality that Mr. De Fehr has just opened a new store in the Polo Park area in the western part of the city. I would also like to continue quoting some of the economic statistics from the Manitoba Chamber of Commerce and the Manitoba Bureau of Statistics.

The Manitoba 2000 youth unemployment rate was the lowest in the country. This was the best performance since 1977. Personal disposable income in Manitoba rose by 5.6 percent, more than double the 1999 gain, and

was Manitoba's best increase in, guess what, 11 years.

**Mr. Schuler:** I would like to ask this Minister of Labour regarding the two polls just released if the almost 70% concern over labour laws correlates with the 75 percent of youth looking to flee Manitoba.

**Ms. Barrett:** I would reiterate the unemployment figure for Manitoba youth in year 2000 was the lowest in the country and the lowest in Manitoba since 1977. I would like to say, Mr. Speaker, that rather than our Government's actions over the last 20 months killing the entrepreneurial spirit, as the Member for Springfield said in an article this morning in the paper, I would like to juxtapose his comments with the comments of the president of the Manitoba Chamber of Commerce, Mr. Graham Starmer who, quote, acknowledged yesterday, i.e., yesterday, that the NDP has exceeded the Manitoba Chamber of Commerce's expectations since being elected in 1999. I will let the Manitoba Chamber of Commerce and the Manitoba Bureau of Statistics speak for themselves.

### **Winnipeg Casinos Advertising Campaign**

**Mr. Jack Reimer (Southdale):** Mr. Speaker, it is odd how we hear this more and more from the other side. We are now hearing more and more from the Minister of Lotteries for gaming and gambling in this province. This is one of the things where they are even actually going after more and more with their advertising, their direction to go after the youth.

I have to ask the Minister responsible for Lotteries she said yesterday that they were doing their campaign for advertising to protect their revenue stream, but can she not admit in the last report from Manitoba Lotteries that revenues for both casinos have increased by over 25 percent, \$15 million more? Why are you advertising, appealing to the young people in this province?

**Hon. Diane McGifford (Minister charged with the administration of The Manitoba Lotteries Corporation Act):** Mr. Speaker, there is an old saying that people who live in glass houses should not throw stones.

I would like to point out, in 1989 the Crystal Casino had a multimedia gaming advertising campaign. In 1993, all casinos were advertising everything. But since the only thing that was there was gaming, all casinos were advertising gaming inside the province, as the member from River East well knows. In 1993, and I presume this was also under the Member for River East (Mrs. Mitchelson), there was an advertising bus fully painted, promoting gambling in the city of Winnipeg. In 1994, Mr. Speaker, after the Desjardins report, there was a recommendation that the advertising should shift from gaming and focus on tourism. At that point, there was an unofficial policy that advertising should be done outside the province, gaming advertising, a kind of moral schizophrénia.

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

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

#### Point of Order

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

Mr. Speaker, in the minister's own words, that was yesterday. This is today. We did not target the children of Manitoba.

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

**Hon. Gord Mackintosh (Government House Leader):** On the same point of order, Mr. Speaker. The point of order is nothing near a point of order. It was a mere interruption.

What the member had asked was being responded to by the minister. The minister was simply putting the question in context and pointing out how silly it is when the Opposition gets up and says do not do what we do.

**Mr. Speaker:** On the point of order raised by the honourable Official Opposition House Leader, he does not have a point of order. It is a dispute over the facts.

\* \* \*

**Mr. Speaker:** The honourable Member for Southdale. *[interjection]* The honourable member's time has expired.

**Mr. Reimer:** Mr. Speaker will the minister then respond to the pressure that has been put on by the public here in Manitoba to take away that advertising, to take away those TVs, to take away all that programming because it is becoming offensive to people who do not want to be exposed to it?

We moved on that. We removed it. Will they remove it now?

**Ms. McGifford:** Well, Mr. Speaker, I did not actually hear a question from the member opposite. I heard him say that they moved gambling advertisement from inside the province out of the province.

The comment I wanted to make earlier is that seems to me a kind of moral schizophrénia, to assume that it is okay to encourage people outside the province to gamble. Where is your sense of public responsibility, broad-speaking public responsibility?

But I did want to—oh, another point of order.

\* (14:10)

**Mr. Speaker:** Order.

#### Point of Order

**Mr. Mervin Tweed (Turtle Mountain):** It must be *Beauchesne's* 417, Mr. Speaker, provoking debate. I guess I would argue that the minister yesterday said that they were advertising to bring people from outside of Manitoba into Winnipeg to the casinos, and today she is saying she is not, that they are advertising in Winnipeg to take advantage of Winnipeg people.

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

**Hon. Gord Mackintosh (Government House Leader):** Well, Mr. Speaker, there was no provoking of debate. There was simply a feeling

of being provoked by the Opposition. They are very thin-skinned, I am sure, on this issue.

**Mr. Speaker:** On the point of order raised by the honourable Member for Turtle Mountain, he does not have a point of order. It is a dispute over the facts.

\* \* \*

**Ms. McGifford:** Mr. Speaker, I was speaking about the fact that members opposite seem to feel it was all right to do their gambling advertisement outside the province.

Well, the current policy is to advertise responsible-use policy in the province. In fact, this Government has put several hundred thousand dollars into its responsible-use advertising called Keep It a Game.

I do not know if members are against responsible use or if they want wholesale gambling. I think they should come clear. One day, it is one thing; the next day, it is another thing. In 1993, we have gambling buses—

**Mr. Speaker:** Order.

**Mr. Reimer:** Mr. Speaker, this is a minister who represents the Government of Manitoba, but I will ask the Minister of Gaming whether she is turning the casinos into the Las Vegas of the North with her fill-up-on-fun advertising campaign that is running during prime time when youth are watching the television, and she says it is only a game. She has to look very carefully at that ad that runs on TV, because it is way down on the bottom, and it runs for maybe about a second and a half.

So for her to say that they are not aiming their advertising at youth, I think that she has to re-address that program.

**Mr. Speaker:** The honourable Government House Leader, on a point of order.

#### Point of Order

**Mr. Mackintosh:** Well, Mr. Speaker, I regret having to get up. I was waiting and waiting and

waiting, thinking that the member was getting done after asking that question.

The member knows full well, would you please remind him, that a supplementary question requires no preamble, no postamble, no ambling, no rambling. That is what we got.

**Mr. Speaker:** On the point of order raised by the honourable Government House Leader, I would like to take this opportunity to remind all honourable members that 409(2) advises that a supplementary question should not require a preamble. The honourable member had already put his question.

\* \* \*

**Ms. McGifford:** Mr. Speaker, this Government inherited two huge gambling palaces constructed by the former government. They were huge in size. They had huge debts. They had huge overruns.

We inherited the sins of the former government, and we are struggling, Mr. Speaker, to run a responsible Manitoba Lotteries Corporation.

#### Same-Sex Relationships Adoption Rights

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, my question is to the Minister of Justice. One of the issues of significant public debate today concerns the procedures whereby gay or lesbian couples can adopt children.

I would ask the Minister of Justice if he will admit that today in Manitoba a gay or lesbian person can indeed legally adopt a child under current regulations and laws.

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** Mr. Speaker, the issue is certainly an important one of public debate which I am very pleased to see take place. I have a thought, though. Yesterday, the bill was before the House. The honourable member chose not to participate in that debate, chose not to participate in the vote on that bill. Where were his thoughts yesterday?

**Mr. Gerrard:** We have a committee and a third reading, minister. I ask: Why does the minister allow gays and lesbians to adopt children, but when they are a couple it is only possible for one parent to be named on the adoption papers? Does this not encourage hidden partners rather than an open society?

**Mr. Mackintosh:** Mr. Speaker, there is currently a bill before the Legislature which goes to committee on Monday night. Following that there will be a consideration of the parts of the bill that respond to the Supreme Court decision in *M. v. H.*, a decision which we believe on a plain reading speaks to the issue of financial obligations. Every time there are changes and acknowledgements of rights and movement to improve the rights of Manitobans, it is open to everyone to say that a matter did not go far enough or went too far.

Mr. Speaker, we respect that. We expect that. We also acknowledge that there are many, many challenges ahead of this Legislature and all Manitobans to make this a fairer province. That may well be one, but a good place to start is complying with the Supreme Court decision in *M. v. H.*

\* (14:20)

**Mr. Gerrard:** I ask my supplementary to the minister: If in a private adoption a birth mother, after interviewing potential adopting parents, comes to a decision that she prefers her child is adopted by a gay or a lesbian couple, is it the position of the minister that this can only proceed provided that one partner in the gay or lesbian couple remains entirely hidden and unknown in all legal documents?

**Mr. Mackintosh:** Mr. Speaker, the member, as I understand it, without getting into detail, is attempting to describe the current state of law in Manitoba and indeed in many provinces in Canada.

I asked the member before the election, he was asked what his position on *M. v. H.* was and he said he did not have one at that time. He would prefer that there be broad public consultations before he took a position. At least that was his position as expressed in one of the local dailies.

Before the election, we said we would comply with *M. v. H.* After the election, we delivered on that. We are complying with *M. v. H.* There are challenges ahead. This is a journey. It is a path. We have to make further improvements to human rights and we are committed to that.

### **Winnipeg Casinos Advertising Campaign**

**Mr. John Loewen (Fort Whyte):** Study after study has shown clearly that it is the most disadvantaged and vulnerable in our society who are most likely to fall victim to a gambling addiction problem. A study in Ontario has shown that over 40 percent of youth in the 18 to 19 years-of-age category could be classified as problem gamblers.

I would like to ask the Minister of Advanced Education and responsible for Lotteries if she can explain to the people of Manitoba, particularly the youth, why her Government has reversed its policy and is spending millions of dollars advertising to attract Manitobans, young and old, into her casinos.

**Hon. Diane McGifford (Minister charged with the administration of The Manitoba Lotteries Corporation Act):** Mr. Speaker, I think I have answered that question several times, but I will reiterate my answers. We are in a very competitive market. There are 41 casinos within eight hours drive of Winnipeg. We inherited two gambling palaces. Huge in size with huge debts, with huge cost overruns. We thought the sensible thing to do, since we are in a highly competitive market, was to market the amenities of our facilities, not gaming and gambling as the former government has done, but to market the amenities, the restaurants and the entertainment.

We feel it is our duty as guardians of the public purse to pay the debts incurred by the members opposite and to get on with it. That is what we are doing.

**Mr. Loewen:** Mr. Speaker, why is the Minister of Advanced Education allowing this multimillion-dollar advertising campaign to proceed when she knows full well that a study

just issued by the Canada West Foundation indicates that 36 percent of Canadian youth between the ages of 18 and 24 know personally of somebody who has a gambling problem? Why is she allowing this advertising to continue?

**Ms. McGifford:** Again, I want to point out, as I have done twice today already, that we inherited two huge gambling palaces constructed by the former government. They are huge in size. There are all kinds of rooms floating around there costing money. They have huge debts. They have had huge cost overruns. We believe the sensible decision was to market the amenities, the entertainment and the restaurants in these facilities.

We do not believe in advertising gaming, as the Member for River East (Mrs. Mitchelson) did when she was the Minister for Lotteries in 1993. As I said, we believe, as guardians of the public purse, that our duty is to pay the debts incurred by the former minister and the former government, and that is why we are trying to keep these facilities—

**Mr. Speaker:** Order.

**Mr. Loewen:** Mr. Speaker, I would ask the Minister responsible for Advanced Education if her appetite for gambling revenue, the Doer government's appetite for gambling revenue, is so voracious that she targets advertising directly—

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

**Mr. Speaker:** Order.

**Mr. Loewen:** This Government has no spine. Period. *[interjection]* You do not have a backbone, any of you.

**Mr. Speaker:** Order.

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

**An Honourable Member:** What a hypocrite.

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

#### Point of Order

**Mr. Marcel Laurendeau (Opposition House Leader):** Mr. Speaker, *Beauchesne's* 489: the

word "hypocrites" which has been spoken by the Member for Elmwood (Mr. Maloway) five times now, he might be speaking about a Minister of Education. I am not sure because that is who the question was directed at, but you want to bring him to order and tell him that those words should not be said.

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

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, *Beauchesne's* Citation 490 says that same word has been ruled as parliamentary as well.

**Mr. Speaker:** Order. On the point of order raised by the honourable Official Opposition House Leader, I did not hear the comments so I will take the matter under advisement and peruse Hansard and bring a ruling back to the House.

#### Point of Order

**Ms. McGifford:** Mr. Speaker, the member opposite put a question. He asked me if I have a backbone. The answer is, yes, I do, and I also have a huge debt inherited from members opposite.

**Mr. Speaker:** The honourable Member for Fort Whyte, on the same point of order.

**Mr. Loewen:** Mr. Speaker, I had not put my question to the minister. I was attempting to put my question when I was interrupted. When you called for order, I simply sat down as you rose.

**Mr. Speaker:** On the point of order raised by the honourable Minister of Advanced Education (Ms. McGifford), she does not have a point of order. The honourable member was just about to put his question.

\* \* \*

**Mr. Speaker:** The honourable Member for Fort Whyte, please put your question.

\* (14:30)

**Mr. Loewen:** Thank you, Mr. Speaker. My question to the Minister of Advanced Education:

Is the Doer government's appetite for gambling revenue so voracious that she would have to embark on a multimillion-dollar advertising campaign to lure the very people that she, as the Minister of Advanced Education, is supposed to be standing up for into her casinos?

**Ms. McGifford:** Mr. Speaker, the reasons why Lotteries has chosen to lead an advertising campaign is because we have inherited two gambling palaces, huge in size, huge in debt, huge cost overruns. We think the sensible decision is to be guardians of the public purse. We feel this is our duty as elected representatives in the Government of Manitoba.

So what is responsible for the advertising campaign is the debt that we have inherited and our determination to pay this debt back.

In fact, just to return to something the member kind of put on the record, I think the sign that I have a backbone is my gumption in trying to address the sins left by the former members.

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

### Speaker's Ruling

**Mr. Speaker:** I have a ruling for the House.

During Oral Questions on June 5, 2001, a point of order was raised by the honourable Government House Leader (Mr. Mackintosh) concerning a question asked by the honourable Member for Springfield (Mr. Schuler). The honourable Government House Leader contended that the question "will the Premier (Mr. Doer) confirm that his Minister of Labour (Ms. Barrett) will not be responsible for the proposed health essential services legislation?" was hypothetical. The Official Opposition House Leader (Mr. Laurendeau) also spoke to the same point of order. I took the matter under advisement in order to review Manitoba practice. I also asked the honourable Member for Springfield to rephrase his question as the matter was being taken under advisement.

In reviewing the rulings of past Manitoba Speakers, on four occasions Speaker Rocan

ruled a question as being hypothetical and asked the member involved to rephrase the question. Twice as Speaker I have ruled questions out of order as hypothetical and have asked that questions be rephrased. In comparing this question to questions that have been found to be hypothetical in the past, I would rule that the question asked was indeed hypothetical. As noted in *Beauchesne's* Citation 410(12): "Questions should not be hypothetical." Similarly, Marleau and Montpetit, on page 427 of *House of Commons Procedure and Practice*, advise that a question should not be hypothetical, while Erskine May states on page 303 of the 22nd Edition that "questions are also inadmissible which seek the solution of hypothetical propositions."

Based on the precedents and on the authorities cited, I would rule that the question was hypothetical. As noted previously, the Member for Springfield did rephrase the question when asked to do so.

## MEMBERS' STATEMENTS

### Manitoba Stampede and Exhibition

**Mr. Frank Pitura (Morris):** This year's Manitoba Stampede and Exhibition will be held July 19 to 22. The 38th annual event promises entertainment for everyone by providing a full slate of top-notch events and activities. The Valley Agricultural Society hosts the fair at which the rodeo is the main attraction. It is the only pro rodeo in Manitoba and the largest east of Alberta. Last year, it attracted nearly 30 000 visitors to the site for the four-day event.

In addition to the rodeo, the Valley Agricultural Society hosts one of Manitoba's largest dairy shows featuring Holstein and Brown Swiss classes, large light horses and heavy horse competitions as well as 4-H, school and home craft displays. Free entertainment on the free stage is a good mix of talent from local to professional, covering all age groups. A large midway, a petting zoo, and many food and concession booths round out the day, followed by a cabaret on Friday and Saturday night in the Big M Centre.

This event has brought a large number of tourists not only to our community but to Manitoba from surrounding provinces and states

and even outside the country, Mr. Speaker, and promises to be a bigger success year after year. Inquiries from as far away as Europe and Australia from people planning their vacation to be here during the rodeo can attest to the event's popularity and appeal. I would like to invite everyone to come out and enjoy a taste of the old west. Thank you.

### **Career Internship Program Banquet**

**Mr. Harry Schellenberg (Rossmere):** Mr. Speaker, I felt honoured as a former teacher to be invited to attend the 7th annual Career Internship Program banquet at the River East Collegiate to bring greetings on behalf of the Province.

The banquet is an annual celebration of all the stakeholders in the Career Internship Program which includes students, parents, business partners and school and division administrators.

One component of this program is its partnership with over a hundred businesses. Each year about 80 to 90 Grade 12 students partner or work at a business site from mid-April to mid-June for nine weeks after they have completed their full university entrance program, which consists of courses such as physics, chemistry, English, mathematics and computer, to name a few.

Another part of this program is the volunteer component. All students are required to volunteer with a not-for-profit organization for a minimum of 30 hours. Students volunteer at organizations such as the Salvation Army, Terry Fox Run, Concordia Hospital, personal care homes and Winnipeg Harvest, which are just some of the many examples.

This program has won four awards, of which two were national awards, and therefore has a long established reputation for creating business-education partnerships that give students a chance to explore careers and develop skills for the workplace and prepares them for university or college.

Mr. Speaker, I commend and congratulate Adriano Magnifico, the director; Alison Kohut,

the communication co-ordinator; and teachers Rorie Bochinski, Darryl Bohart and Nancy Chislett for their great work and dedication to this very valuable educational program.

This program has enhanced the education of these young people, and it is a model other school divisions should consider. Thank you.

\* (14:40)

### **Waverley Heights Community Centre**

**Mrs. Joy Smith (Fort Garry):** I would like to extend my sincere congratulations to the people and volunteers of the Waverley Heights community centre which recently celebrated its 25th anniversary. This community centre has played a central role for residents of Waverley Heights, University Heights and Richmond West since April 1976.

Thanks to the commitment and enthusiasm of its innumerable volunteers over the years, children and families of the area have been able to participate in a wide variety of recreational activities, to work together for the betterment of their neighbourhood, and best of all, residents have been able to create strong, lasting friendships with others in their community.

To celebrate their 25th year anniversary, the Waverley Heights community centre held a weekend full of festivities, including games, music, fireworks, a silent auction and a lovely gala dinner and dance, all of which were made possible by the generous contributions of many local businesses. I had the opportunity to attend the dinner and participate in the recognition of the ten past presidents of the community centre as well as four outstanding volunteers who have donated many long hours to various community centre events.

Mrs. Lil Fulton, Mr. Garry Sheldon, Mr. Ed Quigley and Mr. Rafik Abi-Saleh were singled out for their immeasurable efforts in assuring the smooth running of countless activities and events. I, too, would like to thank all these individuals for their contributions, as well as to recognize the hundreds of other volunteers who donated their time for such worthwhile community events. Thanks to the caring efforts

of these volunteers, our children, families and community have greatly benefited from the activities and friendships created at the Waverley Heights community centre.

Thank you, Mr. Speaker.

**Frontier Collegiate Institute  
Student Achievements**

**Mr. Gerard Jennissen (Flin Flon):** Mr. Speaker, since older people often tend to be critical of younger people, the achievements and positive contributions of teenagers may be overlooked. I would like to give this House examples of the positive contributions made by four teenaged girls from the Grade 12 class of Frontier Collegiate Institute in Cranberry Portage.

Amanda Barbeau submitted a play, *The Eagle Princess*, to the Manitoba Association of Playwrights. The play was performed at the Warehouse Theatre in Winnipeg and directed by Ian Ross, commonly known as Joe from Winnipeg. The play received second place in the provincial competition.

Jennifer Lothian and Rosemarie Mason received third and first place respectively in the provincial drug awareness week essay competition sponsored by the Elks. Further, Rosemarie Mason's essay, "Experience with E," dealing with the drug ecstasy won first prize nationally.

Lastly, Nicole Leptick rollerbladed 90 kilometres from The Pas to Cranberry Portage in order to raise money for the Terry Fox Foundation. She raised several thousand dollars for this important cancer research foundation. Throughout Nicole's exhausting 90-kilometre journey she was accompanied by many well-wishers, including two young friends on bicycles, namely Michelle Gamblin and Krystie Gibbs.

Obviously, the members in this Legislature are now aware why I am so fiercely proud of my home town, Cranberry Portage, and the people, especially the young people, who live there. I invite all members if they should be travelling or holidaying in northern Manitoba this summer to stop over in Cranberry Portage and stay a while.

You will be delighted both with the scenery and the northern hospitality.

Thank you, Mr. Speaker.

**Mr. Al Munroe**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I would like to put on the record a few comments in honour of Al Munroe, a Liberal who died June 11, earlier this week. He had been well, and this was a sudden illness and an unfortunate circumstance.

That being said, Al Munroe who was born on April 5, 1926, in Lauder, Manitoba, Al Munroe who was a telegraph messenger with CN Telegraphs, Al Munroe who in 1947 married his wife Lorraine who was the first female telegraph messenger in Canada, has had a significant and long career helping the Liberal Party in Manitoba.

He played a very significant role with Sharon Carstairs in the revitalization and re-energization of the Liberal Party in the late 1980s and early 1990s. For me, Al Munroe has been a friend and someone who I feel has made a very significant contribution to our province. On many occasions we have met and talked together. Al was a tireless traveller and worker on behalf of Liberalism in this province.

So I close today with just a tribute to Al Munroe and all that he has done and contributed over the course of his 75 years. Thank you.

\* (14:40)

**ORDERS OF THE DAY**

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, I would like to announce an additional meeting of the Standing Committee on Law Amendments will be called for Monday, June 18, at 10 a.m., to continue with consideration of the Bill 24, The Liquor Control Amendment and Consequential Amendments Act.

This meeting is in addition to the meeting already announced for Thursday, June 14, that is this Thursday, at 6:30 p.m.

**Mr. Speaker:** It has been announced that an additional meeting of the Standing Committee on Law Amendments will be called for Monday, June 18, 2001, at 10 a.m., to continue with consideration of Bill 24, The Liquor Control Amendment and Consequential Amendments Act.

This meeting is in addition to the meeting already announced for Thursday, June 14, at 6:30 p.m.

**Mr. Mackintosh:** Mr. Speaker, would you please call second readings in the order they appear on the Order Paper, to be followed with adjourned debates on the following bills: 19, 39 and 27.

## SECOND READINGS

### Bill 28—The Labour-Sponsored Investment Funds (Various Acts Amended) Act

**Hon. MaryAnn Mihychuk (Minister of Industry, Trade and Mines):** Mr. Speaker, I move, seconded by the Minister of Conservation (Mr. Lathlin), that Bill 28, The Labour-Sponsored Investment Funds (Various Acts Amended) Act be now read a second time and be referred to a committee of this House.

**Mr. Speaker:** It has been moved by the honourable Minister of Industry, Trade and Mines (Ms. Mihychuk), seconded by the honourable Minister of Intergovernmental Affairs (Ms. Friesen), that Bill 28, The Labour-Sponsored Investment Funds (Various Acts Amended) Act be now read a second time and be referred to a committee of this House.

### Point of Order

**Ms. Mihychuk:** Just on a brief point of order, Mr. Speaker, at the moment when I verbally made my motion, it was the Minister of Conservation (Mr. Lathlin) who was in the seat so I would like the record to indicate that.

**Mr. Speaker:** It has been moved by the honourable Minister of Industry, Trade and Mines (Ms. Mihychuk), seconded by the

honourable Minister of Conservation (Mr. Lathlin).

\* \* \*

**Ms. Mihychuk:** Mr. Speaker, I am pleased to provide my comments on Bill 28, The Labour-Sponsored Investment Funds (Various Acts Amended) Act. I would like to begin by providing some background on labour-sponsored investment fund legislation in Manitoba.

In 1993, an act was passed to establish the Crocus Investment Fund. The ENSIS Growth Fund is registered under The Labour-Sponsored Venture Capital Corporations Act that was passed by the Legislature in 1997. The two acts are modelled after guidelines set by the federal government. Yet between 1993 and 1997, these guidelines had significantly changed, resulting in two very different statutes.

\* (14:50)

Labour-sponsored funds were established in Manitoba to respond to the real need for risk capital for small and medium-sized Manitoba businesses. In return for an annual tax credit of up to \$1,500 on a maximum annual investment of \$5,000, Manitobans have an opportunity to invest in small and medium-sized Manitoba businesses, the professionally managed labour-sponsored funds. Impressive progress has been made since 1993. Based on their most recent annual reports, the Crocus Investment Fund has close to \$109 million invested in more than 50 Manitoba businesses and the ENSIS Growth Fund has over \$10.7 million invested in 10 Manitoba businesses.

The Labour-Sponsored Investment Fund (Various Acts Amended) Act amends three acts: The Manitoba Income Tax Act; The Manitoba Employee Ownership Fund Corporation Act, which is renamed The Crocus Investment Fund Act; and The Labour-Sponsored Venture Capital Corporations Act, which is the governing statute of the ENSIS Growth Fund.

The Government has a number of objectives in bringing these amendments forward to the House. As I noted earlier, the Crocus Investment

Fund and the ENSIS Growth Fund are governed by separate pieces of legislation. A number of amendments served to make the provisions of both acts consistent to ensure that Crocus and ENSIS compete on a level playing field. For example, The Crocus Investment Fund Act enables employees to have deductions for the purchase of shares of Crocus withheld from their payroll. The Labour-Sponsored Venture Capital Corporations Act, which applies to the ENSIS Growth Fund, will be amended so that employees will also be able to have payroll deductions for purchases of ENSIS.

In order to achieve their objectives, labour-sponsored funds must invest a significant portion of their capital in small and medium-sized Manitoba businesses within a reasonable period of time. The Income Tax Act is being amended to provide funds with added flexibility regarding the time that they have to make eligible investments. At the same time, investment pacing requirements of the two funds are being clarified.

Also it is important that the Government monitor the operations of labour-sponsored funds to ensure that they are adhering to the provisions of the legislation. In this regard important new reporting and compliance provisions are being added to The Crocus Investment Fund Act. These provisions provide audit and inspection powers as well as powers to facilitate obtaining information from the fund.

Offences and applicable penalties are being added to the act. Under certain circumstances the Government may declare the sale of shares ineligible for the tax credit. In order to ensure consistency these new reporting and compliance provisions will also replace the current reporting and compliance provisions in The Labour-Sponsored Venture Capital Corporations Act.

Thank you, Mr. Speaker. I look forward to my colleagues' comments on this important legislation. I appreciate your attention.

**Mr. Frank Pitura (Morris):** I move, seconded by the Member for Pembina (Mr. Dyck), that debate be now adjourned.

*Motion agreed to.*

### **Bill 31—The Municipal Assessment Amendment Act**

**Hon. Jean Friesen (Minister of Intergovernmental Affairs):** I move, seconded by the Minister of Conservation (Mr. Lathlin), that Bill 31, The Municipal Assessment Amendment Act; Loi modifiant la Loi sur l'évaluation municipale, be now read a second time and be referred to a committee of this House.

*Motion presented.*

**Ms. Friesen:** I am pleased to introduce today Bill 31, The Municipal Assessment Amendment Act. Bill 31 stems from the need to enable the Board of Revision and the Municipal Board to reach fair assessments by providing them with the ability to administer their duties to their full extent. Currently the Boards of Revision and the Municipal Board do not have the ability toward a market value be placed on a property under appeal. That is the basis of assessment across this province.

We are proposing here to allow the tribunals, with sufficient and appropriate notice from the assessor, to both increase and decrease assessments in order for them to reach a fair assessment. I believe that local governments support this amendment, knowing strongly that this will assist them in fair procedures for appeals and in reaching fair assessment for all. Municipalities and school divisions across the province, who depend to a large extent on property taxes, have always been concerned with the importance of fair assessment processes and fair results.

What we are proposing through this amendment is to bring Manitoba closer to the principles and practices of other provincial jurisdictions. Manitoba is the only jurisdiction in Canada that does not allow its appeal tribunals to both increase and decrease property assessments where the evidence suggests the assessment may be inaccurate. Assessment is about distributing the tax load fairly. It is important that it be done and that it be seen to be done in a fair and equitable manner.

Finally, these amendments are proposed to come into effect on January 1, 2002, to ensure citizens have ample advance notice of these procedural changes. Thank you.

**Mr. Edward Helwer (Gimli):** I move, seconded by the Member for Emerson (Mr. Jack Penner), that debate be adjourned.

*Motion agreed to.*

**Bill 46—The Provincial Court Amendment and Court of Queen's Bench Amendment Act**

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** Mr. Speaker, I move, seconded by the Minister of Conservation (Mr. Lathlin), that Bill 46, The Provincial Court Amendment and Court of Queen's Bench Amendment Act (Loi modifiant la Loi sur la Cour provinciale et la Loi sur la Cour du Banc de la Reine), be now read a second time and be referred to a committee of this House.

*Motion presented.*

**Mr. Mackintosh:** Mr. Speaker, I am pleased to rise in the House today to introduce for second reading Bill 46, The Provincial Court Amendment and Court of Queen's Bench Amendment Act. To fully explain what this bill will do, I need to start with a brief review of the basic principles that provide the foundation for a democratic process.

In our parliamentary system of government there are, of course, three branches or arms: legislative, executive and judicial. Each has its own unique qualities, but each is also connected to the others. It is the nature of these connections that has been under careful examination in recent years. Over the last decade or so, in particular, this examination has resulted in some fundamental changes in the way the legislative and executive branches interact with the judicial branch of government.

Perhaps the greatest change has been the clarification of the concept of judicial independence. This concept may be abstract to some, but it is critical that there be a clear understanding about its meaning and impact on elected governments, the public and those that

may become involved with the legal system. Offenders or victims in the criminal process and litigants in the civil or family processes are all protected and supported by the concept of judicial independence. At its core is the fact that the executive arm of government cannot be perceived as interfering with the adjudicative functions of the judiciary.

Some of the changes, enhancements and clarifications to the judicial, legislative and executive roles have come as a result of collaboration and consultation between the executive and the judiciary. Others have been brought about by litigation between the provinces and their respective provincial courts.

Manitoba has experience in both areas. The amendments we are introducing represent further refinements and improvements. This bill addresses issues respecting the constitutionality and independence of the judicial compensation process that have been the subject of contention between the judges of the Provincial Court and the Government of Manitoba.

The bill also provides for greater transparency in the functions of the court and establishes for the first time a formal mechanism for the court to be accountable to the public with respect to its functions, operations and administration.

As noted, the relationships among the legislative, executive and judicial branches of government are continuing to evolve. This means that there will continue to be changes to the structure and function of the court. I have had the opportunity to read a very interesting paper by the Honourable J. J. Spigelman, the Chief Justice of New South Wales in Australia. This paper was delivered quite recently on the 10th of May, 2001, in Vancouver, British Columbia, to a large international audience which included a number of members of the judiciary from across Canada. The paper was entitled *Judicial Accountability and Performance Indicators*.

\* (15:00)

In this presentation, Chief Justice Spigelman made a number of comments with which I am in

absolute agreement, Mr. Speaker. I would like to share a couple of them with you. "The value of efficiency, of getting value for money has received a greater and often dominant salience in competition with other values of government activities such as accessibility, openness, fairness, impartiality, legitimacy, participation, honesty and rationality. This change has affected all aspects of government, including inevitably the courts. The judiciary cannot and should not attempt to insulate itself from such changes. Courts have responded and must continue to do so. Citizens are entitled to know whether the arms of government, which they fund through their taxes, are spending that money efficiently and effectively. There is no threat to judicial independence if that is done, although some ways of gathering and reporting such information could constitute such a threat."

This bill creates an obligation on the part of the chief judge to provide an annual report containing information which will promote public understanding of the courts and the role of the judiciary. This report will include statistical information about the number and types of cases and proceedings, the availability of trial dates, and the average daily use of courtrooms.

In his presentation, Chief Justice Spigelman commented on the importance of this information to the public: "The internal use and publication of indicators relating to delay and cost is plainly appropriate. The promotion of efficiency is not just about saving money for government, although that is a perfectly legitimate consideration. It also involves substantive issues: the quality of justice being degraded by delay, access to justice, fairness, and ultimately, public confidence in the administration of justice. These are proper matters for measurement and publication."

The legislation will require greater access by the public to information about the court's activities. The administrative accountability to the public required by this bill will identify those issues that are properly matters of concern to the public with respect to the utilization of administrative resources. I am mindful of additional comments by Chief Justice Spigelman with respect to the need for openness in our systems of justice: "The requirements of open

justice in which the quality of justice is the primary consideration cannot be measured. Those requirements, not statistics, must continue to be regarded as the basic mechanism of judicial accountability."

Mr. Speaker, this bill recognizes the importance of a fresh look periodically at the court's administrative functions by creating terms for the office of chief judge and associate chief judges for the first time. These terms will affect chief judges and associate chief judges who are appointed after the coming into force of this act. Manitoba is the last province to introduce term appointments with respect to the administrative leadership of the court.

The bill also allows for the appointment of an acting chief judge in certain circumstances. The chief judge will now have the authority to appoint an associate chief judge to act in his or her place, as necessary. If the chief judge has not designated an associate chief judge to act, or if the office is vacant, then the minister may designate a judge or an associate chief judge to serve as acting chief judge. This largely reflects existing practice.

Mr. Speaker, our provincial court should be representative of the community it serves. The bill identifies criteria to ensure the diversity of Manitoba's society is taken into account, both in the composition of the nominating committee and in the selection of candidates for appointment. The bill clearly states the attributes we expect to be reflected in the judiciary: professional excellence, community awareness and personal suitability.

In Manitoba, we have had 11 years experience with the Judicial Compensation Committee process, and through those years a number of areas that require reform have been identified. These amendments in the bill reflect changes to respond to judicial decisions of superior courts about the conditions necessary for establishing compensation for Provincial Court judges to reflect experiences within our province and to ensure that the process is as efficient as possible.

This bill provides for defined time lines and mechanisms to ensure that the judicial

compensation process is completed with due dispatch. The Judicial Compensation Committee is a three-person committee with one representative of the judges, one representative of the Government, and one additional appointee. There have been recommendations made by the judges about the need for this person to be appointed impartially, and we agree with that suggestion, Mr. Speaker. As a result, the bill replaces the existing practice of the minister having sole responsibility for designating the chair in favour of a standard arbitration model.

Under the new provisions, the two other members of the committee would agree on a chair. In the rare situation in which the parties may not be able to agree on the chair, the Dean of the Faculty of Law will be authorized to appoint the chair. To provide some certainty in the process, if the recommendation of the Judicial Compensation Committee regarding salaries for provincial court judges is equal to or less than a designated average of salaries paid in three other provinces, then the salary recommendation is binding and must be implemented by the Government.

All previous judicial compensation committees, that is, those committees being chaired by Messrs. Baizley in 1991, Green in 1995 and Green again in 1998, have recommended the average salary in New Brunswick, Nova Scotia and Saskatchewan as the appropriate level of compensation. These provinces are similar to Manitoba based on population base, working conditions, cost of living and ability to pay.

If the salary recommendations from the committee are greater than the designated average, they will be referred to a standing committee and ultimately to the Legislative Assembly. When the judicial compensation committee process was introduced 11 years ago, I do not believe that any of the parties expected that it would be as adversarial as it has been. The provisions in this bill are intended to rebalance the process. The bill provides direction and power to the compensation committee to investigate on its own instead of relying solely on the information placed before it by the Government and the judges. To ensure that the process moves as quickly as possible and

keeping in mind the many significant responsibilities of the Legislature, clearly defined time lines have been set. From start to finish, the process is expected to be completed much earlier than the existing process.

To recognize the role of masters of the Court of Queen's Bench and to ensure that the compensation principles and independence requirements are adequately addressed, this bill also provides that masters are treated the same as judges of the Provincial Court with respect to salaries and benefits. This is consistent with the remuneration of masters across the country.

I believe that these amendments, Mr. Speaker, will enhance the administration of justice for all citizens of Manitoba. I look for the support of all members.

**Mr. Frank Pitura (Morris):** Mr. Speaker, I move, seconded by the Member for Lakeside (Mr. Enns), that debate be now adjourned.

*Motion agreed to.*

#### **Bill 50—The Regional Health Authorities Amendment (Accountability) Act**

**Hon. Dave Chomiak (Minister of Health):** Mr. Speaker, I move, seconded by the Minister of Intergovernmental Affairs (Ms. Friesen), that Bill 50, The Regional Health Authorities Amendment (Accountability) Act; Loi modifiant la Loi sur les offices régionaux de la santé (responsabilités), be now read a second time and referred to a committee of this House.

*Motion presented.*

**Mr. Chomiak:** Je voudrais dire bienvenue à tous les étudiants du Québec qui sont venus ici pour regarder cette assemblée.

*Translation*

*I would like to say welcome to all the students from Québec who have come here to observe this assembly.*

*English*

En même temps, Monsieur le président, at the same time, Mr. Speaker, I am very pleased to

bring before this House a bill, The Regional Health Authorities Amendment (Accountability) Act. As the name of the act suggests, this legislation is another step in completing the regionalization of health care service delivery so that it is effective and efficient in providing Manitobans with care.

Mr. Speaker, the recently released Thomas committee report on the Pediatric Cardiac Surgery Inquest recommended completing regionalization to provide consistent operational accountability structures within the health care system. This legislation helps move that effort along. When regionalization occurred in the late '90s, there was a process that was put in place. Obviously the function and the ability to regionalize cannot take place overnight. It requires a transition. We have been engaged in that transition since we came to office.

\* (15:10)

This legislation, as it implies, will enable us to move the concept of regionalization forward. In keeping with the recommendations of the Thomas committee, in keeping with advice that has been given to this department, in addition, as well, there will be other initiatives that we are undertaking with respect to the reorganization of the department to be more akin to that of a Department of Health that is responsible for policy and accountability matters.

The particular legislation in question balances regionalized health care delivery with the role of facility boards to provide co-ordinated services for Manitoba. Regional health authorities will have the ability to issue binding directives to health care corporations in the areas of planning, resource allocation standards and other activities that affect overall health service delivery in a region. These directives may be used only when the matter cannot be resolved using the normal mechanism for resolving disputes. This bill respects the unique ways that health care services are provided. It allows for co-ordinated health care delivery that is cost-effective and efficient. This bill also recognized the unique nature and the Manitoba nature and methodology with respect to our regionalization. It is an attempt to balance competing principles and competing interests, the principle of

accountability, the principle of leadership and the principle responsibility with that of the role and function of faith-based institutions that have formed such an integral part of our health care system for a considerable period of time.

Mr. Speaker, I would like to take a few minutes to go through some key sections in the proposed amendments for the benefit of all members. The regional health authority is responsible for providing for the delivery and administration of health services in Manitoba. The Minister of Health has the power under the pre-existing legislation to issue binding directives to regional health authorities. These regional health authorities in turn must comply with those directives to carry out their responsibility.

Mr. Speaker, what this act does is effectively, to a certain extent, take that delegated power and provide it to the operative arm of the health care system, who in turn have that delegated power in order to issue directives dealing with matters of operation across the system. Regionalization in Manitoba preserves a significant role for health corporations with their own boards of directors, and that is reflected in the legislation.

Mr. Speaker, agreements between regional health authorities and health corporations provide, in the normal course, a sufficient framework for resolving issues that arise as regional health authorities carry out their responsibilities. There may be exceptional circumstances in which issues arise and cannot, despite reasonable efforts, be resolved within the framework of those agreements. There is a need to strengthen and clarify lines of accountability within a regionalized structure, a need that was recognized, as I said earlier, in the Report of the Review and the Implementation Committee for the report of the Manitoba Pediatric Cardiac Surgery Inquest.

Under this legislation, a regional health authority may give a direction to a health corporation that provides health services within its health region. A direction given to a health corporation may only be given in matters that have a region-wide impact on a regional health authority's responsibility to co-ordinate and

integrate health services and facilities in its health region, including planning, standards and the allocation of financial and other resources.

It is important to note that a direction must also be consistent and respectful of the religious or spiritual beliefs that are an important part of many health corporations. The following principles are in the legislation. The health corporation may continue to respond to the spiritual and religious needs of its residents or patients and to provide care and services consistent with the fundamental principles of that religion or faith. The health corporation may continue to own and operate its facilities. A faith-based facility will keep its identity as a faith-based location and maintain its governance with a board appointed or elected by the religious organization.

Arbitration is provided for with this act to determine matters where a faith-based facility believes that a direction threatens its faith-based identity. A direction must be in writing and is subject to a number of conditions, including a direction cannot be given in connection with activities not funded by the regional health authority, and a direction cannot require a health corporation to sell or close a facility or change the composition of the board of directors of the corporation.

The bill also provides that a regulation may be made respecting the sharing of personal health information and other information to resolve complaints. That particular amendment, Mr. Speaker, is designed to facilitate the resolution of complaints and to assist in the implementation of a province-wide co-ordinated complaint resolution mechanism, something that is operational in other jurisdictions and has been something that we have been looking at and trying to build on over the past 20 months.

Mr. Speaker, this particular piece of legislation is an attempt, and I think successfully, to balance the principle of accountability and responsibility on the part of regional health authorities and to give them the tools to meet that accountability and responsibility. At the same time, it preserves the very unique nature of the faith-based institutions that are so prevalent and so important in the fabric of our health care institutions in the

province of Manitoba. So this bill attempts and, I believe, successfully achieves the balance between providing for delegated authority and protecting rights at the same time.

Mr. Speaker, under the consultation process and the review of this bill, we discussed and met with many individuals and organizations in the community, have had many discussions with the interfaith organizations, and this bill meets with their approval in terms of the balance that it achieves. It also meets with the approval of the regional health authorities and, in particular, the situation in Winnipeg which is unique from that outside of Winnipeg to the extent that in the vast majority of cases outside of Winnipeg devolution has occurred with respect to corporations, and, essentially, there are not for the most part autonomous boards functioning outside of Winnipeg, although there are exceptions to that but for the most part, whereas in Winnipeg with the process of regionalization, boards were left in place in a variety of fashions across the system.

What this does is it tries to achieve those two goals and those two aims, Mr. Speaker. We believe it also therefore serves to meet the challenge and meet the recommendations that were contained in the Thomas committee report that suggested and recommended to us that we move forward in the process of regionalization.

I have indicated, Mr. Speaker, many times in this Chamber, inside and outside, that we are going to be developing regionalization further along the path that has been recommended in numerous reports, while at the same time we are very conscious and recognize the role and function of faith-based institutions and the benefit that they bring to the health care sector and system. So this is an attempt to, and I believe successfully, achieve a balance, authority and a responsibility as well as a recognition of the very unique role and function of faith-based institutions.

I hope, Mr. Speaker, that this overview of the legislation is helpful to members of the House. I recommend this legislation, and I look forward to the continuing debate and discussion of this matter and speedy passage through this Chamber.

Thank you, Mr. Speaker.

**Mrs. Myrna Driedger (Charleswood):** I move, seconded by the Member for Fort Whyte (Mr. Loewen), that debate be adjourned.

*Motion agreed to.*

## DEBATE ON SECOND READINGS

### Bill 19—The Crown Lands Amendment Act

**Mr. Speaker:** To resume debate on second reading, Bill 19, The Crown Lands Amendment Act (Loi modifiant la Loi sur les terres domaniales), standing in the name of the honourable Member for Lakeside.

**Mr. Harry Enns (Lakeside):** Mr. Speaker, I am prepared to have this bill move to committee. It is a bill that contains some modest amendments to an act that has governed and administered some six million acres of Crown land that the Department of Agriculture has under its jurisdiction for the use of agriculture, primarily cattle producers, throughout different parts of the province.

\* (15:20)

I will be looking forward at committee to be able to ensure that fundamental aspects of that act are not, in fact, being tinkered with or changed, but with the staff available at committee we will be able to, and I am sure a number of my colleagues will want to look at different aspects of this particular legislation.

It is a small bill, Mr. Speaker, having to do with, as I said, the administration of Crown land, but it is extremely important. The beef industry is a growing industry in the province of Manitoba, and if this land is administered properly with some understanding of the entrepreneurial nature of cattle raising, that there needs to be stability in these leases and there needs to be opportunities for sale of these leases. I know that the current Minister of Agriculture (Ms. Wowchuk) when I was Minister of Agriculture used to bring forward on numerous occasions the specific requests why specific pieces of Crown lands were not possible for sale.

It is a funny thing, Mr. Speaker, and, you know, it is a small bill, but that is what

demonstrates the fundamental difference between us and them. I mean, they are socialists, and we are Conservatives. I believe in free enterprise. It is an amazing thing. If you put a cow on a piece of land that the individual farmer owns, it gains weight much quicker than if you put the same cow on a piece of land the Government owns. Would you believe that? It is true. If you put a cow on land that the Government owns, it produces 3.6 litres of milk daily; if I own it, it produces 4.7 litres of milk daily. It is just that simple. Of course, my socialist friends will never understand that.

The trouble is too many Canadians do not understand that. Too many Canadians, particularly our younger Canadians, our university-educated Canadians, think that government should be running everything. That is the great debate, the big difference between why I am a Conservative and these people here are socialists, but also that is the reason why the province of Ontario is the richest province in this country. It is also going to be a reason why British Columbia will become even richer, because they finally threw the socialists out. It is such a simple little matter that people fail to understand that we do not educate our children properly about, but that happens to be the truth, and Crown lands happens to be a good little example of it.

I speak with vested interest. I have some 1600 acres of Crown land that I have had for many years. I have tried to purchase it, but the Government will not allow me. The difference is this: If I could purchase it, I would invest considerably more money. It was always my dream that—and I should not be saying this because they are going to depict it wrong—if I was approaching my retirement from public life, but I want to hastily add that I am just entering my middling years, but it was my hope that I would begin raising bison, becoming a bison farmer. Now, to do that calls for considerably more greater investment for the facilities, for fencing and so forth. It will cost upwards, about, I would have to lay out \$10,000 or \$12,000 in fencing if I were to go into bison. Am I comfortable on doing it on land that these bunch of socialists own? No, and that they can take it away from me with a stroke of a pen. So what is the result? I defer. I put off. I do not go into

bison, but you multiply that over the six million acres that is available for this kind of development in agriculture, and that is the difference between how this land can be administered.

I am not suggesting a sale of this Crown land. These leases, when properly administered under the right type of philosophy, are very useful to agriculture. I was very pleased, along with my colleague the then, how soon you forget, my good friend from Arthur, James Downey, who was then-Minister of Agriculture, we, in 1977, during Sterling Lyon's government, made fundamental changes to this specific bill. We made it possible for a long-term lessor, you could not be a casual lessor, if you had leased the land for five years, that you could purchase it.

**An Honourable Member:** But you did not go far enough, Harry.

**Mr. Enns:** Well, that is the trouble. We are Conservatives. We are not radicals. Then, of course, we always live in the hope that we will be there for a while, that we would not have a bunch of bandits take over the administration of this fair province, you know, in the dark of night. It was about 11:30 when I finally conceded that they had beat us, you see.

We made other changes. We made changes that said, we said that, when a rancher, cattleman was retiring and he had maybe 1000 acres, 1200 acres of his own land, coupled with several thousand acres of leased land, that that could be sold as an economic unit because it was important for a successful beef operation that the economics of scale be understood. Not these friends, no, no, they would like to parcel it out in quarter-section lots. You do not build a ranch, you do not build a cattle industry that way, Mr. Speaker.

So, while I have indicated, and I am quite aware, that other colleagues will want to make some comments with respect to this bill, I am giving the minister, who—well, I better not say that, because that is against the rules. You cannot comment on her presence. It is the Minister of Agriculture's bill, I understand, but I am looking forward to having some of these

concerns addressed at committee when the minister has the opportunity of having her Crown lands director present and other senior staff of the department. Thank you, Mr. Speaker.

**Mr. Frank Pitura (Morris):** Mr. Speaker, thank you for allowing me to place a few comments on the record with respect to Bill 19. I think, as my colleague from Lakeside indicated, the bill is a relatively small bill. It does not contain a lot. It allows for a director of Crown lands. It allows for the director to make decisions with respect to agricultural Crown land leases and it allows for appeals to be taken back to the director.

However, it also affords me the opportunity to also share with colleagues in the Legislature the importance of agricultural Crown land to the province and the importance of agricultural Crown land to the livestock industry in this province. Agricultural Crown lands provide a lot of opportunities for grazing. Some of them provide production of forage. These together support what is a very healthy cow-calf industry in this province. As of today, and I think that many of the policies revert back to the previous government, we have the largest cow herd in the history of this province. We have a growth in the livestock industry.

Of course the question could be asked: Why is there substantial growth in the industry? There are a number of factors, Mr. Speaker, as to why this industry has grown like it has.

Of course probably the major impact is the fact that we went through and the free trade agreement was struck. Secondly, the abolishment of the Crow resulted in the fact that there seemed to be more potential for the production of cattle in Manitoba. As a result, this is a sector that has grown very substantially and contributes a major portion of our agricultural gross domestic product.

It is important that agricultural Crown lands in this province be maintained in a sustainable manner that will provide for the long-term future growth of the beef cattle industry.

At this point I would like to just diverge for a little bit of time, going back to when the Canada Land Inventory was in the process of

inventorying all of Canada's soils. It was completed on a coast-to-coast basis I believe within about a five-year to eight-year span.

\* (15:30)

All soils across the country were classified in seven major classes, 1 being the best soil, 7 being the poorest. There was also a class 0, which was organic soil. Most of the agricultural Crown lands that we have in the province right now would probably fit into the class 4, class 5, class 6 type range of soils in Manitoba. What I would like to see right now is that the class 1, 2, and 3, although they are right now utilized for the production of grain, there have been some reports produced suggesting that in a province like Manitoba perhaps the only soils that should be used for the production of edible foods would be the class 1 soils. Class 2 and class 3 and preferably all of the class 3, maybe some of the class 2 could still be used for food production, edible food production, but for the most part a lot of them could be used for forage production. That even expands the opportunities for a livestock industry in this province.

The one species of livestock that comes to mind is the sheep industry. I know that many times over the last number of years we often talked about Manitoba being a sheep-free province—and that was kind of with tongue-in-cheek—but the sheep industry has a tremendous future in this province, a tremendous future, and it works in well with the beef cattle industry when you are going through a rotational grazing program, that the sheep and cattle mix well together. They do it in other countries. So Manitoba has a tremendous potential to support a very vibrant sheep industry.

Unfortunately, Canadians, as a people, do not eat enough lamb on a per capita basis, and we have to work on that aspect to get people to eat more lamb. But there is nothing better, Mr. Speaker, than a barbecued lamb chop done on the barbecue. It is quite good, quite good. So I am putting in my little plug here for the sheep industry in this province, and I hope that the Minister of Agriculture (Ms. Wowchuk) will take a close look at this industry, and perhaps the department can put a policy in place that could

see the expansion of the sheep industry in Manitoba.

Mr. Speaker, I want to keep my remarks fairly short. This legislation provides for a director to make more decisions at the front line, which I think is better for those lessees of agricultural Crown land, and also it allows for a faster appeal process to take place for those who want to appeal the decision of the director.

So, Mr. Speaker, I am quite interested in hearing some of the comments when this bill reaches committee and look forward to hearing the input from the other colleagues in the House. Thank you.

**Mr. Speaker:** Is the House ready for the question? The question before the House is second reading of Bill 19, The Crown Lands Amendment Act.

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

**Some Honourable Members:** Agreed.

**Mr. Speaker:** Agreed and so ordered.

#### **Bill 39—The Archives and Recordkeeping Act**

**Mr. Speaker:** To resume debate, Bill 39, The Archives and Recordkeeping Act (Loi sur les archives), standing in the name of the honourable Member for Seine River.

**Mrs. Louise Dacquay (Seine River):** Mr. Speaker, I am pleased to put some comments on this bill, and I want to start by first saying that there are several sections in the new act that were not found in the old act. I understand there will be some cost implications, and I will be asking the minister more specific questions in committee.

One of the areas in which there will be significant new costs that were not in the old act is in the appointment of a new full-time position, as I understand it, the archivist of Manitoba. I will have, as I indicated, several questions relating to the current fees that are being assessed. I recognize they are governed by

regulation, and my questions will be relative to any increases in the existing fees.

I recognize that there were several changes being made due to the fact, primarily, that this was a very outdated piece of legislation that dated back to 1967. This new act now also has consequential amendments that impact on several other acts. While I have the spreadsheet, I could not find in the spreadsheet all of the potential sections that will be impacted by the enacting of this new piece of legislation.

The other change that I probably will be asking the minister questions of is the provisions in the new act which assign the functions previously carried out by the Documents Committee to other committees or groups now within the new process. I know I cannot refer specifically to the section, so I am trying to word it. I will also have a few questions on the other act that is being impacted by the introduction of this new act, and that is The Financial Administration Act. My questions will be specific to the recovery or possession of a government record.

In conclusion, I will have questions regarding Cabinet's responsibility that was contained in the old act, giving Cabinet full responsibility to make regulations on matters dealing with the classification of documents. That classification of documents, as I see it now, will still give the Cabinet that regulation-making authority, but there are some specific references in the old act that are not contained in the new act.

With that, Mr. Speaker, we are prepared to send this particular bill to committee. Thank you.

**Mr. Speaker:** Is the House ready for the question? The question before the House is second reading of Bill 39, The Archives and Recordkeeping Act.

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

**Some Honourable Members:** Agreed.

**Mr. Speaker:** Agreed? Agreed and so ordered.

\* \* \*

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, just before calling Bill 27, The Manitoba Hydro Amendment Act (2), would you please call Bill 7, The Manitoba Hydro Amendment Act.

#### **Bill 7—The Manitoba Hydro Amendment Act**

**Mr. Speaker:** To resume debate on Bill 7, The Manitoba Hydro Amendment Act (Loi modifiant la Loi sur l'Hydro-Manitoba), standing in the name of the honourable Member for Minnedosa.

**Mr. Harold Gilleshammer (Minnedosa):** I am pleased to be able to speak to Bill 7, which is the bill that discusses the future of Manitoba Hydro, and we are prepared to send this on to committee today. This bill is more about political posturing than anything else. We are in agreement that this Crown corporation is certainly the jewel of the Manitoba Crowns. We are pleased with the developments that Manitoba Hydro has made over the decades as a very significant part of life here in the province of Manitoba.

\* (15:40)

There are many issues surrounding Hydro that we will have an opportunity to discuss at committee on Monday when we look at the annual report. We believe there are many other issues that the Minister responsible for Hydro (Mr. Selinger) should be dealing with, including sending many of the issues before Manitoba Hydro to the Public Utilities Board, which is the forum that has been structured in Manitoba to look at the activities of this Crown corporation, not only to do with rates but also with future developments.

I would like to have the Premier (Mr. Doer) confirm what I think he said yesterday, but I think then he maybe backed away on it, that there are plans afoot within the Crown corporation to do a considerable amount of expansion with new projects being looked at, including the Gull Rapids generating station, also Wuskwatim and Notigi.

I think we are looking at that corporation and its board and the Government, in fact,

moving ahead with billions of dollars, potentially, of new development in the North, and we think it is very important that there be a process in place which gives Manitobans an opportunity to look at these plans and to understand them. So far this Government has been very reluctant to enter into a public process with anything to do with Manitoba Hydro, and I believe in Question Period yesterday the Premier (Mr. Doer) said that any new developments would go before the Public Utilities Board. Later, I think, maybe he backtracked and said maybe not the Public Utilities Board but some public process.

I think it is very, very important, before a Crown corporation spends billions of dollars on expansion, that Manitobans are given an opportunity to look at these plans, to act as that check and balance, whether these are necessary, whether they should be fast-tracked or whether they should be on the agenda for later on. I believe the Public Utilities Board is an excellent venue to do that, and this Government has to stop treating Manitobans as second-class citizens and leading them away from the process, because Manitobans very much want to be involved in the process.

Fundamental to new development has to be sales commitments made to other jurisdictions. All Manitobans are pleased that there is a strong revenue stream from export sales. In 1999-2000, some \$376 million in profit was made through these sales. I think it is important that Manitobans have some say in how this burgeoning excess revenue is going to be used in the future. We have seen a government that has taken, through the water rental rates, over \$100 million into general revenue, and I believe that is the highest amount ever taken out of the Crown corporation for general revenue, a time when all of their other revenue is very buoyant. They chose not only to expend that new revenue but to add new revenue from Manitoba Hydro very much over and above what previous governments have taken out of that Crown corporation.

As well, they are using some of that excess profit to build a particular road, and they are also using some of it to convert the coal burning generating stations in Brandon and Selkirk. So I

think Manitobans want some say in how that excess revenue is being used.

The major users of hydro-electric power in Manitoba are companies like Inco and others, and they are saying maybe there is an opportunity to lower our rates, too. I think that is a fair request, that they feel a little bit left outside of the process when they have asked this Government to review the rates of the major users to see if perhaps their rates could be lowered. They have been rejected, and they are asking that the process through the Public Utilities Board be used. I think it is a fair request.

If the Crown corporation continues to have these buoyant revenues, Manitobans want to have some say in how much of that is used for expansion, how much of it would be used for debt reduction, how much of it would be used for lowering rates. There is a lot of flexibility in the revenue that is garnered by Manitoba Hydro. We now have a Crown corporation with a \$6.2-billion debt, and none of that money is being redirected into paying debt down. I know that the Government is very reluctant to comply with the balanced budget legislation. Each one of them in the House, when that was passed in the mid-90s, spoke against it, made fun of it. Then, in the most recent election, they have all embraced it.

If in fact they have embraced it and believe in the balanced budget legislation and the debt repayment, they should also use some of those same principles and practices and apply them to Manitoba Hydro, because I think there is an opportunity there not only to use all of that excess revenue for expenditure but to use some of it for debt reduction and some of it for lowering rates. I would urge the Government and the Minister responsible for Hydro to meet with that major users group and to listen and to heed what they say and to send the use of that excess revenue to the Public Utilities Board so that Manitobans will have an opportunity to review that revenue and have a say in how it is being used.

So I would ask the Government to, again, have these new initiatives explored by the Public Utilities Board. Some of the new development

that is being contemplated would cost Hydro in excess of \$3 billion. That is a lot of money. Legislation passed in 1997 gives them some freedom to seek partners in the new construction. I notice that there are a number of First Nations who have shown some interest in partnering up to 25 percent of those projects. I think Manitobans want to get more information about the agreements that have been signed, that they would like to know what the 25% contribution will be. I think it is something that the Minister responsible for Hydro should have made available to Manitobans before this.

The conversions of the plants in Brandon and Selkirk have also been questioned. There is a report suggesting that the expenses with the conversion in Brandon are excessive. I believe Cross Lake First Nation has submitted a report that they had commissioned showing that a comparable expansion at another location in North America was done for much less. So I would ask the Minister responsible for Hydro to provide information so that Manitobans can make up their own mind on this particular expansion.

At this time, then, we are prepared to have Bill 7 proceed to the committee stage and are prepared to let it go and have any Manitobans who wish to speak to this initiative have an opportunity to do that at the committee stage. Thank you, Mr. Speaker.

**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 7, The Manitoba Hydro Amendment Act. Is it the pleasure of the House to adopt the motion?

**Some Honourable Members:** Agreed.

**Mr. Speaker:** Agreed? Agreed and so ordered.

### **Bill 27—The Manitoba Hydro Amendment Act (2)**

**Mr. Speaker:** To resume debate on Bill 27, The Manitoba Hydro Amendment Act (2) (Loi no. 2

modifiant la Loi sur l'Hydro-Manitoba), standing in the name of the honourable Member for St. Norbert (Mr. Laurendeau).

Is there leave for the bill to remain standing in the name of the honourable Member for St. Norbert?

**Some Honourable Members:** Leave.

**Mr. Speaker:** Leave? It will remain standing in the name of the honourable Member for St. Norbert.

\* (15:50)

**Mr. Stan Struthers (Dauphin-Roblin):** A household in The Pas or in Lac du Bonnet will pay the same basic rate for hydro service as a household in Winnipeg. What is wrong with that, Mr. Speaker? What on earth could be bugging the members opposite? What on earth could motivate the members opposite to not agree with that statement?

Members opposite can take out the communities of The Pas and Lac du Bonnet. They can substitute in their own communities if they like. I could do that right now. A household in Roblin or a household in Dauphin will pay the same basic rate for hydro service as a household in Winnipeg.

I would encourage every MLA in this building to do that, to take a look at their constituencies and start plugging in their own communities and start understanding the benefits of this bill, the benefits of this Government's approach, a fair-minded, even-handed, equal approach to the benefits of our Manitoba Hydro. I would encourage members opposite to plug in the communities of Killarney and Souris. I would encourage members opposite to include Vita and Gimli. The list is endless: Steinbach and Brandon, Stonewall and Melita.

You know, we hear a lot about how we have to support the people in the southwest part of our province because they have had it tough for a while, and, you know, they have had it tough, Mr. Speaker. Here is a good opportunity for everybody. It does not matter what side of the House you are on on this debate. It does not

matter whether you are on the government side of the House or are sitting in opposition. This is your opportunity to support something that is really important to rural Manitobans. This is your big opportunity.

Judging by what I have seen in the last couple of days in Question Period, I am afraid some of my friends across the way are going to miss this opportunity, and they are not going to stand up for the Minnedosas and the Neepawas of the world, that they are going to miss that opportunity. I want, right early on in this debate, to encourage them and to invite them in to the good news that we are bringing to rural Manitoba.

I should mention that I am speaking on The Manitoba Hydro Amendment Act and that I do fully support that act, because it is good for Manitoba. It is good in a couple of ways. First and foremost, it is going to reduce rates for people living in rural Manitoba, farm families trying to eke out a living out on the land in rural parts of our province. It is good for small businesses in Manitoba. It is also good for some of the larger businesses, to be quite frank.

I noticed too in Question Period the last couple of days that the Opposition had this strange view on what the word "secrecy" is all about. We were accused of being secretive about our plans. The quote that I used at the beginning when I first stood to speak just a few minutes ago, the quote was "A household in The Pas or Lac du Bonnet will pay the same basic rate for hydro service as a household in Winnipeg." That is a direct quote from the Speech from the Throne.

Ooh, that is secretive, Mr. Speaker. That is a secret agenda. That is a hidden agenda, I guess, because nobody gets to read that document, right? Everybody in this room here today was here and present when that Speech from the Throne said those very words. That is not secretive. That is open government.

I am sure that some of the members opposite heard in the election campaign when the Leader of our party, today's Premier, talked about this on the election campaign trail. I heard it. I consider myself fairly average when it comes to intelligence and fairly average when it comes to

keeping up with current events. Especially when I am a candidate in an election, I do pay a little bit of attention as to what all the parties have been saying. I am sure members opposite are not much different than that. I am sure there are members opposite who are smarter than I and better able to keep up to date on current events. I think they kind of knew that we had promised this in the last election. As a matter of fact, I am real sure that they knew exactly what we were promising in the last election.

I think they are actually a little bit jealous that we had thought to do this for rural Manitobans, but it was not that members opposite did not have their chance to do it. I know that, during their 11 years in power, they thought about it. I know they talked about it. As my colleague from Flin Flon says, they mused about it. Did they have the courage to go through with it? No. They paid it lip-service. They did not come through on it for the people of Manitoba. And why not?

There were a number of myths that developed about the former government over the 11 years that they were in power in this province. One of the myths was that they could actually handle money and that they were good financial managers and that they knew all about the economy and that they were good for the economy. That was a myth. We found that out. The Provincial Auditor says it was a myth. The Provincial Auditor would not even give a stamp of approval to their budgets when they brought them forth. They said the budget was not very honest. It is not that they could handle money, but they portrayed the myth that they could. They keep trying that even today.

*Mr. Conrad Santos, Deputy Speaker, in the Chair*

The other myth, and I can say this as a person who has lived in rural Manitoba just about all my life and I have represented now for six years rural constituents. I can say, without a moment's hesitation, that another myth portrayed by the former government and today's Opposition was that somehow they were the best to represent rural Manitoba and the hopes and the dreams and the aspirations of rural Manitobans.

**An Honourable Member:** Absolutely.

**Mr. Struthers:** Again the term "lip-service" comes to mind. The Member for Lakeside (Mr. Enns) thinks it is a given. He buys into this attitude that it was the Conservative Party's God-given right to reign in rural Manitoba. Well, any day of the week I will take what we have done as a government over the last 19 months and I will put it up against the 11 years, 11 long, dry, hard years that that former government ruled in this province. I will compare it any day of the week beginning with Bill 27, beginning with The Manitoba Hydro Amendment Act because not only is it a financial benefit for people living outside of Winnipeg, it is a symbol. It represents rural Manitobans wanting in. It represents rural Manitobans being considered on par with other Manitobans, not only rural Manitobans but northerners as well.

I also point to another area that the previous government spent a lot of time giving lip service to and that was this hard line, law and order, we are going to clean up rural Manitoba-kind-of approach that the previous government took. Mr. Deputy Speaker, after the last two budgets, for the first time in 11 years there is enough money being put forward by our Government to allow the Royal Canadian Mounted Police to come to a full complement of staff in rural Manitoba. That is something that the previous government could have done but unfortunately they chose not to. I cannot explain why they chose not to. Maybe they thought it was not a priority. Maybe they thought well, people think we are the naturally governing rural Manitoba party and we do not need to.

I do not know what their motivation was to let down rural Manitobans that way, but I am proud to say we came through for rural Manitoba, 622 RCMP officers. That is the full complement. My advice to members opposite on this one is two-fold. First of all, make sure that you use your cruise control because there are a lot more RCMP officers out there now to catch you if you are not, and if you are speeding you have more of a chance of getting caught. I should include myself in that advice as well. But my other advice is to learn from those mistakes that you made in the past, change your opposition to equalizing hydro rates in this

province and get on the bandwagon of doing something positive, something tangible for rural Manitobans, unlike your 11 years of previous government.

\* (16:00)

When we introduced the doctor recruitment and retention plan, a doctor recruitment plan specifically designed to help rural and northern communities attract and keep doctors in their towns and in their smaller centres in rural Manitoba and in northern Manitoba, where was the Opposition? They should have been standing up and saying that is a good idea; we are going to support that. What was their response? Nothing. There was no support there for this progressive far-reaching plan. It was a plan actually to backfill a decision that had been made a number of years ago by the previous government to cut 15 positions at the universities, 15 positions available for rural students to go and train in medicine, educate and get ready to go back into our small communities and set up practices, 15 positions a year less because of a decision of the members opposite when they were in government. This Government has moved to fill those positions. This Government has done something tangible for rural Manitoba.

One of the long-standing issues that I know the Member for Swan River (Ms. Wowchuk), our current Agriculture Minister, had been talking about for many years, year after year, since before my time in this Legislature, throughout the whole course of the '90s, was the farm and rural stress line. Members opposite had an opportunity to provide that service for the farm communities and for people struggling along in small communities.

Agriculture is so important to our province, Mr. Deputy Speaker. Agriculture is very important, and it is under a considerable amount of stress. Members opposite, I know, know this. So what was their response? How can you explain the actions taken by the previous government to cut and slash, get rid of this stress line that was being used by farmers and by people living in communities? What did they do? They cut it. It is no different than when the previous government advertised for another line

to help kids who were under stress and then did not put anybody on the other end of the line to answer the phone. It is lip service we saw from the previous government.

They now have a chance to redeem themselves in the eyes of rural Manitobans. I think it would be very therapeutic for members opposite to vote in favour of this Manitoba Hydro Amendment Act. I think it would make them feel better for what they did to Manitobans when they sold the Manitoba Telephone System. I think what members opposite can do is they can look on it as an act of atonement, a partial act of atonement, because the money that they are going to save every month through equalizing hydro rates is not quite as much as what that government cost rural Manitobans when they privatized the Manitoba Telephone System.

So they can partially make it up to Manitobans by supporting this, partially. If members across do not have the courage to take that step, just relax and be confident and feel good that your provincial government is going to do it for you, because this, Mr. Deputy Speaker, makes a lot of sense, and it makes it so that it is a lot more fair in this province.

So do not give us these excuses about secrecy, and do not try to feign your concern for the Public Utilities Board. Are you with us or are you against us? Are you for equalization of hydro rates, or are you against it? So far, your actions show that you are against it. I believe you should see the light. I think you should come forward and say it is a good idea; we are onside; let us get on with it and let us do it.

The bigger issue I think that the members opposite need to deal with is this tale of two companies that I think has plagued them for awhile and I am predicting will plague them for a little while into the future, two approaches when it comes to Crown corporations. On the one hand is the Progressive Conservative Party's approach, as shown in their sale of the Manitoba Telephone System, in which they sold off the telephone system at bargain-basement prices, made a few of their wealthier friends happy but cost the people of Manitoba a lot. Up go the rates, down goes the employment in our communities and no more decision making by

Manitobans on a company that was owned by Manitobans. That is the Tory approach.

Let us look at Hydro, the tale of another Crown corporation and the approach of our Government not to sell off Hydro to friends, not to give up the levers of decision making when it comes to a Crown corporation, not to favour one part of this province over another but to take a Crown corporation that is making a profit and use that profit for the betterment of all Manitobans. What is wrong with that, Mr. Deputy Speaker? Why would a political party not favour that approach?

In my constituency and in many of the constituencies of people across the way, my constituents will save approximately \$10.11 a month. Some other parts of the province will save \$2.69 a month. These are real benefits for people, Mr. Deputy Speaker.

It is absolutely unfair to continue on with the policy that we have now that we have inherited from the previous government. This is the previous government's opportunity to get on the right side of this issue. I would very definitely encourage members across to step forward and vote with us on this amendment. I am sure that once they hear from their constituents, if they listen to those constituents and if they really think about what is important in this province and if they really take a look at this from the vantage point of fairness, from the perspective of treating all Manitobans equally and fairly, I am sure they can come to no other conclusion other than voting in favour of the changes we have proposed to The Manitoba Hydro Act.

So with those few words, Mr. Deputy Speaker, I would like to thank members for listening and look forward to hearing more advice from my colleagues in this Legislature. Thanks.

**Mr. Gerard Jennissen (Flin Flon):** Mr. Deputy Speaker, I listened with great interest as my colleague from Dauphin-Roblin put some eloquent words on record and inspired me to say a few words myself, but I will be brief. At least that is my intention.

The Manitoba Hydro Amendment Act, Bill 27, is a progressive bill. It is fair. It is long

overdue. It is not as if we are reinventing the wheel or something that has never been done before. In fact, there are three jurisdictions in this country, Québec, with Québec Hydro, B.C. and Nova Scotia, that already have equalized hydro rates. It seem like an obviously fair and decent thing to do. I am surprised that members opposite did not seize upon this opportunity in the 11 years they had to put this into effect.

At the present, before the bill comes into effect, there are three rates my colleague has alluded to. In Zone 1, which is Winnipeg, the rates will remain the same. In Zone 2, which is the medium-density zones of 100-metered services or more with at least 15 customers per line, that would include a lot of villages and smaller towns across this province. There is also Zone 3, which is low density, which would include farm families typically. Zone 1 will remain unchanged, as I said earlier, and Zone 2, people could save as much as \$2.69 a month. That would include a lot of the little towns and villages that I talked about. Zone 3, however, and these tend to be farm families, would save \$10.11 approximately average monthly, which is, you know, if you do your math, \$120-plus a year.

Members opposite talk about farm families having difficulties, particularly in southwestern Manitoba. Well, this is more than a symbolic gesture. It is not a huge amount of money, I admit, but \$120 in your pocket is better than a kick in the rear end, I would submit. So I am really surprised that members opposite are not vociferous in supporting this bill.

\* (16:10)

I should point out that there is a fourth zone, which is the diesel rate zone, in four northern communities, and that is not affected by this legislation at present.

Now, people will argue that this amount of money is trivial, but I point out that it is \$14.4 million a year. So it is not trivial. It is more than a symbolic act. I mean, we could sit back and do nothing, but I still think, you know, as the old Chinese proverb, it is better to light a candle than curse the darkness. We are doing something. It is positive and it is in the right direction.

It is especially symbolic but more than symbolic in northern Manitoba for many, many reasons. It is more than just the dollars.

The fact is that hydro is generated in northern Manitoba, in that region mainly. Northerners always felt that if hydro is generated in their backyards there should be some kind of compensatory mechanism. They always have felt they should be paying less, not more, than Winnipeg. Up to now we have been paying more than Winnipeg. We would prefer to pay less, of course. That would get us into the differential rate structure again, but we will certainly settle for paying the same amount. Why should we not? I think it is a step in the right direction.

I am, like I said, really shocked that members opposite would be so callous as not to see the positive effects of this, not only in northern Manitoba but particularly in rural Manitoba, where the greatest benefits will be realized.

My colleague has alluded to this, that members opposite thought about equalizing hydro rates. They mused about it. They mused about it out loud, but they also then mused about not selling MTS. They did that. They mused about graduated drivers' licences, but they never did anything about that either. So the musing alone was not good enough and now that we are actually doing what they mused about, they seem to be a little angry. There is that old-dog-in-the-manger attitude that if we did not do the positive thing, it cannot be positive. Well, it is never too late to join the band. I would suggest that you see the positive aspects of this bill, and I suspect that the rural people are going to hold you accountable if you vote against this bill, are going to say to you: Why is it that you are voting against an \$11 or a \$10.11 cut a month in my hydro bill? It would seem absurd. If you seriously care about rural folk then you would certainly support this bill.

I also mentioned earlier, Mr. Deputy Speaker, that we talk about the three zones in terms of paying hydro bills, the Winnipeg zone, the medium density and the low density. There is also a fourth zone, the diesel zone in northern Manitoba. That includes the communities of Shamattawa, Tadoule Lake, Lac Brochet and

Brochet. In those communities, electricity is still generated by diesel and that is enormously expensive. I think the actual cost runs around 63 cents per kilowatt hour. I know there are some sort of subsidy mechanisms involved so that people there pay less, but the service is also sometimes less. Sometimes it is 60 amp or 15 amp, and it would be wonderful if in the foreseeable future we could link those communities to the actual Hydro grid, perhaps in conjunction with a further line to the Nunavut region. That would be good for Manitoba; it would be good for Manitoba Hydro; it would be good for all of us.

But, at the moment, it is more costly for those four communities, and they are not included in this legislation unfortunately, but it is something that we want to keep in the back of our minds, that the concerns and the problems that those four communities face, regarding what they pay for hydro, needs to be addressed in the future. It is unfinished business and we need to look at that in the future. We are not looking at it at the moment because we need to ascertain the federal commitment to support service to these communities. Until we are sure what the feds are up to and how much they are willing to pay, we cannot really include them in this overall bill, but I hope that happens in the not too distant future.

The member from Dauphin-Roblin pointed out the myths that the members of the Opposition have been living by for many years. One of those myths, I think, is also that northern Manitoba is not important to this economy, because when they were in power they seemed to almost go out of their way to ignore or spurn northern Manitoba. The argument always was, and I know it was in Highways and I was Highways critic at the time, we cannot put more than say 4 percent or 6 percent into highways up there because that is the percentage of population.

Well, since when in Canada do we look at only concentrated areas? Should we not be looking at the greatest areas of need, and certainly northern Manitoba has some very, very poor areas, some communities that need help. So we need to support them and therefore we, as a government, have spent more money on roads in northern Manitoba to catch up on the years, over

a decade actually of neglect. They certainly appreciate what we are doing with regard to roads and right now certainly South Indian Lake.

As well, we dropped the \$50 user fee for northern patient transportation, another positive thing that this Government did which really irritated northerners. As the Member for Dauphin-Roblin (Mr. Struthers) said, the people in the Opposition should be more sensitive to the needs of rural people. They should certainly also be more sensitive to the needs of northerners and Aboriginal people. If that is one big lesson the Opposition has to learn, it is that lesson, and it is not hard to see that they are not doing a good job. Look at the voting patterns. You know, you can have a meeting of the Tory Party in northern Manitoba in any available phone booth, if we had them, because people do not support the Tory Party because of their well-known, I would not say anti-Aboriginal stance but certainly cool, lukewarm, never supportive. No money for a road, no money for education, no money and so on and so on. That is why I am so happy that this Government finally is doing something, including giving us equalized hydro rates. I think that members opposite, if they were wise, if they are really political in the smart sense, they would get on board and support this bill, Mr. Deputy Speaker.

Thank you very much.

**Hon. Drew Caldwell (Minister of Education, Training and Youth):** Mr. Deputy Speaker, I rise in my place this afternoon to put a few words on the record about this particular piece of legislation. One of my colleagues earlier referred to this discussion as the tale of two companies. I want to reflect upon that for a few moments for members of the House and the public broadly because this indeed is a tale of two companies, Manitoba Hydro on the one hand, Manitoba Telephone System on the other hand.

Mr. Deputy Speaker, members opposite like to talk about process, so we will talk briefly about the process that led to the sell-off of the Manitoba Telephone System in this province under members opposite when they were in government.

*Mr. Speaker in the Chair*

One of my colleagues' states: What process? Indeed, that is a good question. There was no process. In the sell-off of the Manitoba Telephone System, there was a hidden agenda by members opposite on the Manitoba Telephone System. That agenda enriched mightily some of the backroom players in the Tory Party, some of the friends and relatives of members opposite, and picked the pockets of every single Manitoban in every farm home, in every urban home, in every hamlet, village, town and city in the province of Manitoba. Citizens had their pockets picked by the members opposite in the sell-off of the Manitoba Telephone System.

Mr. Speaker, Manitobans in my part of the province, in western Manitoba, remember this and they remember it vividly. They remember when Manitoba Telephone System was owned by every single citizen in the province of Manitoba. They remember when telephone rates in the province of Manitoba were the lowest in Canada. They remember when the Telephone System was something that all Manitobans were proud of in terms of delivering services to every home in the province of Manitoba at the cheapest rates in Canada.

Members opposite sold off that asset, sold it off, sold it off to the detriment of every Manitoban in the province of Manitoba.

**An Honourable Member:** Buy it back.

**Mr. Caldwell:** Mr. Speaker, one of my colleagues across the Chamber hollers: Buy it back. Buy it back.

This Opposition, the government that had no problem selling off a public asset that was a benefit to every Manitoban, as I said, Mr. Speaker, to the backroom boys and friends and hangers-on of the Tory Party, to the detriment of every single Manitoban, Manitobans have paid through the nose for that decision. Every Manitoban every month, with their telephone bill, is reminded that members opposite are responsible and will be held responsible for the sell-off of Manitoba Telephone System and are held responsible every month for the increasing plunder and profit-taking of that private corporation now that it has been sold off as an

asset by members opposite, and then we will talk about the other company.

\* (16:20)

This is a tale of two companies. We will talk about Manitoba Hydro, Mr. Speaker. Those of us on this side of the House do not believe in selling off an asset that keeps rates down, that provides equality of services and quality services across the province of Manitoba. We do not believe in making backroom deals with cronies and hangers-on to liquidate a public asset to the detriment of every single taxpayer in the province of Manitoba, as was the case that took place with Manitoba Telephone System.

We do believe, Mr. Speaker, very strongly in providing equality of service and quality of service to every Manitoban. This bill, which we are debating here today in the Legislature, is not being done in the backrooms of the Tory Party; it is being done on the floor of this Legislature. We are very proud to have this debate and this discussion on the floor of the Legislature about the competing views of Crown assets in the province of Manitoba and competing views of what it is to provide public service, because this Government, unlike members opposite, is providing relief for every farm, every hamlet, every village, every town and every city in the province of Manitoba, relief to ratepayers in Boissevain, Deloraine, Melita, Souris, Killarney, Ninette, Ninga, Virden, Birtle, Russell, Roblin, every community, every farmer, every farmhouse, every hamlet, every village, every town, Napinka, Pipestone, Reston-Pipestone, Reston, where my own family began our lives here in Manitoba over a hundred years ago.

Mr. Speaker, we on this side of the House are providing relief to the citizens of Gilbert Plains and Grandview—to every rural community—Winkler, Morden, Manitou, Lac du Bonnet, Baldur, Belmont, Gimli, Gretna, every community in the province of Manitoba. Every citizen of every rural community in the province of Manitoba is benefiting and will benefit from this legislation.

I, frankly, find it astonishing that members opposite, who proclaim to represent the best interests of the citizens of Boissevain, of the

citizens of Deloraine, the citizens of Morden, the citizens of Warren, the citizens of rural communities in this province of Manitoba, are abrogating that responsibility to represent the best interests of their constituents in speaking against this legislation, speaking against opportunities for their constituents to save money, to have rate equalization in the province of Manitoba for hydro rates.

So, Mr. Speaker, we will hold the members opposite accountable for their abrogation of responsibility in representing their constituents because we on this side of the House, if they are not going to do it, we believe in doing it. We will ensure that Manitobans will have equality of access and equality of rates, because members opposite cannot be trusted with decision making as the tale of two companies amply demonstrates: Manitoba Telephone System, a massive sell-off and rate explosions; Manitoba Hydro, using that Crown asset to develop and further economic development in the province of Manitoba for each and every citizen.

Thank you, Mr. Speaker.

**Mr. Tom Nevakshonoff (Interlake):** Mr. Speaker, it is indeed a pleasure today to rise on behalf of rural Manitobans, in general, and on behalf of my constituents in the rural constituency of the Interlake to speak on Bill 27 today, an amendment to The Hydro Act which will, in my mind, redress a longstanding wrong where people in rural Manitoba and the towns and people especially in the farm community have been essentially discriminated against in that they were required to pay higher hydro rates than people in urban Manitoba were.

So it is indeed a pleasure to finally see this come to fruition, and I applaud the Minister of Hydro (Mr. Selinger) for taking this step. Some might call it a small step but, indeed, a step in the right direction on behalf of rural Manitobans. I wait with bated breath for members of the Conservative caucus, many of them who represent rural constituencies, to stand up and put on the record their feelings on this bill.

I notice it has become an issue in Question Period over the last week or so. Indeed, the Leader of the Opposition (Mr. Murray) has

chosen it as a prime topic. His first question of the day was on this bill, and he has been quite eloquent and vociferous in criticizing this bill. One really has to wonder if he has a grasp on the feel in his caucus: Is the Conservative caucus opposed to this bill or not, or do they intend to vote for it or not? This is a question that we really do not have any indication yet, since none of them have really stood to speak on it. I challenge them, rural and urban members alike, to get up and put on the record what they have to say about this bill.

There has been a lot of criticism that Hydro should not do this, that Hydro does not have the right to do this without taking it in front of the Public Utilities Board. Well, we have done better than that. We have brought this up in the Manitoba Legislature here. This is the ultimate decision-making body for the province, and we are the true representatives of the people of Manitoba. We have been duly elected by them, and if we choose to discuss an issue in this Chamber, I think that takes precedence over any board or committee in this province, including the Public Utilities Board.

So I do not have a problem with the Legislative Assembly dealing with this and really do not understand what the argument is on the opposite side of the House here, that somehow the Public Utilities Board is over and above the elected government of this province. Our minister has picked this up, and we have written it down in the Throne Speech. We have made it quite public. It was an election issue. We made a promise during the election campaign, and once again the New Democratic government is following through on another one of their election promises.

You have to look at Manitoba Hydro and recognize it for what it is. It is a public utility. It is owned by all the people of Manitoba, not just urban Manitobans. As such, all Manitobans should be entitled to the same treatment by this public utility. Why should urban Manitobans have some advantage over farmers in Manitoba when it comes to hydro rates? This is a very successful company; it is running a substantial profit of some \$300 million to \$400 million a year. So why should not rural Manitobans—and maybe the member of Gimli will stand up and

explain that to us if he takes the opportunity to speak on this bill, why rural Manitobans should not get the same treatment from a publicly owned company as do urban Manitobans. That is the basic question here I think, is a question of balance, is a question of equity, is a question of fairness, pure and simple.

I applaud the Minister of Finance (Mr. Selinger) for introducing this bill, and I submit that it is something that has been long overdue. The Member for Flin Flon (Mr. Jennissen), a northern community, a northern constituency which is also going to benefit from this, made the point that it is going to be maybe \$10 a month, \$15 a month more in the pockets of Manitobans. In the eyes of some of the MLAs across the floor here, that may not seem like a vast amount of money, but in some of the rural communities that I represent, take Poplarfield for example, which was not mentioned to date yet. The people of Poplarfield are not wealthy. They are living in an area of this province that has more marginal land than prime agricultural land, and they have to make do with that. So that sum of \$10 or \$15 a month multiplied by 12, adding up to \$150, \$200 a year, is a substantial amount of money to those people. I am sure that they will appreciate that we have taken this brave step.

\* (16:30)

There was a member on the opposite side who spoke earlier on another bill in reference to Crown lands and was criticizing us because we were not selling Crown land off quick enough, that we were just a bunch of socialists trying to hoard the land and not allow free enterprise to have its will with the assets of the province here.

That sort of twigged something in my mind, and the Minister of Education (Mr. Caldwell) just spoke about it briefly here, about how other Crown assets have been dealt with by members of the now-Opposition, the sale of the Manitoba Telephone System, for example, a prime example, done completely behind closed doors, no mention of it whatsoever during their election campaign prior to that, unlike our promise that we would be fair with the people of Manitoba in terms of rates. I think they are showing their cards a little bit here.

If they had had the opportunity, if to the misfortune of the people of Manitoba they had been re-elected in 1999, I do not think we would be debating a \$10 a month rebate to rural Manitobans right now. We would probably be debating the sale of the utility itself, because—*[interjection]* Well, you know, Manitoba Telephone System was a profitable company as well. It was making money for this province, and it was recently upgraded, as I recall. In fact, I cut some bush to run line through the Interlake on the upgrade of the Manitoba Telephone System. I believe we upgraded it to the tune of roughly \$600 million—did we not?—and then, a few short years later, sold it for a paltry, what, \$700 million, a company that miraculously appreciated probably two- or three-fold in a few short years. So their agenda, when it comes to Crown corporations, became painfully clear to the people of Manitoba and contributed in large part to their downfall, in fact that they now sit on the opposition bench.

I think the people of Manitoba realized that they were quite keen, slavering at the mouth, I would think, looking at Manitoba Hydro, how quickly they could privatize this corporation and start putting the money into their back pockets as opposed to giving Manitobans a fair shake, which is what we are intent on doing.

If we have to be socialistic about it and hold on to Crown corporations and pass laws to ensure that they will not be privatized, then we will continue to do so. Their attitude goes across the board when it comes to utilities like Manitoba Hydro. They have looked at all of these social services, these Crown corporations, as money-generating engines. Good capitalists resent the fact that so-called socialist governments will sit in place and maintain these systems for the benefit of the people. That really sticks in their craw, I think.

Even when it comes to a \$10 rebate per month for a few farmers, that is still too much for them. They cannot stand up in this House and support something like that. They can snipe at it. They are silent on the benches. The leader will get up occasionally and take a shot at the farmers in Manitoba, but it is going to be curious to see if they are going to support this bill when it finally does come to a vote at third reading.

I would strongly encourage them to do so given the number of rural members that they have in their caucus. Surely a majority of their MLAs represent rural Manitobans. I cannot, for the life of me, imagine them voting against this bill, but to date we have not heard anything in support of it. That is for sure. Lots of snide remarks from the peanut gallery and the back bench there but nothing of substance put on the record that the people of Manitoba can refer to in Hansard.

If members have something to say, then I challenge them to stand up in the House here and put it on the record.

There is always a call for consultation. There is always a call for comparisons to other jurisdictions across the country. We like to see how the government in Saskatchewan, for example, is doing things or Alberta or Ontario or whatever. Let us just put it on record now what a few of the other jurisdictions are doing here. B.C. Hydro has uniform rates for all British Columbians. Hydro Québec has the same program, as does Nova Scotia. Three other provinces in this country have similar legislation.

The biggest city in the country, the city of Toronto, has similar type rates, so I think that the precedent has been set here, that other jurisdictions are content with being fair with their hydro rates, and Manitoba is wisely following suit on this. Getting back to the rural record, for instance, the Conservative caucus has shown their hand on numerous other issues as well. I do not mean to digress from Hydro, but I think that some of these things should be put on the record again and again and again, because the people of Manitoba have to be reminded.

I know from personal experience the roads in my constituency have been crumbling for over a decade, and the people of the Interlake are very grateful that finally their needs are being addressed by the Minister of Transportation (Mr. Ashton). Manitobans in general, farmers in particular, who are totally reliant on proper infrastructure, have been left out in the cold by this Government in terms of one of the fundamental systems that is required, which is the drainage system. When the NDP left office

over a decade ago I think our capital budget for provincial drains was in excess of \$10 million. When we came back into office some 11 years later that was down to \$3 million. That is progress for you, right, going backwards instead of forwards. Yet they stand here day after day purporting to be in support of the agricultural community. Sometimes it boggles the mind.

Other issues, for example, in their zeal to cut expenditures and accordingly give tax breaks to their rich friends, they have been downloading their financial responsibilities onto the municipalities and the school boards in this province. When they did away with the educational support levy, the provincial support levy on farm land, for example, that was portrayed as a good thing for farmers. It would have been if they had done the right thing and increased the amount of money that was spent on the education system in the process. Then it would have been fair, right? But what did they do? They cut that tax, cut their expenditures and said here it is to the municipalities and the school boards to make up the difference.

\* (16:40)

I know in the R.M. of Fisher, which is my home municipality, the special levy that has to make up the difference was increasing 15 percent to 20 percent a year to follow up on that irresponsible approach and that downloading on the municipalities. So I think the record is quite clear that the Conservative caucus really does not care all that much about rural Manitoba. They are more interested in catering to the business community, cutting taxes, basically feathering their own nests. I think the people of Manitoba had enough of it, recognized them for what they were in 1999 and did the right thing and put them back on the opposition benches, where they most certainly belong.

The Member for Minnedosa (Mr. Gilleshammer) just a brief time ago was criticizing the fact that Manitoba Hydro was converting the plants in Brandon and in Selkirk over to natural gas, like that is supposedly something evil, that the Government should never have done that, that they should have gone through a huge consultation process and so on and so forth, very similar thinking to George

Bush in the United States, who just recently put the kibosh to the Kyoto agreement on greenhouse gases. It is better to burn coal and pollute the atmosphere when a government takes a positive step and does something like converting over to a cleaner fuel. They stand up in indignation and go on at length and criticize something like that. It is not easy to swallow, I am sure.

Another good example of criticism of our policies toward Hydro was the fact that the Manitoba government of today is looking at including the Aboriginal people in future hydro developments. Again and again you can see that just sticks in their craw. That is something that is most offensive to them and yet it is the Aboriginal people in this province who have borne the brunt of hydro development over the years. It is all up in the North. It is their trap lines. It is their communities that have been disrupted. It is high time that the Government of Manitoba recognized this inequity and took actions to rectify this problem, something that would never have been considered, I think, by members on the opposition bench now. The Member for Minnedosa (Mr. Gilleshammer) made reference to Inco that, you know, if we are going to make cuts that maybe we should give it to another large corporation. Let us face it. They would prefer to give it to these large corporations. Aboriginal people are low down on the totem pole, if I may use that type of language, but Inco, right on top, eh? The taxpayers, the workers in these communities continue to pay the higher rate, but let us give it to the large corporation instead. So really, the northern people in general, the farmers across this land have finally seen something, are starting to see a little bit of light at the end of the tunnel here with this Government. We are taking action to address their needs in a time of crisis.

The Tories have made many, many promises over the years. They are long on promises, but they are short on delivery, in particular when it comes to rural Manitoba, very short on delivery, simple little things like the Member for Dauphin-Roblin (Mr. Struthers) referred to, simple little things that did not cost very much, a rural stress line when farmers are in crisis in this province like they have never been before, I do not think. Maybe back in the Dirty Thirties during the Depression might have been a similar

scenario, but today they are certainly in dire straits. What action did the Conservative government take? They canned something like the rural stress line, something simple but something fundamental, something needed by people in dire straits. They put the kibosh to that.

Something like testing water, something simple like that did not cost the province millions and millions of dollars, did it? Maybe a couple of hundred thousand dollars a year to ensure that people in rural Manitoba, farmers again, could at least have the security that they knew that they had safe water, they had to cancel a program like that. That is the absolute lowest that a government could sink to, in my mind, and once again the people of Manitoba got tired of treatment like that, shoddy treatment like that, focus on business and cut taxes for the rich. That is their agenda. The rest of us can take a hike, basically was their attitude. I think they ran out of steam finally and have been put in their proper place, which is on the opposition bench.

I do not mean to go on at length here. I have spoken for some 20 minutes already. Possibly one of them is actually going to stand up and put on the record what their government has to say about this bill. This is not Question Period now. I challenge any member of the Opposition and all the rural members in particular to stand up right now and put their thoughts on the record.

Thank you, Mr. Speaker.

**Hon. Scott Smith (Minister of Consumer and Corporate Affairs):** Mr. Speaker, it is a pleasure indeed to stand and put a few words on the record regarding Bill 27, The Manitoba Hydro Amendment Act.

I would just like to start off by congratulating the minister for putting this bill forward. This bill has been a long time coming. The Crown corporation Manitoba Hydro certainly, as we all realize maybe more on this side than the Opposition, is a jewel. Manitoba Hydro certainly is a Manitoba advantage. It the vision for our future. We saw that with the development throughout mandates of NDP governments throughout this province, with the Limestone developments and many of the others that have given Manitoba the Manitoba advantage that we are seeing now.

The minister, in putting this bill forward, is keeping with the process, open and transparent process, that started during the election campaign that was heavily brought to the people of Manitoba. It was identified in the Speech from the Throne in December. It was put into a bill here, Bill 27, by the minister for people to see quite transparently. The transparent process from this side of the House is not in question with Manitobans. Certainly this particular bill, Manitobans are very excited to see it brought forward.

The members opposite, Mr. Speaker, quite honestly astound me with some of their opposition to this bill. We have heard it constantly from the Member for Minnedosa (Mr. Gilleshammer), from the Member for Turtle Mountain (Mr. Tweed), that seemed very opposed to equalization of hydro-electric rates throughout the province of Manitoba. I have heard over and over again from those members about the diversification that we should see throughout Manitoba and throughout this province with everybody having the Manitoba advantage.

Mr. Speaker, with the rural communities, certainly the Member for Turtle Mountain and the Member for Minnedosa should know the hardships that farmers and people in rural areas are dealing with right now. They constantly use the terminology of diversification, but when it comes along to a bill like this, quite frankly they riddle it with inaccuracies in some of the statements they make here in the House and then they have the audacity to not want to have this into the communities that they represent. It is absolutely astounding that these members basically do not support a bill that would certainly target rural and northern Manitoba to equalize the rates here in our province, to develop diversification, a real diversification here in the province that is basically going to give the Manitoba advantage to individual communities.

The Member for Russell (Mr. Derkach), I see over here, I believe will probably support this bill. I cannot see him not supporting this bill when it comes time for the vote, Mr. Speaker. We will watch very closely for that. The member opposite I have heard speak many, many times about the advantages that we should provide for

our rural communities and the diversification and the opportunities that I believe are out there for rural Manitoba. This certainly identifies our Government's commitment to the rural community, to the people in Russell, to establish a business and set up here in the province of Manitoba with our Manitoba advantage, with a Crown corporation that is going to see nothing but growth for the next few decades.

Mr. Speaker, the member's philosophy, I have noticed here from the Opposition. You know, when you take the MTS affair, basically they had the idea that they were managers of businesses. They were managers of people's dollars here in Manitoba. When I saw them sell shares in the MTS, sell low and then buy high with Centra Gas, it really makes me wonder whether they understand the philosophy of the economics and the principles of it.

I guess I could put it best in the way that I would identify it. When we heard today some of ridicule that went on with the minister here, when we heard the Tories opposite here speak about the gambling casinos here in the province of Manitoba, they seemed to have this philosophy. I think we have probably all seen the movie, *Field of Dreams*. It seems that the members opposite here had this field of dreams where instead of building it and they will come, they seemed to have the idea of build it and overspend and they will not come. That does not strike me as basic business principles that the people of Manitoba want to see here with their finances. Certainly it is not something that members on this side would agree with.

\* (16:50)

Mr. Speaker, the Manitoba advantage is being created by Hydro and the growth and the expansion in hydro that we see over the next decade, the potential for hydro-electric power and hydrogen power certainly as a clean, environmentally friendly power source that we are seeing ingress here into the province of Manitoba greatly, not only in the amount of jobs that are being created here in the province by businesses moving in here from Alberta.

We saw Albchem, Mr. Speaker. See the Manitoba advantage, hundreds of millions of

dollars invested, certainly, in the area that I represent up in the Brandon area. The expansion is to be one of the largest markets for their product in all of North America, seeing and identifying the province of Manitoba for being a place to set up shop, set up business and a good place to do business. We have seen a number of other opportunities with potential coming into Manitoba with the hydro-electric advantage that we have here in the province.

I believe, Mr. Speaker, that we should not limit that advantage to the Capital Region, as some of the members would like, to keep it in Winnipeg and in Brandon, but to spread it throughout the entire province of Manitoba, giving people in rural municipalities such as Russell and Turtle Mountain and Minnedosa that same advantage for those businesses to come in and set up in our province, in fact maybe even having a slight business advantage in some of the opportunities that they have in some of the rural communities.

We have got a fantastic opportunity here with the educational initiatives that we have with the young folks here in Manitoba and returning to their own communities, no matter how small that community might be here in the province of Manitoba. Another step forward will be part of a development of a potential business plan for these communities to take the advantage of the hydro-electric power, not only in the agricultural sector and in farming, but certainly in some of the larger corporations that have identified Manitoba as being one of the best places in North America to do business.

Mr. Speaker, I have to agree with that. The environment here in Manitoba with the business community, with labour and with government has never been so good. It is at an all-time high in here. We are seeing the advantages of that in the reduction of the people that are unemployed here in the province of Manitoba. We are seeing an ingression of people here in the province of Manitoba for the first time in a number of years, in fact in over 11 years.

Mr. Speaker, the identifiers are out there for growth in our province. We certainly want to sustain that and improve that and expand that here in Manitoba for the advantage of the people

in Manitoba. This is another way. I have to mention again the vision that this minister has in putting this on the table for Manitobans and for all communities in Manitoba, not for a select few that the members opposite would like to have maintained and identified.

So I would challenge, when it comes time, for the Member for Russell (Mr. Derkach) and the Member for Minnedosa (Mr. Gilleshammer) and the Member for Turtle Mountain (Mr. Tweed) to stand up and be accounted for, and stand up on their feet and vote in favour of this bill. We will watch this very closely. I know the members in their community will watch this very closely to see if they represent all of Manitoba or just a select few.

With those comments, Mr. Speaker, I thank you very much.

**Hon. Ron Lemieux (Minister of Culture, Heritage and Tourism):** Mr. Speaker, I just want to put a couple of comments on the record just with regard to equalization of payments or equalization of rates for rural Manitoba and northern Manitobans.

Members opposite make comments about my athletic ability with regard to skating on issues, and stick handling. This, I will tell them absolutely clear, I am not stick handling on or fading away from. I want them to stand up in this Legislature and be counted. Ste. Rose, Pembina, Lakeside, Portage la Prairie, Minnedosa, Gimli, Arthur-Virden, Emerson, Steinbach, Morris, Lac du Bonnet, Carman, Springfield, Turtle Mountain, every one of those are rural constituencies held by members of the Opposition. I want them to go and face the public and answer to them why are they not equal citizens to the people of Winnipeg and the citizens of Winnipeg? I saved Russell for last.

Mr. Speaker, we have MLAs on the Government side of the House that are from Winnipeg that support this initiative, support rural Manitobans and members or certainly citizens of Manitoba that are from northern Manitoba. I do not understand why members opposite are being hesitant to support this. This is something that deals with basic fairness. At one time in Manitoba it was sewer and water; at

one time it was electrification; at one time it was telephone system. Well, we will not go there. We will not talk about telephones, but this comes down to basic rights of individual citizens in Manitoba having an equal share, equal opportunity to what the other members of society and citizens of Manitoba have.

A lot of great comments were made, and I certainly do not want to reiterate or go through those comments that were stated by the Member for Brandon West (Mr. Smith) or other members on this side of the House. I just wanted to stand up as a rural MLA and to say that the people that I have spoken to and the individuals that I have had opportunity to speak to around the province are really questioning members opposite. Not very often will members opposite find me to be so partisan, but on this particular issue, I would plead with them to support us on this because members—

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

**Mr. Lemieux:** Well, Mr. Speaker, this is something fundamental, and I know that members opposite privately make comment about. They know how hard hit farmers have been in this province and how hard hit northerners have been, and they say that this is something that farmers need a break, rural Manitobans need a break, small businesses in rural Manitoba and the North need a break. This is some way that we can concretely deliver something to Manitobans. All we are asking on this side of the House is that members opposite support this and not be divisive and not use as wedge politics. Join us. This is something that all Manitobans will celebrate, and we will give you credit. We will give you credit where credit is due.

I will go around with the member from Steinbach, from community to community with him, if he will stand up and support this bill and this initiative. I will give him fair credit where credit is due if he will support this. It is great for rural Manitobans, and I know that the member from Steinbach and other rural members—*[interjection]* All I am asking is that members opposite stand up and speak on this issue, and let us know why. Manitobans would like to know why they do not want to support it. Where do they stand on this?

I know the Leader of the Opposition (Mr. Murray) has a lot of difficulty with this issue, and a lot of members are from rural Manitoba. It is very difficult to stand up and support something that the Government is doing. I am beginning to learn, Mr. Speaker, yes, I am new to politics, but when things come down to issues like this of fairness, there does not have to be the clear political divisiveness that there is on many different issues.

This is dealing with fairness, and this is dealing with economic fairness for all Manitobans. That is all that this Government is trying to do. That is all the Minister responsible for Hydro (Mr. Selinger) is trying to do. That is all the Minister of Health (Mr. Chomiak) is trying to do with many initiatives he is bringing forward in health care. We are just saying join us on a lot of these, because Manitobans are looking at the Opposition and they are saying, you know, you just cannot oppose everything holus-bolus just because the Government brings it in. There is a lot of excellent legislation we are bringing forward that they should be supporting, and Manitobans would respect that.

So, Mr. Speaker, having said that I know there are other members on this side of the House who want to put their comments on the record in supporting this initiative. I know that there are a number of members of the Opposition—

**An Honourable Member:** Why will you not let it go to the PUB then?

**Mr. Lemieux:** Mr. Speaker, comments have been made with regard to the PUB. The duty of the PUB is to regulate, not to regulate government. We are duly elected to bring in laws and legislation that is good for the public of Manitoba, which we will. The PUB is not answerable to the public of Manitoba through an election. In four years we will stand up and be counted, and the report card will show that we have done a better job in four years than you did in twelve.

Thank you very much, Mr. Speaker. It was a pleasure to put my comments on record, and I want to see where the members opposite from rural Manitoba stand on this issue. Thank you.

\* (17:00)

**Mr. Harry Enns (Lakeside):** Mr. Speaker, I was awaiting your acknowledgment, but I see my light is on. Well, "hypocrisy" is a word that we have to use with caution in this Chamber, and so I will use it with caution in this Chamber. I am drawn to speak to the bill primarily because of the comments made by the Minister of Education (Mr. Caldwell) a short while ago. I listened to a number of the speeches that were being made. He told the tale of two companies, and I want to carry on in that vein a little bit with respect to Bill 27 that is before us.

Just picking up on the last issue of the former speaker, the Minister of Culture, Heritage and Tourism (Mr. Lemieux) with respect to the PUB. One of the important things that we use the Public Utilities Board for is, in fact, to establish fairness in the rates. I just want to ask, we use the PUB, for instance, for Manitoba Autopac, automobile insurance corporation, to establish their rates, to justify why, for instance, motorcyclists pay more and keep on paying more and are being faced with a 15% raise right now while other users, like myself and most of us in this Chamber, rates are in fact stabilized and are going down. Why is that, Mr. Speaker? It is because when that agency, staffed as they are with the resources that they have, examine the costs of the corporation doing a particular line of business says that is a fair rate to impose on a particular user of that public service. Do I hear anybody, least of all the Minister responsible for Autopac, least of all the Minister of Transportation, taking argument with that role of the Public Utilities Board? Not at all.

So, Mr. Speaker, let us try to keep reasonably straight, forthright information when we put it on the record. The Minister of Education spoke a great deal, enthusiastically, about the tale of the two companies, and, of course, they like to make constant references to the sale and the privatization of the Manitoba Telephone System by the previous government. I can recall, again, he was then I believe the Opposition House Leader, the Member for Thompson (Mr. Ashton), the minister of highways and transportation, who pledged to Manitobans that if given a chance they would reverse that decision and buy back the utility, the

Telephone System. He remembers that. I am not taking him out of context.

If they honestly believed that that privatization of MTS was a bad deal, why are they not doing it? Furthermore, you do not have to buy it back. You can expropriate it. The minister of highways needs a particular piece of road, a bit of land to build highways and if the landowner is not willing to part with that land he expropriates the land. If they honestly believe, other than making cheap politics of it, then they would do something. Other Labour governments in Britain, other New Democratic governments in this country have done just that.

I am not supposed to divulge information you acquire around the Cabinet table, but my former boss is not here. Mr. Filmon is not here, so I am going to break that rule, because I have to tell you that when it became publicly known that the Manitoba government was going to privatize Manitoba Telephone System, he got a call from whom? Another former premier, Premier Roy Romanow of Saskatchewan. He wanted to get on board. He said let us privatize them together. Yes, that was true, that is true. That is true, Mr. Speaker, because Saskatchewan Tel is going to have to go the same route of MTS or be left hopelessly in the backwater of modern communications on this continent.

That was the whole issue. Today the services that could be supplied and in fact were justified by a monopoly have become so diverse that 75 percent, 80 percent of the services, telecommunications services that are now provided, are provided by a number of users. Do you really want to go head to head with Sprint, with Cantel, with all the rest, with Rogers? That is the issue, and if honourable members want to at least be in this Chamber, even if they want to play their game of politics outside of this Chamber, but in this Chamber they know that to be the truth.

Mr. Speaker, in terms of a little bit of history, it was a Conservative government that created the Manitoba Telephone System back in 1932, 1934—between '32 and '34, a Conservative government—*[interjection]*—well, maybe 1908, I believe. What was happening to that new technology at the turn of the century, it was

again understandably only made available to the larger centres. It was just too costly to try to provide the service across the length and breadth of a province like Manitoba in those years. And, so, it was a Conservative government who saw the need, who recognized that this is an important service, important to the future economic well-being of this province. They did not have ideological blinkers on. They formed a public company called the Manitoba Telephone System and it served well. It served the people of Manitoba well up until the mid-'60s and the early '70s when there was a virtual revolution in telecommunications in the province.

We were being told by the major commercial users like the people just next door at Great-West Life that if we did not change, they would transfer all their commercial traffic south to Minneapolis and do their business across the world and avoid using MTS entirely for their commercial business.

The point that I am trying to make, Mr. Speaker, the issue was could a Crown corporation face up to the demands, the rapidly changing demands of telecommunications as we moved into the 21st century? The right conclusion was made that the system had to be placed into the more flexible, private mode of operation where it could make alliances, as they have done, with other major players in the field, which the very act as a public corporation prohibited them from doing.

So, Mr. Speaker, I make absolutely no apology, no apology at all for the action taken by the previous administration with MTS. It has enabled this relatively small, local telecommunications company to grow with the times, to grow with a partner, to grow with the new technology. The rate increases that we are seeing are largely based on the additional services that we are getting from the company.

But the point that I want to make, I am just not going to accept members opposite whenever they feel they have the need to try to play their little game of politics in that respect. I simply challenge them: then do something about it. They often like to tell us that you cannot have it both ways. Of course, it is a little easier in opposition to have it both ways sometimes, but

they are Government. If they feel as strongly as some of them pretend they feel about the status of the telecommunications services in the province of Manitoba, they have all the power and the money. They can borrow. We advise them against it. We think it is foolish. We think it is nonsense, but if they feel strongly about it, if the Minister of Education (Mr. Caldwell) feels strongly about it, then let him convince his Cabinet colleagues to reverse that decision. Mr. Speaker, you and I know they will not do that.

\* (17:10)

I credit the current Premier (Mr. Doer) with a modicum of common sense, and he is simply not going to even entertain the idea. He would be laughed out of the province by everybody that has any reasonable understanding within the business community if that were even put on the table.

So, Mr. Speaker, let us not have them, particularly in contrast with the bill that we have before us, Bill 27, try to tell us the stories, the legends of the *Tale of Two Cities*, the tale of two companies, as the Minister of Education did.

I am going to suggest to you that I personally will have no difficulty in supporting this bill. But I want to tell you something, why the call for a Public Utilities Board perusal of the proposal is so important. What the Public Utilities Board does, it determines the degree of cross-subsidization that takes place from time to time, as it does with respect to automobile insurance, as it does with respect to other items and services that we acquire, particularly from public bodies.

I want to acknowledge, Mr. Speaker, that it costs Manitoba Hydro considerably more money to provide hydro for my farm than it does for my colleague in the city of Winnipeg or any of my urban colleagues. We understand that, but we should at least be fair and open and transparent about it. This talk about fairness and equitable—I mean, why should I be put in that favourite position?

Mr. Speaker, I will be supporting this bill. The people who should perhaps question the bill are the urban members because they are going to

carry a greater percentage of the freight, and they already do.

When the last Liberal premier in this province, Mr. D. L. Campbell, provided what I still consider to be one of the truly mega-undertakings of economic development in this province and brought in, in relatively short years, 1948 to '51, rural electrification, it was a massive undertaking, one that is hard really to imagine unless you travel the countless miles throughout rural Manitoba and just see the endless lines of transmission lines and service lines to the individual farms, communities and hamlets throughout Manitoba. It was a massive economic program. It was a massive social program, but it was made possible.

Quite frankly, it was made possible by the people of the city of Winnipeg to cross-subsidize and help pay for it. That is why I have got power on my farm, and that is why I am paying a modest increase more for the actual power than for the city user, because it costs Manitoba Hydro considerably more money to provide me with the same amount of power than it does for the densely located city.

That is not the issue here. This Government made an election promise. I happen to believe that parties making election promises should take them very seriously and attempt, all other things withstanding, to carry them out. As they remind us, they have given every indication that this was their intention. It was contained in their Throne Speech, and as a legislator, I do not criticize. I do not have any difficulty with this bill being presented before us.

You have not heard, they have not heard what our positions and our thoughts are with respect to this bill. What we have been asking for and what I am asking for today is the examination by the Public Utilities Board so that we know. That may not change it. They can carry on their commitment, their promise to level the rates in northern Manitoba, rural Manitoba and with the city of Winnipeg, but just as we insist that Manitoba public automobile insurance, in a very public transparent way, justifies their various classes of automobile insurance and the premiums charged for it, I think it is being entirely responsible and

reasonable for my Leader, for spokespersons of this party to ask for that same exercise to be undertaken with respect to this pretty significant intervention, if you like, in Hydro matters.

Mr. Speaker, I do not take exception to the argument that a government or this Chamber can intervene in the Crown corporations. They are, after all, creatures that we make. From time to time, we will amend their mandates, we will change their method of doing business, and we will direct them from time to time as to how they should conduct business and provide services to the citizens of Manitoba. That is fair game. I take no great exception to that, but to ignore, slough off the call that we are putting forward on this side of the House that a reasonable scrutiny by the Public Utilities Board of the proposal is responsible to both the utility and to the users, quite frankly, you know I think all citizens should know. They should know what it costs Manitoba Hydro to deliver X number of kilowatts of power into a city home as compared to X number of kilowatts of power into a country home or into a northern home or into an isolated home. If we want to equalize them, that is the responsibility of this Government, and they will carry the responsibility of the Government. I do not challenge that, but we ought to know how the numbers crunch out.

You know, Mr. Speaker, I can recall at the introduction of Autopac, for instance, there was among other things a great move of levelling out, everybody should pay equal insurance premiums. In fact that was one of the features that sold Autopac initially when introduced by the Schreyer government in 1970. Howard Pawley was the minister responsible at that time. Partly that was because under the private insurance system individuals with bad records, individuals that kept smashing up cars found their premiums rising. Young people, regrettably, who by class could be shown to be less responsible drivers than middle-aged persons, their premiums were automatically 25 or 30 percent higher than other people's. Autopac was going to level that all out. We were going to have egalitarian kind of rates apply to automobile insurance.

Well, Mr. Speaker, it did not take. It took only a year or two or three years, in fact, the

changes were well in progress in year 5, year 6 of Autopac under an NDP government when it was recognized that motorcycles—and I have nothing against motorcycles, I think they are a great recreational vehicle. They can be a dangerous vehicle, but the simple fact of the matter is that they are more vulnerable when personal injuries are involved. They are more vulnerable to theft. They are more vulnerable to damage. So why should the rest of the motoring public who never purchase a motorcycle be paying, cross-subsidizing that particular class of vehicle? It was found, we have now instituted, have had for many years, if my driving record is bad, if I have been involved in a number of accidents, I pay more than my neighbour who has a spotless record.

\* (17:20)

You do not apologize for it. You are running Autopac right now. It is a matter, it is also a question, of fairness and equity. If I am going to operate my motor vehicle in a reckless fashion, if I roll two or three every other year, if I drive impaired, then I should not expect my fellow citizens to be cross-subsidizing my insurance costs. That mechanical feature is built into it by the regulators and by other Crown corporations that provide a public service. All I am suggesting, all you have heard from this side, Mr. Speaker, all you have heard from my leader is that we know the level of cross-subsidization that will be required to bring this about.

I can make you enthusiastic arguments about why, particularly now, I could make you arguments right now that we have a continuing farm crisis. I think the farm contribution to our general well-being is so important, the farm contribution to the fact that we have a national cheap food policy in this country and have had for all these years. Well, one way of maintaining that is, is it fair? Should farmers pay anything for hydro? Why not drop rates to food producers? Or why not say that on food production, we are going to take off any costs that we can to enable the family farm to survive and to help maintain affordable food in this country. We do a bit of that with respect to the levies that we impose on gasoline, on transportation. We do not pay the same amount of provincial taxes on farm fuel as we do on

other users of gasoline. We could make precisely the same argument with hydro. We could say that the Minister of Agriculture, if she is being stymied, if she is being blocked by her insensitive colleagues from providing some substantive relief for farm families in agriculture right now, try another tack.

It would appear to me that the current Minister responsible for Hydro (Mr. Selinger) is maybe an easier touch. He is prepared to give me a little break in my hydro rates. Well, why do you not go whole hog and tell him to at least give us a moratorium, three years no hydro rates for farmers in Manitoba? That would be kind of a nice little pickup and a demonstration. *[interjection]* Hey, Madam Minister, you are government. I am just making sensible suggestions to the Government, who is making great speeches in this Chamber about how we are going to equalize on the basis of fairness and equity hydro rates in the province. Mr. Speaker, I am not making those particular arguments. I am just suggesting these are arguments that you could certainly expect from the farm community and from a member who represents a farm community.

The point that I am trying to make, Mr. Speaker, the call when we do these things and when we tinker with the way Crown corporations set their rates and earn their income, that at least, particularly if we have a tradition and we have in place the agency, the Public Utilities Board, long-standing, does its job, to do precisely the kinds of things that I am talking about, to examine how Hydro comes to the rates that they have to charge and why there should be a difference, or should there not be a difference.

I know, having had some information with respect to Manitoba Hydro and having had the privilege of shortly being a director of Manitoba Hydro, that large industrial users who use significant blocks of hydro get a better rate than I do. We justify that as being part of our economic development policy. This rate equalization that you are talking about it is going to cost somebody some money. It is going to cost Hydro some money. Is that going to put pressure on Manitoba Hydro at some future point to come forward, maybe make the case in

front of the Public Utilities Board and say, look, we can no longer afford to give Inco the special deal they have on hydro or Hudson Bay Mining & Smelting or any other large industrial users, because this Government, this Legislature, has forced us to equalize the rates, and that is costing us X number of millions of dollars. To recover those dollars and stay solvent, we now have to take back, claw back some of those discounted rates that we give large employee-creating businesses.

What does that do to the economic well-being of this province when all of a sudden we can no longer boast, as we do, and use as a lure to attract new industries, new businesses, new job creation opportunities to this province, because we are proud of the fact that we have among North America's lowest power rates, energy rates, you know, on the continent? These are the very issues that a Public Utilities Board would look at.

The Public Utilities Board cannot and will not, they are not empowered to make this Government change their mind on anything. This Government has, as they have stated, and they have made very clear in a very public way that it is their intention to travel down this road. God bless them. Nobody is going to take real umbrage about the legality of doing it. They have the legislative responsibility. They are the Government. They are elected by the people. They can do that. But it is my job, as an opposition member, simply to point out as we move in this direction what are some of the possible implications. That is all I am trying to do.

I would like to know what the member from Wellington, how much more, what is he going to pay. We heard from several speakers, the member from the Interlake, that I am going to save \$120, maybe \$150 on my farm. I want to know how much the member from Wellington is going to pay so I save my \$150. Forty dollars? Fifty dollars? I do not know. Maybe nothing. But somewhere along the line somebody has to pay. I mean, if Hydro is going to get less revenue from the northern users, they are going to get less revenue from the rural users. Somewhere it levels out. That is the kind of action, that is the kind of scrutiny, that the Public Utilities Board undertakes, much in the same

way that they will tell you very clearly—and I heard just the other day driving in from the farm a spokesperson for the Autopac corporation explaining once again to an agitated motorcyclist why his rates were going up 15 percent when, generally speaking, automobile rates are either stable or the increases are very modest. In fact, in many instances—and I am pleased to see that—they have, in fact, dropped somewhat because of the experience rating of that particular class of vehicle, and so forth.

I am not suggesting that makes that cyclist happier, but I know that I am listening to the program, other people listening, citizens listening to that program know and have a reasonable understanding of how Autopac establishes its rates. It is not just that we take the management of Autopac's word for it, although I have no reason and certainly do not suggest that we should not take their word for it. They refer those rates to an independent agency. We call it the Public Utilities Board here in Manitoba. It is a board that has considerable access to resources in terms of research, in terms of power, in terms of calling witnesses, in terms of opening up books of companies and looking at and examining the data on which companies base their financial information. That is what should take place in the circumstances with respect to Bill 27.

I have a hunch, Mr. Speaker, just a suggestion. One of the reasons why they do not want to do that, why this Government does not want that—

\* (17:30)

**An Honourable Member:** Why is it, Harry?

**Mr. Enns:** Because what I have alluded to in this place. At the end of the day, it is going to cost the urban user, and they do not particularly want that pointed out to the urban user by anybody, least of all a public utilities board. They would sooner let everybody have that nice feeling: oh, are we not great? We are equalizing rates. Everybody is going to feel good about that.

That is great. But if you really examine why this digging-in-of-the-heels, why the refusal to

let the Public Utilities Board take a look at this proposal, what I am suggesting to you is that the Public Utilities Board would say—maybe not at this particular moment but they would point out—that it costs X number of dollars more to service a rural user. It costs X number of dollars more to service a northern user, and if you are going to insist that we are going to pass legislation as we are to equalize them, then at the end of the day it is going to cost the high-density user, the city, more.

This Government does not want an independent agency to put that on the public record. That is shameful, quite frankly. This Government that prides itself on transparency, on openness. They talk about backroom deals and stuff like that. If you really examine the degree and the level of cross-subsidization, it is, no doubt, the highest in the North. It has to be simply because of the cost of providing the service. It is lesser in rural Manitoba. But, Mr. Speaker, we will take it. I will take it, but it is not the appropriate way of doing business.

If this Government in the long run wants to establish some credibility with respect to its handling of public matters and public affairs, particularly in respect to Crown corporations, then they ought to be among the first to want an outside scrutiny of this corporation on this matter. The New Democrats have such a history it boggles the imagination with respect to how they mucked around with Crown corporations. For years, we took great pride in building buses that cost us \$184,000 to build and then selling them in Boston for \$95,000, and Chicago. I sat in this Chamber, and we picked up a \$19 million annual deficit for the bus company, for Flyer.

This group of people that are now in government, they for years ran a pulp and paper company in The Pas, and that company ran up deficits of 18, 30. The highest deficit that I can recall that we passed was a \$34-million one-year deficit. Mind you, their appointed chairman was living in Montreal and flew in weekly to manage this company. We paid for his golf club privileges in Montreal, and we wonder why a company with that kind of hands-on management—a Crown corporation—was losing 30 millions of dollars annually. We sold that company, and while that company is not out of

the woods, it has never come back to this Legislature, has never come back to the people of Manitoba, to pay for those kinds of indulgences.

I can remember one speech, Mr. Speaker—this is actually my favourite. I forget. I misplaced it.

**An Honourable Member:** The airline?

**Mr. Enns:** The airline. I mean this Government believed that they were going to take on Boeing and United and British Airways, and we were going to get into the pasty aircraft business in Gimli. Where is my friend from Gimli, Manitoba? We put \$52 million into trying to build a passenger aircraft. The amazing thing was among the first expenditures—and I only found that out as Government Services Minister after eight years of the defeat, and looking in the bowels of the department building, I found out. What did I find, Mr. Speaker? I found—pardon me, the Member for Charleswood (Mrs. Driedger); in those days we called them stewardesses, flight-line attendants we called them; I think that would be correct—they had uniforms for the stewardesses, for the supposed Manitoba airline company. I even found a box, 5000 matches Skyline? No—

**An Honourable Member:** Western Air, I think.

**Mr. Enns:** Western Air or something like that. Saunders. Saunders Aircraft. A box of matches for advertising, you know, to hand out to the passengers as they lined up to fly around the world.

Well, Mr. Speaker, \$52 million later, seven and three-quarter planes produced, I think. I do not know where they are left. There may be one in a museum somewhere, but it just reminds you, this is the kind of tinkling, this is the kind of social engineering, this is the kind of economic development that the New Democrats are capable of and have done. You notice that there is no retaliation. I am not telling stuff. I will admit there are occasions when I maybe embellish the truth somewhat. You know, I was on a fishing trip this weekend, and I would be the first one to say that the fish that I caught was really only this small. But when I am telling the

story now, it is this big, you know. I do that occasionally, but you know there is no retaliation on these. These are matters of public record.

This is what regrettably the Filmon government had to clean up. This is regrettably why we had to introduce those measures that called for balanced budgets. This is why we are still paying over \$500 million of interest on the squandered money that could be going into health care, that could be going into education or could be going into roads or farm support programs.

So, Mr. Speaker, there is a great deal of validity from this side of the House when we look seriously at any of these government proposals having to do with Crown corporations. It would be my hope that—*[interjection]* Talk about CFI? I will talk about CFI.

When the Walter Weir government was defeated, there was exactly \$7 million put into CFI. Ed Schreyer took over—exactly \$7 million. Ed Schreyer and the New Democrats then poured \$112 million into it thereafter, and that is a matter of record. It is a matter of record.

Again, that is a matter of record. So, Mr. Speaker, I am simply asking that this is not to be construed—our insistence on the examination of this proposal by the Public Utilities Board—as opposition to the bill. I have not heard my leader speak in opposition to this bill, in opposition to this proposal. What we are asking for is accountability, and that particularly from a group that has a track record of which I just skimmed the surface of.

There are so many other stories. When they got into the Chinese food business, Mr. Speaker—they got into doors and building doors. It would boggle your mind. You are a new generation. It bothers my members. They have not even heard of all these adventures that they went into. We were going to push aside Disney in the form of cartoons, and we put \$6 million to \$7 million into developing cartoon characters here. I have never seen any of them, but they disappeared.

\* (17:40)

These are the kinds of shenanigans that the New Democratic group can get themselves into

when they want to. The difficulty, the trouble, of course, is each one of these failed ventures added 5, 6, 10, 30, 40, 50 millions of dollars into the public debt, quite aside from those legitimate ball rings that were made for schools or for hospitals. These were the real nonsense items that I take some responsibility for, every once in a while rising in this Chamber and reminding members opposite about. Thank you, Mr. Speaker.

**Hon. Rosann Wowchuk (Minister of Agriculture and Food):** Mr. Speaker, it is with great interest that I listened to the dean of the House, the member from the Interlake, talk about issues—*[interjection]* Oh, my apologies, the member from Lakeside talking about the—*[interjection]* Interlake. *[interjection]* Yes, the Member for Interlake (Mr. Nevakshonoff). I know the Member for Interlake has already spoken on this bill, as has the Member for Lakeside.

Mr. Speaker, this is really interesting to hear the member talk about his concern that we are trying to equalize costs for rural Manitoba and he is worried that maybe the urban centre might have to pay a little bit more on this one. It is very interesting because they are government. When they were in government, talked about equalizing hydro rates, but never did anything about it. I guess they were afraid to bring some things forward that would equalize opportunities for people in northern and rural Manitoba.

You think about it, Mr. Speaker. Hydro is produced in northern Manitoba. The consequences of some of the previous decisions with flooding of land, the impact of that is in northern Manitoba, but it is northern Manitobans that pay higher rates for their hydro. There are revenues that are generated from the mining industry in northern Manitoba that all Manitobans benefit from. Although we have a real difficult situation in the agriculture industry, there is a lot of revenue that is generated from agriculture that benefits more than just the farming community, because the farming community is the one that is suffering.

This is about bringing some equality and bringing some opportunity to northern and rural Manitoba. I am surprised that the members

would have such difficulty when we are going to bring some equality and spread the costs over in a different way. What is the big worry? It is about having this opportunity. They are so worried about this going to the PUB. Well there are many things.

My colleague said it well: The PUB has the responsibility of regulating utilities. It does not have the responsibility of regulating government. This is a policy decision made by this Government. This was an election commitment that we made, that we are going to bring some equality across the province and bring opportunities to other areas in the province. I am surprised that the members should have such great difficulty with that.

I heard one of the member say across the way: This Government does not understand, and has not done anything for agriculture. This is one of the things we are doing. It may be a small impact on the expenses of agriculture, but it adds to the other things that we did.

Today, we made an announcement, Mr. Speaker, that we are going to change the portioning on the taxation on farm land. The previous government went from 27 to 30 percent. They increased the portioning, they increased the taxes on farmland. We are reducing that to 26 percent. We are saving farmers \$7 million. Again, in the whole scheme of things, \$7 million might not be much, but this, combined with a reduction in hydro rates; reduction in taxation; as well as the \$150 tax credit that we brought for farmers; property tax credit; a reduction in crop insurance premiums that we brought forward, that the previous government did not bring forward; the implementation of the excess moisture insurance which the previous government would not bring in, even though it was recommended to them and they say they were planning to bring it in, they did not do that. This year, we have farmers who will not be able to seed and they are not going to have to come looking for support because they have \$50-an-acre insurance that we have brought forward.

So the members opposite would like to say that because they have more representation in rural Manitoba, they care more about rural

Manitoba and the farming community. That is just not true. The record speaks for itself. If you look at the steps we have taken, and we will continue to take, we are standing by rural Manitobans and we are standing by northern Manitobans. We are standing by them with this reduction and equalization of hydro rates, and there are many other things that we are doing.

In the health care field, we are giving more opportunities for rural students to participate in the doctor program and then come back to rural and northern Manitoba; opportunities for education, more access for those students in that program that was cancelled by the previous government.

So, Mr. Speaker, this is one of the steps that we are taking. It is an election commitment, but we are bringing equality to people across the province. I hope the members will not use the excuse that because it did not go before the PUB, that they cannot support it.

Mr. Speaker, I want to address a couple of other issues. The Manitoba Telephone System which, sold by the previous government, has resulted in increases in costs for farmers and for rural and northern people. That is the legacy of the previous government.

The member from Lakeside tried to imply that Saskatchewan wanted to join with them and privatize their company. I am going to tell you the story that we heard. We heard the Saskatchewan government tried to convince the provincial government to join forces and have a large utility between the two provinces, or maybe join together on hydro and have a joint resource service, a utility between two provinces. The Conservative government would not accept that. So SaskTel wanted to buy shares in the Manitoba Telephone System in order to keep that opportunity to have a joint utility. The Conservative government would not let Saskatchewan do that, because they wanted to sell low so that their friends could take advantage of it, and stockbrokers could make a lot of money, and then the rates would go up for producers. We have seen it. Telephone rates have gone up across the province, and how many times have they had to go back to the PUB for their rate increases?

These people who are standing up for rural and northern Manitobans and make all these wise decisions that then come back to roost and end up with people paying more money, it is quite amazing to think that they make all of the wise decisions.

What else have we had? There was the frozen food fiasco that was a disaster for Manitobans, and we had to come through to try and improve on the program that was just causing havoc for patients in hospitals. The member tries to talk about CFI as if that was the NDP who caused that problem. He is neglecting a part of history where it was his government, the Conservative government, who started that whole issue that ended up costing the province a lot of money.

You know, Mr. Speaker, the members would want everybody to think they are the ones who have made all the big, good business decisions. Well, I remind the members there is a Canola cold pressing plant that is sitting in rural Manitoba that millions of dollars were invested in, public money invested in. There are millions of dollars that were invested in Isobord that the previous government, these wise decision-makers who know all about business and the best investments—that was the previous government. Certainly, if Isobord could be successful, and I think we should be looking at those kinds of ventures where we add value to agriculture products and material that is not being used, I think those are good things to be looking at. We have to look at them. But they made the decision on Isobord, and they talk about due diligence. In this one, they did not make the right decision, and that is one that has to be corrected. We have to find a way to add value to many products in rural Manitoba.

\* (17:50)

You talk about adding value in rural Manitoba but you are not prepared to equalize hydro rates so that, then, there are some opportunities and an incentive for business to go out to rural Manitoba. We have many communities that would love the opportunity to attract business to their areas, whether it is with the use of natural gas or reduced hydro rates. Those are the kinds of things we need.

Mr. Speaker, for the members to stand in this House and to say they are not prepared to support the equalization of hydro rates because it has not gone to the PUB is a hypocritical comment to make. On one hand, they say that they were going to reduce hydro rates. They did not do it. But, then, they talked about many other things they said they were going to do for rural Manitoba. I think about what they did with taxes, what they did—

**An Honourable Member:** Crow rate.

**Ms. Wowchuk:** Oh, and the member reminds me about the Crow rate. We have this real hardship in rural Manitoba with our grains and oil seeds producers. Many people do not realize that one of the biggest problems is the increased freight rate that takes up about one-third of the income a farmer gets from his grains. That changed because of the elimination of the Crow. Members opposite, the previous Minister of Agriculture, the Member for Emerson (Mr. Jack Penner), were in this House saying if we eliminate the Crow there are going to be all kinds of opportunity in rural Manitoba. It is just going to flourish. They were going to have all this value added. [*interjection*] The member asks who eliminated it. It was eliminated by the federal government, but it was supported by the Conservative government in Manitoba. The Conservative government in Manitoba said: Eliminate the Crow and it will be good for rural Manitoba. This happened at a time when grain prices were high, and when the freight rates increased a little bit nobody really noticed them. Now they say, oh, gee, you know, we thought there was going to be a whole bunch of money coming to Manitoba as well and that is why we supported it. Your members will tell you that. They supported it. You remember supporting the elimination of the Crow because it was going to be good for rural Manitoba. [*interjection*] Maybe he had some second thoughts, but there was support for it.

So, Mr. Speaker, I am very proud of our Government coming forward with the equalization of hydro rates which will benefit rural and northern Manitobans and bring opportunity there. I am also proud that we have been doing other things as well that will benefit the farming and rural community. In particular,

the changing in portioning that the Minister of Intergovernmental Affairs (Ms. Friesen) announced today, saving \$7 million in rural Manitoba, is correcting an error of the previous government. I am quite proud we are able to do that. The changes we have made in crop insurance, the additional money we were able to get for support for farmers under the CMAP program in 1999 and for the 2000 crop year, all of these things help the producers a little bit, and each of these makes a difference. I am proud of what we have been able to do to change things in rural Manitoba.

Mr. Speaker, for too long we have been taking advantage of the resources that are in rural and northern Manitoba, and it is time to give something back. There are many more resources that can be developed. There are many more opportunities that we can build on that we have in rural Manitoba. We, as a government, are going to work with the people of Manitoba to see that there is more equality in these areas, and also in providing services and opportunities for the people.

**Mr. Marcel Laurendeau (St. Norbert):** Mr. Speaker, it is interesting when we have these debates in the House, because this shows what democracy is all about.

I think one of my favourite lines that I picked up in this House in a long time is one that the Minister of Advanced Education (Ms. McGifford) brought forward the other day, and that was when she stated that that was yesterday, this is today. Members are right. All governments in the past have made decisions, decisions that have failed, decisions that have been successes. We can sit here, and we can talk all the way back to the early 1900s, and we can say it was the Conservative government that made a mistake when this building was built. We can go back and talk about the airplanes. We can go through all of them. We can talk about when the Pawley government was basically kicked out of this building, because they were fixing the rates on MPIC. I mean, that is what this is all about. It is the principle of the bill and where we are going with the process.

Mr. Speaker, right now we are looking at political interference if we are talking about starting to gerrymander on putting the value of

what we should be paying for Manitoba Hydro. I agree on the equalization. I have no problem with the principle of equalization. But I think it is important that PUB takes a serious look at what the actual costs are. What is the Government afraid of? Is the Government afraid that the city lawyers are going to go before the PUB and actually come forward and prove that they are wrong?

I cannot understand why they do not want to have the experts look at the true costs of what their plan is. We are told that it is \$14 million. It is only going to cost us \$14 million. Well, we cannot believe them. We do not know that it is \$14 million, because we do not have the expertise in this Chamber to know the true costs.

We hear that they are going to be building roads in the North, and these roads are going to be developed and paid for by Manitoba Hydro. Now what effect will those costs have on our Manitoba Hydro rates? Is it we in the city of Winnipeg who will be picking up those costs? Is it we who will be picking up a more dramatic cost? I do not know that, and I would like to know where all the costs are. What else will the NDP be spending Manitoba Hydro money for?

We already know that they spend their money like it grows on trees. They spend millions of dollars advertising to bring the children of our province into our casinos. You know, millions of dollars get expended.

The television ads are on every night to show what is going on, Mr. Speaker, and here we turn around and we are supposed to trust them. We see them squandering our money, throwing it out and just squandering it to try and bring our children into the casinos, so they can pad their pockets, so they can expend it whichever way they want. So it is luck be a lady tonight, and that is the way they play it over here.

I am really sort of torn when I hear my colleagues talking about their openness that they believe in. They have always talked that they believed in openness, but here they are. They are afraid to send it to the PUB. They even have to amend the legislation to not send it to the PUB.

Where does the Member for Wellington (Mr. Santos) stand on this? Is he aware that his rates might be going up in the future? Is he aware that he is subsidizing those rates today? Would he not like to have those answers put before the PUB? I think that was a nod yes, and I think other members should nod that same way. What are we afraid of?

The PUB is an independent board. The experts can come forward and put forward exactly what the true costs are. Let us see what those costs are. I am glad that this member is giving me the coaching, because he is giving me the best lines here, and being a rural member, it surprises me.

I think it is important that we have the accountants and the experts who know how Manitoba Hydro works, the kilowatts and all the rest of it. I do not know it. I do not know the densities. I do not know the water flows. I do not know what the storage capacity of a lake has to do with the revenues of the company. I do not know what the export costs are. I do not know what benefits the city of Winnipeg has versus the rural community.

I do not know what benefits we will have for an area such as The Pas or Flin Flon where the mines are. I do not know what types of discounts we have to offer to these mining companies to bring them in, but I think all those aspects should be looked at.

I think we have to take the opportunity, because the law says we have to. The law says we should be sending it to the PUB, so even though we agree with the equalization of the

system, that does not give us that right to not send it to the PUB. We can change the law. The member is right. We can change the law tomorrow. We can also change the law that says MPIC no longer has to go to the PUB, and rates will only go down, not up.

Eventually they will get caught, Mr. Speaker. They got caught in the past trying to gerrymander and politically rig the prices of Crown corporations' expenditures. I mean, they looked at MPIC in the past and said: Let us not raise the rates this year. It is an election year, and right after the election, bang, rates went up. They got caught the last time. They got their royal turfed out of this building, and it will happen again, because the public will not buy it.

The public will see through what they are attempting to do. There is nothing wrong with equalization, but let us use the proper process. Let us send it to the PUB. That is where it belongs. The act says that. Why do we have to change the act? Why are they afraid of the transparency? What is it about the PUB that scares members opposite? Are they afraid of the accountants, the lawyers, the experts? Are they afraid of the seniors?

**Mr. Speaker:** Order. When this matter is again before the House, the honourable Member for St. Norbert will have 34 minutes remaining.

The hour being 6 p.m., this House is adjourned and stands adjourned until 10 a.m. tomorrow (Thursday)

# LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, June 13, 2001

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