



Third Session - Thirty-Seventh Legislature

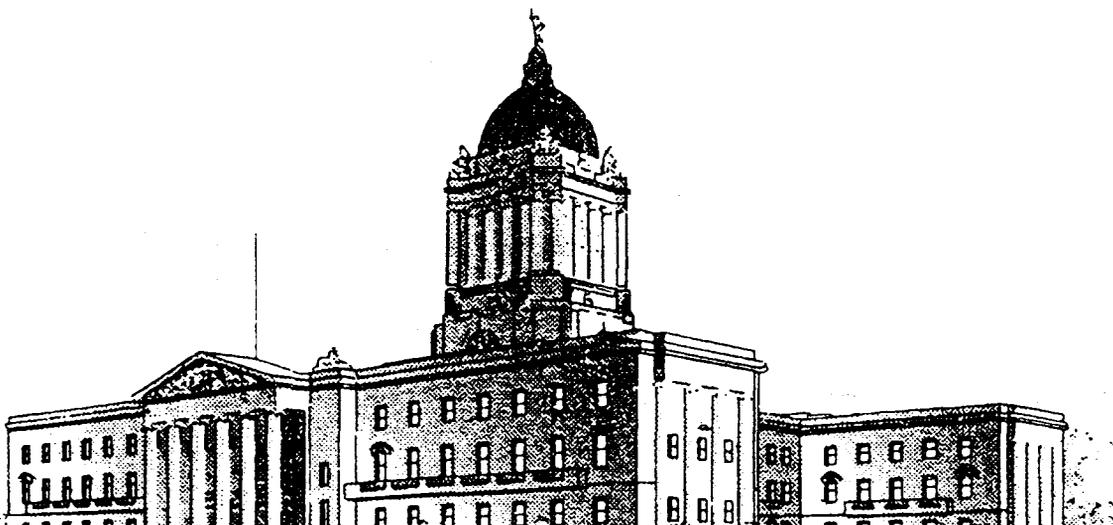
of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Seventh Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, August 1, 2002

The House met at 1:30 p.m.

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Transcona-Springfield School Division

Mr. Ron Schuler (Springfield): Mr. Speaker, I beg to present the petition of Gerald Sedo, Eunice Edie, Glen Edie and others praying that the Legislative Assembly of Manitoba request the Minister of Education (Mr. Caldwell) to reverse the decision to split the Transcona-Springfield School Division and allow it to remain as a whole or to consider immediately convening the Board of Reference to decide the matter.

Trans-Canada Highway—Twinning (Virden)

Mr. Larry Maguire (Arthur-Virden): I beg to present the petition of Beth Canart, Irene Cousins, Lois Shepherd and others praying that the Legislative Assembly of Manitoba request that the Minister of Transportation and Government Services (Mr. Ashton) consider making the completion of the twinning of the Trans-Canada Highway between Virden and the Saskatchewan border an immediate fiscal priority for his Government and to consider taking whatever steps are necessary to ensure that work begins in the 2002 construction year.

READING AND RECEIVING PETITIONS

Transcona-Springfield School Division

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?

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 on November 8, 2001, the Minister of Education (Mr. Caldwell) announced a split in the Transcona-Springfield School Division but despite repeated requests has been unable to identify any benefits of this decision to the students and taxpayers of said school division; and

THAT this decision was not preceded by adequate public consultation as outlined in section 7 of The Public Schools Act; and

THAT this decision would result in significant hardships for the students in both Transcona and Springfield that would affect the quality of their education; and

THAT the proposal by the Minister of Education on February 12, 2002, neither alleviates nor remedies these hardships; and

THAT this decision results in an increased financial burden on the taxpayers of both the Transcona-Springfield School Division and the province of Manitoba; and

THAT on March 13, 2002, the number of resident electors required by The Public Schools Act requested the Minister of Education to convene a Board of Reference to decide the matter.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY THAT the Legislative Assembly request the Minister of Education to reverse the decision to split the Transcona-Springfield School Division and allow it to remain as a whole or to consider immediately convening the Board of Reference to decide the matter.

Trans-Canada Highway—Twinning (Virden)

Mr. Speaker: The honourable Member for Arthur-Virden (Mr. Maguire), I have reviewed the petition and it complies with the rules and practices of the House. Is it the will of the House for the petition to be read?

An Honourable Member: Okay.

Mr. Speaker: The Clerk please read.

Madam Clerk (Patricia Chaychuk): To the Legislative Assembly of Manitoba. These are the reasons for this petition:

Over the years, the Trans-Canada Highway between Virden and the Saskatchewan border has been the site of numerous accidents, a number of which have involved fatalities.

The safety of the motoring public on the Trans-Canada Highway between Virden and the Saskatchewan border would be improved if the twinning of the highway were to be completed.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Transportation and Government Services (Mr. Ashton) consider making the completion of the twinning of the Trans-Canada Highway between Virden and the Saskatchewan border an immediate fiscal priority for this Government;

To request that the Minister of Transportation and Government Services consider taking whatever steps are necessary to ensure that work toward the completion of the twinning of the Trans-Canada Highway between Virden and the Saskatchewan border begins in the 2002 construction year.

* (13:35)

Salvation Army William and Catherine Booth College

Mr. Speaker: I have read the petition of the honourable Member for Dauphin-Roblin (Mr. Struthers). 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: Dispense.

Mr. Speaker: Dispense.

The petition of the undersigned, the Salvation Army William and Catherine Booth College, of the city of Winnipeg in Manitoba, ('the College') humbly sheweth:

THAT your petitioner wishes to amend its act of incorporation ('the act') by:

(a) defining the purposes and objects of the College;

(b) clarifying section 9 of the act; and

(c) removing the distinction between certain degrees the College may grant.

WHEREFORE your petitioner humbly prays that the Legislature of the province of Manitoba may be pleased to pass an act for the purposes above mentioned.

AND as in duty bound your petitioner will ever pray.

TABLING OF REPORTS

Hon. Steve Ashton (Minister of Transportation and Government Services): Mr. Speaker, I would like to table Supplementary Information for Estimates of Transportation and Government Services.

Hon. Ron Lemieux (Minister of Culture, Heritage and Tourism): Mr. Speaker, I am pleased to table the 2002-2003 Departmental Estimates for Community Support Programs and for Sport.

Hon. Jean Friesen (Minister of Intergovernmental Affairs): Mr. Speaker, I am pleased to table the Supplementary Information for the Department of Intergovernmental Affairs for 2002-2003.

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, I would like to table the Supplementary Information for Legislative Review '02-03 Departmental Expenditure Estimates for the Civil Service Commission; the Manitoba Employee Pensions and Other Costs; and Manitoba Enabling Appropriations and Other Appropriations.

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have with us

Mr. Frank Breault and granddaughter, Shayna, from Dawson Creek, British Columbia, who are the guests of the honourable First Minister (Mr. Doer).

Also, I would like to draw the attention of all honourable members to the Speaker's Gallery where we have with us today Ross and Elizabeth Bird and Terry and Sandra Morrow of Vancouver and Winnipeg. These visitors are the guests of the honourable Member for the Interlake (Mr. Nevakshonoff).

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

ORAL QUESTION PERIOD

Health Care System Hallway Medicine

Mr. Glen Cummings (Ste. Rose): Mr. Speaker, on August of '99, the now-Premier (Mr. Doer) said: I am making a moral contract to stop the indignity of patients treated in hospital hallways. If it does not work, we will do whatever it takes.

My question is to the Minister of Health: How does he square that statement with the condition that my constituent now finds herself in, having been transported to Winnipeg by ambulance on Monday night where she is still being tube fed, where she has damage to a vertebra and she is still in the hallway?

Hon. Dave Chomiak (Minister of Health): Mr. Speaker, as members opposite might know when we came into office the situation in the hallways was unacknowledged by the Government as a problem. We had situations—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Chomiak: Thank you, Mr. Speaker. We launched a program, a comprehensive program to deal with hallways on November 22, 1999. It was recognized by independent third-party, CIHI, with respect to having done the best in the country and, according to CIHI, which is a third-party agency, had done the best job in the

country, reduced hallway medicine by 80 percent.

With respect to the specific issue, on occasion there are difficulties. As members opposite know, we are prepared to deal case by case with difficulties that do occur periodically throughout the system. If the member would provide me with the particulars of that case I would be happy to look into it and do everything we can as soon as possible to help that situation.

Mr. Cummings: Mr. Speaker, I wish the comments by the minister were able to be fulfilled, because this same lady spent—

Mr. Speaker: Order.

Point of Order

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

Hon. Gord Mackintosh (Government House Leader): Yes, Mr. Speaker, would you please remind the honourable member that supplementary questions require no preamble?

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

Mr. Cummings: Mr. Speaker, I am simply wishing to explain the condition the woman found herself in on a previous visit.

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 a supplementary question does not require a preamble.

* (13:40)

Mr. Speaker: I am sure the member was just about to put his question.

Mr. Cummings: My question is to the Minister of Health. This lady spent five days in the hallways in April as well. How does that square with the commitment of his Premier, who said, this is a moral commitment that we will keep?

Mr. Chomiak: As I have said many times in this House, Mr. Speaker, the record, we put the

hallway statistics up on the Web site. People can judge and it is very clear from the statistics, 80% improvement. I have always said we are not perfect.

What I have said in this House and what we do in this House is when members have individual specific problems and they bring them to our attention, we work on them as diligently and as quickly as possible. I would be prepared to do that for the member for that particular case, as we always have on this side of the House and will continue, because the provision of care and the quality of care is beyond politics.

Mr. Cummings: Mr. Speaker, to the Minister of Health. He has been put in a most untenable position by his Premier. Will he speak separately and apart from his Government and indicate that he has failed in his hallway medicine solution?

Mr. Chomiak: If one looks at the stats since we came into office, 80% reduction. An 80% reduction, Mr. Speaker, I think statistically is a significant improvement. As I pointed out when we came into office, there were like 33 and 40 people in each individual hallway day after day, week after week, and the members opposite did not acknowledge it.

We said we would put in place a program to deal with that situation. We are not perfect. We work on it every day. We put in improvements every single day. If there is a lesson we can learn on individual cases or on cases, we will learn it and we will try to improve it. That is our commitment to the people of Manitoba. We work on it every day. We will continue to work on it.

Health Care Facilities Review-Recommendations

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, yesterday the Minister of Health said he did not have the Deloitte & Touche health care report recommendations before him, yet we all read about it in the newspaper today. So either he was not being truthful yesterday or he does not have control of his department.

I would like to ask the Minister of Health to confirm that his \$600,000 report recommends

that entire hospital wards, perhaps even hundreds of hospital beds, be closed.

Hon. Dave Chomiak (Minister of Health): Mr. Speaker, when the member got up on this particular report I thought she was going to apologize for giving out inaccurate information.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Chomiak: Mr. Speaker, I hope the member has the occasion, as I did this morning, to completely read this report and find out that, again, the member was wrong last week when she put erroneous information on the record about the layoff of nurses. She was wrong last week. If she looks on page 120, she is so wrong. I expect her to apologize to the nurses of Manitoba for her inaccuracies.

Mrs. Driedger: I have to ask this Minister of Health, since yesterday he said he did not have the recommendations before him, when did he get those recommendations?

If he can read that report all this morning and know what he is talking about, he is a fast reader.

Mr. Chomiak: Mr. Speaker, I am glad the member acknowledges that we actually read the reports and not put out erroneous information, as she did last week when she said wrongly that 180 nurses were going to be fired. She was wrong. She was so wrong.

Mr. Speaker: Order.

Point of Order

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

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

We are glad the minister could read that entire report this morning. If he could only do something about health care.

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

* (13:45)

Mr. Chomiak: Mr. Speaker, the member asked about a report and whether or not a report had been reviewed. I was just pointing out that if one read the report, which evidently the member opposite had not and she put out inaccurate information, I wish she would stand up today and correct the misinformation she handed out to the media last week and continued to talk about on open-line and continued to talk about in Question Period, and apologize to the nurses for her erroneous statements concerning the layoff of nurses, which happened under the Tory regime and will not happen under this regime.

Mr. Speaker: On the point of order raised by the honourable Official Opposition House Leader, I would like to take this opportunity to remind all ministers *Beauchesne* 417. Ministers should not be provoking debate.

* * *

Mr. Speaker: I would ask the honourable minister to conclude his comments.

Mr. Chomiak: Mr. Speaker, I can only encourage the member opposite to read the report and look through the recommendations. Perhaps she could review her comments she made the last few weeks and correct the erroneous statements she put on the record.

Mrs. Driedger: My comments put on the record were accurate. The minister just did not like hearing them.

Some Honourable Members: Oh, oh.

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

Mrs. Driedger: Thank you, Mr. Speaker. I would like to ask this Minister of Health, who continually refuses to answer information in this House and twists information as he puts it forward, will he close the hundreds of hospital beds or all the wards in some of the hospitals, as indicated in the report, and deny patients like

Mrs. McLaughlin, who right now is lying in an ER hallway. She is a palliative care patient which means she is dying, and she has been in a hospital hallway for four days. Is he going to close beds and deny Mrs. McLaughlin and others like her beds in hospitals?

Mr. Chomiak: First of all, Mr. Speaker, we will not close the 1400 acute care beds that the members opposite closed. We are not closing any more beds. In fact, if we could and had nurses, we would open more beds. That was our commitment and that is what we are striving to do.

Mr. Speaker, there are no recommendations to close beds. There are no recommendations in the report to lay off or fire or get rid of the hundreds of nurses the member talked about. There are no recommendations that say that, and if the member would read the report, and I urge her to read the report, I would be happy to discuss it chapter, verse, line, sentence, in English, in French, to try to persuade her to read the report and try to understand what is inside this report.

Dakota Tipi First Nation Soaring Eagle Agreement

Mr. Leonard Derkach (Russell): Mr. Speaker, yesterday both the Minister responsible for Lotteries (Ms. McGifford) and the Minister responsible for the Gaming Commission told us in the House and told reporters in the hallway that the Doer government had no knowledge of the July 12 agreement between Dakota Tipi commission and David Doer until I tabled it in the House on July 29. I would like to ask the Minister responsible for the Gaming Commission to confirm his statements yesterday when he said: "It first came to our attention when it was tabled in this House."

Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act): Mr. Speaker, I indicated before that in fact the first time I knew about it, in fact the first time the Minister of Lotteries knew about the particular letter was when it was tabled in the House. I have indicated, notwithstanding the concerns we have expressed about many of the totally inaccurate accusations the members

opposite have raised, but the concern about the percent of VLT was a correct concern. That is in violation of a siteholder agreement.

All throughout this process when information has been brought to our attention we have acted. I want to indicate, Mr. Speaker, that as of today we have rescinded the Gaming Commission agreement, pending the review. The member opposite asked us to invoke the 90-day cancellation clause. We are rescinding it while we conduct the review. The agreement has not been cancelled under the 90-day clause. We could not wait; we wanted to get to the bottom of the accusations. We have acted.

Mr. Derkach: Well, Mr. Speaker, the fact of the matter is I asked the minister on July 16 to end the agreement. This is almost a month later. The minister said then he could not.

I would like to table for the minister's information a letter written by the Minister of Justice (Mr. Mackintosh), his colleague, dated July 24, five days before the agreement was tabled in this House. In the letter the Minister of Justice writes, and I quote: Bingo revenue on Dakota Tipi is currently being managed by a third-party management group hired in June 2002, referring of course to David Doer and Soaring Eagle.

Can the Minister responsible for the Gaming Commission explain why he would tell the House that the Doer government only found out about this agreement on July 29 when obviously his colleague, the Minister of Justice, knew well beforehand that this agreement was in place?

* (13:50)

Mr. Ashton: Mr. Speaker, once again I think the member does not look at what happens. He tabled a written copy, which I assume was obtained through a court proceeding because it is listed. It is up to the member if he confirms that or not. It is listed as an affidavit dated, I believe, July 26. That was tabled in this House. That was the first time I saw the document in question and the Minister of Lotteries.

The issue here again, Mr. Speaker, is not whether Soaring Eagle is involved in providing services to Dakota Tipi, it is the 15% provision

in terms of VLT revenue. As soon as we became aware of that, most specifically the Minister responsible for Lotteries, we indicated very clearly, as the member pointed out, that it is in contravention of the agreement. Indeed, as of this day, the VLTs are shut down, remain shut down and will remain shut down until these matters are dealt with.

Mr. Derkach: Mr. Speaker, I want to ask the minister if he can tell us who informed him or his colleague, the Minister of Justice, that David Doer was managing gaming on Dakota Tipi if he, the Minister responsible for the Gaming Commission, did not know about it. I would like to quote his answer of July 31 when he said: "it first came to our attention when it was tabled in this House We did not know. We were not party to the agreement." This is his quote.

Mr. Ashton: Mr. Speaker, I do not know what part of the answer—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I need to hear questions, I need to hear the answers. I ask the co-operation of all honourable members, please.

Mr. Ashton: Mr. Speaker, once again he referenced the document that was tabled. The document that was tabled indicated the 15% provision in terms of the VLT.

I want to indicate for the member opposite that is the problem. There is nothing else in that document that is problematic, but the 15% VLT commission is totally inappropriate in terms of the siteholder agreement. So, indeed, if the member even listens to his own question, he will find the answer that the first time I saw that agreement, the first time the minister saw that agreement, and the first time I knew there was a 15% VLT provision is when the member tabled it in the House. I even gave him credit for that. I do not know what part of the answer he did not understand.

Dakota Tipi First Nation Soaring Eagle Agreement

Mrs. Joy Smith (Fort Garry): Mr. Speaker, it is obvious the Minister of Justice (Mr. Mackintosh) knew David Doer was managing gambling activities on Dakota Tipi well before

the agreement was tabled, yet the Minister responsible for Gaming told Manitobans the Doer government did not know anything about it.

Can the Minister of Justice tell this House who informed him, who informed him that the gaming activity, as he states in his letter, and I quote: is currently being managed by a third-party management group, namely David Doer and Soaring Eagle.

* (13:55)

Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act): Mr. Speaker, once again the member misses the point. I indicated before and I will put on the record, the first time I saw that document—which was obviously obtained through a subpoena or some other legal procedure, if you read the document. I have a copy of it, the member tabled in the House—was in fact when he tabled it in the House. The Gaming Commission, the Gaming Commission Minister, is not a party to that agreement. In fact, the Minister of Lotteries is not a party to that agreement.

Now it is very interesting the member is able to get a copy through some other forum, but the issue here is not whether Soaring Eagle was engaged in any contracts with Dakota Tipi. It is already well-known they have been working for the federal government and with Dakota Tipi. The issue was the 15% VLT commission. We did not know, the minister and I, until it was tabled in this House. I gave the member credit. We have acted on it. I do not know what more we can say.

Mrs. Smith: Mr. Speaker, this question is to the Minister of Justice. How did the Minister of Justice obtain his information? His Minister of Gaming and his Minister of Lotteries (Ms. McGifford) tell us they did not know anything about it.

Mr. Ashton: Mr. Speaker, you notice the word "it," because this is the word game that members opposite have been playing for the last two weeks. They talk about accounting services, then they call Soaring Eagle auditors.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I am going to, once again, ask the co-operation of all honourable members, because I need to hear the questions and I have to hear the answers. There are members rising on points of order and you expect me to make a ruling, and if I cannot even hear what the comments are—I ask the co-operation of all honourable members, please.

Mr. Ashton: Well, Mr. Speaker, I do not know how many more questions the members will ask raised on trying to take the word "it." In this case, "it" is the document. I have a copy of it here. It was tabled by the member, the Lotteries critic for the Opposition. It was tabled, I believe, it is listed as Exhibit E, July 26, obviously a court document, and the first time that I became aware of the 15 percent, which is the issue here that the member raised in his question, is when the member tabled it.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. We have the members in the gallery, we have the viewing public, and decorum is very, very important in this Chamber. This is a time for questions, a time for answers, and I am sure we all want to hear the questions and we all want to hear the answers.

I am going to, once again, ask the honourable members for their co-operation. Decorum is very important to the viewing public who are guests in the galleries, the viewing public who are watching on television, and decorum is very, very important. We all want to hear the questions, and we all want to hear the answers. So I, once again, ask the co-operation of all members, please.

Mr. Ashton: Yes, Mr. Speaker, and indeed the issue, in fact the member when he asked the question, if he will recall, not only tabled the document but raised the fact this was in contravention of the siteholder agreement. Indeed, the first time that I became aware of this and the first time the Minister of Lotteries became aware of the contravention of the siteholder agreement is when he tabled it.

This is not a document that is filed either with the Gaming Commission or with Manitoba Lotteries, and maybe I made a mistake, Mr.

Speaker. It is not normal for a minister to give credit to an opposition critic. I gave him credit for tabling it. He raised a legitimate concern. We were not aware of the 15 percent until he tabled it in the House, Mr. Speaker.

Mrs. Smith: Mr. Speaker, does this minister expect Manitobans to believe that this minister who is responsible for Gaming and Lotteries did not know about this agreement before it was tabled in the House, when we have proof through a letter that the Minister of Justice knew about it?

* (14:00)

Mr. Ashton: Mr. Speaker, once again, "it." The issue here is this agreement which has a clause in it, a 15% clause, which is in violation. That was the question the member asked, by the way, for the Justice critic for the Opposition. The first time that I became aware of the 15% provision was when the member tabled the document. So let them not twist words here.

When we became aware of it, we acted. As of today, the VLTs, thanks to the work of the Minister for Lotteries, remains shut down, and we took action today to revoke the agreement pending the special operating review we put in place.

Dakota Tipi First Nation Soaring Eagle Agreement

Mrs. Bonnie Mitchelson (River East): Mr. Speaker, it is clear that the Minister responsible for the Gaming Commission is speaking out of all sides of his mouth on this issue.

Yesterday, the Minister of Gaming told the House that the Manitoba Gaming Control Commission has met with David Doer and Soaring Eagle a number of times. He said: "meetings have taken place with Dakota Tipi and with Soaring Eagle. Mr. Doer is a principal of Soaring Eagle."

How can the Minister of Gaming stand in his place and tell this House that the Manitoba Gaming Commission met with David Doer but at no time did anyone have any knowledge that Doer had signed an agreement giving him 15

percent of VLT revenues for managing the Bingo Palace?

Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act): First of all, Mr. Speaker, once again, members opposite signed the '94 agreement. They should know the Gaming Commission agreement. They should also know that the siteholder agreement is with Manitoba Lotteries. In fact the direct responsibility for this is with Manitoba Lotteries, as part of the siteholder agreement.

The contravention under this particular agreement is of the siteholder agreement. I indicated on the record when we became aware, I became aware, the minister became aware of the 15% clause, the member opposite was quite correct, the Member for Russell (Mr. Derkach), in raising this concern. We have acted.

Mr. Speaker, I do not know what more members opposite want, but when an issue is raised we have acted, by the way, something they did not do when they had significant non-compliance with Dakota Tipi when they were in government.

Mrs. Mitchelson: How can this minister tell a reporter, and I quote: They were dealing with Soaring Eagle as representing Dakota Tipi relating to the gaming issues, and expect Manitobans to believe no one knew that Doer had signed an agreement giving him the ability to skim 15 percent off the top of VLT revenues on Dakota Tipi?

Mr. Ashton: Mr. Speaker, once again, the Member for Russell tabled this document in the House. The Member for Russell asked a question on whether or not it was recognized that this document violated the siteholder agreement. The Minister for Lotteries responded that it did indeed.

In fact, the VLTs have been shut down, will remain shut down. Not only that, we have gone beyond that. We have now, pending the special operating review we have put in place, assured that other gaming activities, including the Bingo Palace, will not operate. We have taken action. When members opposite bring forward legitimate information, about the only time in this matter when they did, we did respond.

I do not know what more I can say. That is what a responsible government should do.

Mrs. Mitchelson: Since the Manitoba Gaming Control Commission has been in constant contact with David Doer and Soaring Eagle and this minister admits that Soaring Eagle is representing Dakota Tipi, can he honestly stand in this House and think that Manitobans do not believe that he knew exactly what was happening under his watch? What is he trying to hide?

Mr. Ashton: Mr. Speaker, I can tell the member, I can say that, quite frankly, I am disappointed in this member that she would put together a question that would cause that.

When I said on the record that the first time I became aware of this, which does not involve the Gaming Commission, and the 15% provision is when the Member for Russell tabled it, as a member of this House who has been here for quite some time, and this member who has also been here for a period of time, she should also understand that I stated the truth on the record, which I expect from all members opposite.

Mr. Speaker, the first time I became aware of the clause in this agreement, the 15 percent, is when the Member for Russell tabled it. We have responded. That is the most important thing.

Flood Protection Infrastructure

Hon. Jon Gerrard (River Heights): Mr. Speaker, yesterday I was pleased to hear the Minister of Transportation indicate that the flood protection for Winnipeg infrastructure was their top priority in terms of application to the Canadian strategic infrastructure program.

I would ask the minister today: Has the province submitted the application to the federal government along with the proposed budget?

Hon. Steve Ashton (Minister of Transportation and Government Services): Well, Mr. Speaker, it was interesting. I read Hansard again yesterday, and I must put on the record that I gave credit to the Liberal leader for having changed his position on the floodway. When I actually read it, he talked about flood protection

for Winnipeg, so I am still not sure where the Liberal leader stands.

What I want to indicate is that our Premier (Mr. Doer) has indicated very clearly this is the top priority for the province, in fact, has raised this. It is a rather uncertain process, as the member will know. There have been a lot of issues, probably political issues, that have been involved with this particular thing but, putting all politics aside, the top priority in terms of this situation is providing the option that the member opposite knows is there. It has been there for some time in terms of the improvements to the floodway.

I hope the federal government will be supportive of this, as was the federal government in the 1960s, because this I think will be a legacy for this province if we can have this kind of additional flood protection that this will provide.

Mr. Gerrard: Mr. Speaker, I am supporting strongly flood protection for Winnipeg, but I would ask the minister: Where is the proposal?

The clock is ticking, this program has been going for awhile. Why has the province not submitted the proposal with the budget? Why has the all-party committee not met for a long time?

Mr. Ashton: Well, if the member opposite is asking for a hearing of the all-party committee, I am sure that the House leader will take that into consideration because I notice, again, that the member opposite talked about flood protection not the floodway.

Mr. Speaker, I want to put on the record again that our Premier and our Government's position has been very clear. The only lack of clarity has been from the Liberal leader. I do not know if I should give the Conservatives credit one more time here, but even they supported the expanded floodway option. We look forward to an answer from the federal government, a political commitment, which we do not have yet, Mr. Speaker.

Mr. Gerrard: Mr. Speaker, the question is simple: Why has the Government not put forward the full proposal and the detailed budget either to the all-party committee or to the federal

government? Why the delay? This is very important for Winnipeg and for Manitoba.

Mr. Ashton: I cannot believe the Liberal leader talking about delay, Mr. Speaker. In the all-party committee, he was the only MLA that indicated any concerns about the project, and even today he does not say he supports the floodway option, because I know he says one thing in one part of the province, one thing in another.

This Government's position is clear. We support the expanded floodway because that is the best thing, not only for Winnipeg, but for all Manitobans.

North American Indigenous Games Progress Report

Mr. Tom Nevakshonoff (Interlake): Mr. Speaker, the 2002 North American Indigenous Games are emerging as a Manitoba success story on all fronts: sports, culture, volunteerism, organization, finances and so on. Can the minister update the House on the progress of the games to date, and maybe give us a little idea how Team Manitoba is doing in the games as well?

* (14:10)

Hon. Ron Lemieux (Minister of Culture, Heritage and Tourism): Thank you very much for the question.

I am sure all Manitobans would like to hear how the games are going and I would be pleased to answer the question. I believe it is not too soon to commend and congratulate the host society as well as all the volunteers and all Manitobans who worked so hard to put these games together.

The question asked was: How is Team Manitoba doing? Team Manitoba has won medals out of the 16 sports. They have won 7 medals out of the 16. I am advised they have won 9 gold medals. The team itself is doing tremendously well.

They are tremendous ambassadors for Manitoba. They are treating other athletes who are visiting this province with respect. They are treating all athletes as they should be in hard

competition, but most importantly, Mr. Speaker, The Forks is a booming, booming place these days. On average there is anywhere from 16 000 to 18 000 people there every night. At the opening ceremonies there were over 20 000, officially I believe the number was 20 686 people, and we are pleased to be hosting these games. All Manitobans—

Mr. Speaker: Order.

Dakota Tipi First Nation Soaring Eagle Agreement

Mr. Mervin Tweed (Turtle Mountain): Mr. Speaker, it is very clear that the Doer government knew the Premier's (Mr. Doer) brother had signed an agreement with Dakota Tipi gambling for a 15% cut.

It is also very clear that the Minister of Justice (Mr. Mackintosh) knew before we tabled the agreement and it is very clear that this Government wanted to keep it quiet and hoped no one found out.

My question to the Minister of Gaming is how, in good conscience, he could stand in his place and tell this House the Doer government knew nothing about this agreement before it was tabled.

Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act): Mr. Speaker, the comments in the preamble I think show why this member in the Opposition has no interest in what is a clear fact here. This document—perhaps they should talk to the Member for Russell (Mr. Derkach)—the agreement they are referring to involves Soaring Eagle and Dakota Tipi. Manitoba is not a party to that agreement.

The first time I saw this document, the first time the Minister for Lotteries saw this document, which includes that provision, was when it was tabled in the House, when it was obtained by the Member for Russell, presumably through some court process, because it is referenced on the top. We are not a party to this agreement, but when we became aware we have acted. In fact, Soaring Eagle has not received and will not receive anything from the VLTs under this provision. We have acted.

Mr. Tweed: On a new question, Mr. Speaker.

Mr. Speaker: The honourable Member for Turtle Mountain, on a new question.

Mr. Tweed: Mr. Speaker, it is very clear to the people here and the people in Manitoba that the Government knew about this transaction, even if the Minister of Gaming denies it. The Minister of Justice in the letter we tabled today states that he knew before the date.

I want to ask the minister how he could say day after day that they will be accepting David Doer's audit of the Bingo Palace as independent when he knew about this 15% cut.

Mr. Ashton: Mr. Speaker, this question has been answered, because we are not a party to any agreement with Soaring Eagle. Soaring Eagle will provide accounting services.

If the member knew anything about accounting he would realize that the independent audit verification of any statement has to be provided by an independent auditor, and in fact that will be a requirement. My understanding in fact is that a CA has been obtained who will be providing that.

I said that right from day one as a response to the Member for Russell. That remains today. We will require an independent audit. Soaring Eagle is providing accounting services that will require an independent auditor to provide the auditing of any statements.

Mr. Tweed: On a new question, Mr. Speaker.

Mr. Speaker: The honourable Member for Turtle Mountain, on a new question.

Mr. Tweed: Mr. Speaker, I am going to ask the Minister of Justice to correct the record and at least let his own colleagues know about when and the time that he received this information by asking him a very direct question. Will the Minister of Justice confirm that he knew some time in June Soaring Eagle and the Doer government knew about the transaction which would give Mr. Doer a 15% cut in all VLT revenues?

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

will quote that sentence, because it has been misquoted in this House in Question Period.

The letter signed by myself states the following, based on advice that was passed on to me through the draft correspondence: Bingo revenue on Dakota Tipi, which falls under the authority of the Dakota Tipi First Nation Gaming Commission, is currently being managed by a third-party management group hired in June 2002 to manage band finances not under INAC-mandated third-party management.

Mr. Speaker, there is no advice to me or information in this letter about who the management group is, who the principals are, what the details of the contract are, or certain-
[interjection] Well, Mr. Speaker—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Mackintosh: More importantly, Mr. Speaker, any allegations—

Mr. Speaker: Order.

Mr. Mackintosh: Mr. Speaker, who the third-party management group is, is not referred to. The details of the contract between the third-party management group and Dakota Tipi is not referred to, nor is there any advice or information in here about any alleged contravention.

Mr. Speaker, this is about muckraking, and it is raked onto their own feet.

Dakota Tipi First Nation Third-Party Management

Mr. Leonard Derkach (Russell): Well, Mr. Speaker, I am glad the Minister of Justice has quoted from his own letter.

I want to ask the Minister of Justice directly. Since he has quoted from his letter, and he has also put some comments on the record with respect to who the third party was, can the Minister of Justice share with this House who the third-party managers were that he was referring to in his letter?

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Mr. Speaker, the letter was drafted by departmental officials in response to correspondence—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. The clock is running.

Mr. Mackintosh: Mr. Speaker, the information that I was advised of is the information contained in the letter. It speaks for itself.

Mr. Derkach: Mr. Speaker, on a new question.

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

Mr. Derkach: This is quite incredible. First of all, the Minister responsible for the Gaming Commission has a lapse of memory in terms of the agreement between Dakota Tipi and David Doer. Now, Mr. Speaker, the Minister of Justice says he signed a letter, but he does not know who the third party was in the letter.

Will someone on the Government side tell this House who the third party was that the Minister of Justice refers to in his letter?

* (14:20)

Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act): For someone who, throughout this case in dealing with this issue, has repeatedly made statements that are inaccurate, has then repeated them when he is corrected, Mr. Speaker, to talk about anything in this House in terms of credibility, I think, belies the fact that it is a very clear situation.

I do not know what the member does not understand about the fact that he tabled this document. He had a legitimate point. That was the time we became aware of it. We have acted, Mr. Speaker. He can try and spin whatever he wants. I suggest he start by using the phrase "once upon a time" because that is about as much relevance as it has to the facts.

Mr. Speaker: Time for Oral Questions has expired.

Introduction of Guests

Mr. Speaker: Before we move to members' statements, I would like to draw the attention of all honourable members to the public gallery, where we have visiting with us Winnifred Giesbrecht, with her granddaughter Shayla Fredborg and her friend Jessica, who are visiting us from Selkirk.

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

MEMBERS' STATEMENTS

Ukrainian Festival

Mr. Stan Struthers (Dauphin-Roblin): This particular weekend there will be thousands of people from around Manitoba, from various parts of Canada, from the United States, from countries abroad travelling to the Selo Ukraina site 10 miles south of Dauphin, Manitoba, to celebrate Ukrainian culture, Ukrainian heritage, Ukrainian tradition and the Ukrainian lifestyle.

The Ukrainian Festival begins on August 2 and runs August 2, 3 and 4. That is this Friday, Saturday and Sunday. There will be mainstage performances in the afternoons and in the evenings highlighting song, dance and dress. The upper stage at the Selo site will run in the evenings with the song and dance and food and beverages.

The opening ceremonies are on Friday evening, which we hope will be very well attended, to kick off this weekend of celebration. Saturday morning is a huge parade that makes its way through downtown Dauphin, again another celebration of Ukrainian culture.

The whole weekend will take place at the Selo Ukraina site. Selo Ukraina actually means Ukrainian village.

I want to point out to all members that many people in Dauphin and the area have put a lot of work into building Selo Ukraina to recreate the early beginnings of homesteading in the Parkland area, in particular Dauphin. There is a house with a thatched roof. There is a school, a church. They will be opening a shoe repair shop that recreates the times around the turn of the century.

On Sunday, the Cross of Freedom at Trembowla will have a church service and presentation. I want to thank the board and staff.

Steinbach Constituency Events

Mr. Jim Penner (Steinbach): Mr. Speaker, it is my pleasure to rise today to inform the House of yet another special event I attended in the constituency of Steinbach this past weekend and to invite members to another event beginning tomorrow.

Mr. Speaker, on Saturday, July 27, I attended the Friedensfeld school reunion, a school that had been in operation for 66 years. Hundreds of students and teachers reunited to reminisce about the learning, friendships and fellowship they experienced as being part of the one-room schoolhouse that operated in the Friedensfeld region for the better part of the last century.

While education has changed significantly since the Friedensfeld one-room school was in operation, I doubt anyone in the reunion would have changed the experience they had. Many fond memories were shared. In addition to a special dinner and events, there was the unveiling of a monument that will forever remind visitors to the Friedensfeld region of the unique history the school provided.

A number of community supporters helped raise money for the monument. A contribution was also provided by the Department of Culture, Heritage and Tourism, for which I would offer my thanks to the minister on behalf of those involved with the project.

I am also pleased to inform members of this House that our heritage will again be on full display this weekend as part of the annual Pioneer Days festivities which begin tomorrow morning and which will continue through the weekend at the Mennonite Heritage Village Museum in Steinbach.

So, Mr. Speaker, the Steinbach constituency is known for its rich history and for celebrating that history. On behalf of all the members of this House, I would like to thank those involved with the Friedensfeld school reunion and this week-

end's Pioneer Days. I would also invite all members of this Chamber and all Manitobans to join with us this weekend in Steinbach as we take a look back and celebrate our heritage.

West Kildonan Murals

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Mr. Speaker, I am very pleased to get up today on a local matter of great pride. Today, there was an official unveiling of the murals at the corner of Semple and Main Street on the Hydro Station.

Mr. Speaker, members who have driven down Main Street heading north will, I am sure, have recognized the great artistry and the reminder of our heritage that is set out in those murals, but I think those murals are even more a reminder of the community spirit of West Kildonan, in particular the work of the West Kildonan Residents Association and, as well, the recognition by residents of the value of partnerships, particularly with Manitoba Hydro.

Manitoba Hydro was instrumental in ensuring that the murals could proceed and it was a great example of Manitoba Hydro giving in a very local way, contributing to the well-being of Manitoba communities beyond the provision of very affordable hydro-electric rates.

In addition, Mr. Speaker, it attests to the value of residents taking back their communities, making sure residents can get involved and making sure that we live in healthy and safe communities to the best extent possible by involving very many residents working with other organizations and different orders of government.

In conclusion, Mr. Speaker, I also though want to note the tremendous artistry of the artist who was commissioned to do the murals, Ms. Jill Sellers. Jill Sellers lives in West Kildonan and so we are doubly proud of her contributions. She is a self-taught artist who began commissioning her work when she moved to Winnipeg from Yukon Territories. She has worked in many artistic mediums and her artwork is displayed in Calgary, Yukon, Saskatchewan and various galleries and private collections in Winnipeg.

We are all very proud of what took place and I urge all members and all Manitobans to visit the murals. Indeed, Manitoba Hydro has made available for Manitobans a description of the art that is on the walls of the Hydro Station.

Mr. Marvin Wayne McCallister

Mr. David Faurshou (Portage la Prairie): Mr. Speaker, I rise today on a very sad note. A friend and constituent, Marvin Wayne McCallister, passed away on July 24 in Portage District General Hospital. Marvin was diagnosed with cancer in the spring and succumbed to the disease after a hard-fought battle this past week.

Mr. Speaker, Marvin was born on October 23, 1952, to John and Maude McCallister of Portage la Prairie. He received his education at Portage Collegiate Institute and then moved on to the University of Manitoba, where he graduated with a Bachelor of Science in Agriculture in 1974. Marvin continued on with his education and pursued his true love of animals by graduating from the University of Saskatchewan with a doctorate in veterinary medicine.

Marvin, as we knew him, was best known to Portage la Prairie as a great veterinarian and lover of all animals. He moved back to Manitoba in 1979 to help with the family farm and to open his own veterinarian practice, the Northport Veterinary Clinic.

Marvin was employed by the Province of Manitoba from January 1997 to March 2000, and was there to assist in administering The Animal Care Act of Manitoba, while continuing his own operation of the Northport Veterinary Clinic.

Marvin had a great love of community. During his younger years, he was heavily involved in the 4-H program. He showed cattle at the Portage fair and won the T. Eaton Gold Watch Award. Later, Marvin was involved with the Portage Industrial Exhibition Association for more than 15 years, serving as president. He also served on many community committees, including that of the Murray United Church at Oakland, Oakland Recreational Club, Delta Agricultural Conservation Club. As well, he served as a volunteer and director for the Swine Welfare

Committee of the Manitoba Pork Council and for 15 years he served the Manitoba Great Western Harness Racing Association as track veterinarian.

Marvin's great pride and joy was through his family. He loved his family very much and was dedicated to all. He will be greatly missed by his brother and two sisters, many nieces, nephews and great aunts and great nephews.

I would like to say, at this point in time, to offer our respects from the Manitoba Legislative Assembly to all his family members and to thank Marvin for his service to his community, his province and his nation.

* (14:30)

Folklorama

Mr. Cris Aglugub (The Maples): Mr. Speaker, I had the great honour of accompanying the Premier (Mr. Doer) of this province as he proclaimed that August 4 to 17, 2002, be known as the Folklorama Weeks. This is the 33rd year for Folklorama in Winnipeg. There will be a record high of 46 pavilions held during the two-week festival this year.

Mr. Speaker, folklorama is Manitoba's largest festival and the largest multicultural festival in North America. We should all be pleased to have such a great asset in our province that encourages us to celebrate our diverse multicultural citizenry. Each year, Folklorama provides Manitobans with the opportunity to share their various cultures with visitors from around the world. The event's campaign this year is called: "Get Cultured."

Mr. Speaker, I was happy to learn that the Manitoba Department of Culture, Heritage and Tourism has provided, through our Community Support program, \$301,000 in operational funding to assist the Folk Arts Council. This funding will go towards Folklorama's regular operating budget. I would like to take this moment to thank the Folk Arts Council for the work that they put in every year to make Folklorama the internationally renowned success it has become.

I would also like to extend my thanks to Sharon Bronstone, the president of the board of directors of the Folk Arts Council of Winnipeg

Incorporated, to Judy Murphy, the executive director, and to all the thousands of volunteers for their hard work in making sure this year's Folklorama will be another success.

Mr. Speaker, I had a great time at the Premier's proclamation, and I encourage everyone to attend as many Folklorama events as they can in order to get cultured through experiences such as food, arts display and learn about the province's full ethnic richness.

ORDERS OF THE DAY (Continued)

GOVERNMENT BUSINESS

House Business

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, would you please canvass the House to see if there is leave to waive private members' hour today only?

Mr. Speaker: Is there will of the House to waive private members' hour for today?
[Agreed]

Mr. Mackintosh: Just as a notice, I understand that arrangements are being made for Royal Assent around 5:45 today, Mr. Speaker.

Mr. Speaker: An announcement that arrangements are being made for Royal Assent at 5:45, for the information of the House.

Mr. Mackintosh: Mr. Speaker, would you please call debate on third readings, 33?

DEBATE ON THIRD READINGS

Bill 33—The Private Vocational Institutions Act

Mr. Speaker: Resume debate on third reading, Bill 33, The Private Vocational Institutions Act, standing in the name of the honourable Member for Portage la Prairie.

Mr. David Faurshou (Portage la Prairie): Mr. Speaker, it is my pleasure to rise on third reading and to enter into a debate on Bill 33, The Private Vocational Institutions Act. I was present at committee last week when there was discussion on this bill, and there was public presentation made at committee by Ken Penner,

who was representing the Midwestern School of Business and Technology and Robertson College.

Mr. Conrad Santos, Deputy Speaker, in the Chair

I took in, with great interest, the comments that were made by Mr. Penner, and so much so I asked that there be further discussions with the minister. I am pleased to say that the minister has allowed that to occur, and the minister has carried forward some of Mr. Penner's concerns to department personnel, and has attempted to address a number of the concerns that were raised at committee.

This act is one that is, I believe, supported by this House on both sides of the Assembly. It is an act that will, if I might say, bring to the industry of vocational schools here in the province of Manitoba the structure that many that are participants in that industry have called for.

Very specifically, this will offer consumer protection that will enhance the training and the completion of that training here in the province of Manitoba. It will also address some of the registration process of the vocational trades, and those that are pursuing education in the trades by outlining a position of director that will effectively have the ability to oversee the registration of students within the institutions throughout the province, Mr. Deputy Speaker.

The private vocational institutions appeal board is created through this act to hear appeals from people aggrieved by decisions of the director of the private vocational institutions. That is an opportunity for those that have grievances and have concerns about the director, which was one of the points that Mr. Ken Penner made note of, in that his feelings on evaluation of the bill put forward these concerns. What if the director is arbitrarily not satisfied? What if the director is just not aware of the issues and opportunity, or makes ill-informed decisions? The director may take months to make a decision. In the meanwhile, the opportunity disappears.

So those are the concerns that were raised by Mr. Penner. In fact, it has then the opportunity

given within this bill to go to the appeal board and address those specific concerns.

Mr. Penner went on to say that, in section 5(3), if the director is satisfied that a proposal of a previously approved program of instruction does not meet the standards contained in section 4(2), the director may: (a) refuse to approve it; (b) direct a registrant to suspend or cancel its being offered or provided. It is through that quoted section Mr. Penner stated his concerns.

We are greatly concerned about this, since we could in good faith be operating a successful program and in one day we could receive notice to suspend the program. This kills a PVS overnight. A private vocational school is the abbreviation that I referred to.

It is too much arbitrary power, Mr. Penner states. Even if in appeal we were to win the case, the students are gone, the income lost, and the school would close. Students would be without alternatives, looking for new career training options.

As you can see, there is a concern that perhaps the director may act either ill-informed or in haste without total understanding. It is important that the individuals have the opportunity to appeal to the private vocational institutions appeal board on a very timely manner.

I do appreciate that the minister that has sponsored this bill is in the House here this afternoon and is listening to the concerns that were raised by Mr. Ken Penner.

Now Mr. Penner has not only the insight and understanding of what can occur from perhaps the best experience, and that being that he has acquired Robertson College, which had previously been operating for quite a length of time and, unfortunately, had run aground as far as finances are concerned, and had to look for other ownership and did cause grief for students that were taking their training at Robertson College.

Mr. Speaker in the Chair

* (14:40)

So Mr. Penner viewed first-hand the concerns of students as well as those employed by Robertson College, and I believe that he understands fully the impact that the position of director could have upon the private vocational schools here in Manitoba.

Now, Mr. Speaker, I will add further another point that Mr. Penner brought forward. This is the specific topic of my discussions with the minister in the past of days, and that is the creation and operation of the Training Completion Fund.

It was stated within this act that up to 1 percent of the tuition fees that are collected throughout the private vocational schools be submitted into a fund that would be administered by the Government, and that could provide for the students should they be enrolled in a school that is in default of program delivery. The situation that Mr. Penner cites here is that perhaps 1 percent is too hefty a fee for private vocational school operators to bear, because in a lot of cases, less than 10 percent of the tuition fee is considered profit in most private vocational schools. So, when one considers that 1 percent of 10 percent is, in fact, 10 percent of potential profit, it may be too hefty a price to pay.

I have been assured by the minister that it is just as it is written here; that it will be up to 1 percent, so based upon the need for the dollars to be in the fund, that in most cases less than 1 percent of the student tuition received will be placed or required for this fund. So, Mr. Speaker, I believe the minister understands the concern raised by Mr. Penner, and through discussions I believe that as well.

I do want to take this opportunity to once again state to the minister that, as she has assured me that she will watch very diligently of the amount of dollars that are collected by this fund so that this fund does not grow into an excess position.

She has assured me that, as long as she is minister, she will look to the history of private vocational schools' operations in this province, and to act to limit the number of dollars that are accumulated in this fund, not to exceed that of historical high as far as dollars required to compensate students that have found themselves

lacking of instruction opportunities, because of the private vocational schools' failure to operate throughout the term of the course instruction. I know, with the minister's assurances in that regard, I will be voting in support of this bill.

I do want to ask the minister at further deliberations that potentially there may be offered up to this act an amendment that would put in writing effectively what she has conveyed to me over the last couple of weeks, and what staff have conveyed to her from her department. That is to recognize an upward limit as far as funds to accumulate in this account. That way, persons who are continuing to operate here in the province do not ask of their students to put some of their tuition toward this fund when it is not necessary, because there is no place in time we have seen failures that would be above a certain dollar level that would be required to reimburse students here in the province.

I believe it is a historic high to see three vocational schools fail in one year, leaving students, perhaps an average of 20 students per school, without the instruction which they paid for. This fund would then provide to those individuals the resources to enrol in other vocational schools and to continue with their education.

Mr. Speaker, with those words I would once again like to say I would like to support this legislation, because I believe it does bring into the current stead the legislation of which private vocational schools can operate. I believe this is a very, very vital sector of our education here in the province of Manitoba. Private vocational schools are truly entrepreneurial, enterprising enterprises which fill an identified need that our province could see graduates come to the workforce with skills that we here in the province recognize are currently not being satisfied. So I do understand it is something that we would like to encourage and this bill, I believe, does just that.

Mr. Speaker, I believe Bill 33, The Private Vocational Institutions Act, will spawn a greater participation in the private vocational schools sector within our province, because I look to the Minister of Industry and Trade (Ms. Mihychuk), and I am certain she can identify numerous

professions that are in need of new entrants with skills that will be a credit to the professions. It is something we, here in the province, will ultimately benefit from, as those individuals will take their place in the work force and enhance the economy of our province and, not only providing for themselves and their families, but also paying taxes, which I believe the Minister of Finance (Mr. Selinger) will gladly be in receipt of. In turn, the Minister of Industry and Trade has all kinds of ideas as to how those resources might be allocated to the benefit of all Manitobans.

In fact, we had occasion this morning on the Interim Supply bill to suggest a number of projects that are in need of resources here in the province of Manitoba. I am hoping that they would be able to be addressed in the short term, not in the long term.

* (14:50)

I appreciate, Mr. Speaker, the opportunity to continue on with the debate of Bill 33, The Private Vocational Institutions Act. This provides structure to the private vocational schools operating here in the province of Manitoba. I will say that the private vocational schools do provide a vital service to all Manitobans. Regardless of what one's age might be, one has the opportunity to continue their education in fields of their interest, or in fields that they believe will offer the greatest reward and ultimately assist them to achieve their life's goals; as well as to offer the resources to family and friends of the individuals who ultimately will see expenditures of those resources here in the province of Manitoba.

When one has that opportunity to spend within the province of Manitoba, ultimately as the dollars circulate, a greater wealth is accumulated. Ultimately, the Government of Manitoba prospers because of the circulation of those dollars. Ultimately, taxes are paid on those dollars which I would hope that perhaps other ministers on the government side of the House would gladly be in receipt of, for their particular portfolios are certainly wanting.

I know the other day the Minister of Tourism (Mr. Lemieux) was very dismayed to report in his Estimates that grants had been cut for heritage projects here in the province. He

said that he just had to pull in the belt in expenditures within his department. I know that he did not want to see that happen. He said other ministers were responsible, that they had to make priorities within their Cabinet which all of us must do, even in our private lives.

Admittedly, within that discussion, the federal government was mentioned, and their particular participation is certainly wanting, although they have made announcements that money is available. It is just that none of us know how to access those dollars. I believe it was hundreds and hundreds of millions of dollars to preserve our heritage and culture within this land we know as Canada.

So, Mr. Speaker, I know the importance of Bill 33, The Private Vocational Institutions Act. I hope that this will provide the structure and support to the private vocational schools here in the province of Manitoba so they, in turn, can continue their good work in offering vitally important educational opportunities to Manitobans, so that they may pursue their hopes and their dreams here in the province of Manitoba.

I thank you for the opportunity to put those short few words on the record in regard to Bill 33, The Private Vocational Institutions Act.

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

An Honourable Member: Question.

Mr. Speaker: The question before the House is Bill 33, The Private Vocational Institutions Act.

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

* * *

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, would you please call Bill 303 for action by leave and Bill 301?

Mr. Speaker: Is there leave to call Bill 303? *[Agreed]*

SECOND READINGS—PRIVATE BILLS

Bill 303—The Salvation Army William and Catherine Booth College Incorporation Amendment Act

Mr. Doug Martindale (Burrows): Mr. Speaker, I move, seconded by the Minister of Advanced

Education (Ms. McGifford), that Bill 303, The Salvation Army William and Catherine Booth College Incorporation Amendment Act; Loi modifiant la Loi constituant en corporation le Collège William et Catherine Booth de l'Armée du Salut, be now read a second time and referred to a committee of this House.

Motion presented.

Mr. Martindale: The Salvation Army Catherine Booth Bible College Act was assented to on August 18, 1983, thereby incorporating this college in Winnipeg. It was amended in 1996 and the word "Bible" was removed, and the name was also changed by adding "William" to make it the William and Catherine Booth College. Today, I am pleased to be the sponsor of this private member's bill, Bill 303, The Salvation Army William and Catherine Booth College Incorporation Amendment Act.

The purpose of this bill is to include a new section setting out the college's purposes and objectives, to clarify the college's ability to affiliate with other colleges and universities, and to remove the distinctions between certain degrees the college may grant. Although this is a minor amendment bill, it is important to this college. I am happy to have been asked to sponsor this private member's bill. I am pleased to have been associated in some minor ways with this college.

For example, I first met Captains Ray and Cathie Harris when they were on the faculty at this college. They have since moved to Toronto. I think they have been promoted to Major since they were first here. I have also had the opportunity and pleasure of meeting the president, Dr. Jonathan Raymond, several times and had the honour of being the guest speaker at the Spring Convocation of William and Catherine Booth College this year.

The Salvation Army has a number of colleges all over the world, but this is the only college that has the right to grant post-secondary degrees. They do this through the University of Manitoba. In fact, all of their courses and programs are approved by the Senate of the University of Manitoba.

At their Spring Convocation, the Chancellor of the University of Manitoba, Bill Norrie, was

present to confer degrees on their students. Their enrolment is constantly growing. Currently, they have a hundred full-time students in Winnipeg. In the next five years, that number will double to 200 students. They have approximately 500 students taking courses at sites outside of Winnipeg and through distance education. They teach face-to-face courses at several locations across Canada, in the eastern United States and, most recently, Bermuda.

One of their board members is from Bermuda. In fact, he is a deputy minister in the government of Bermuda. I had the pleasure of meeting him at convocation. They anticipate that, over the next five years, the number of students taking courses through their extended learning network will increase to approximately 1300. This growth will be achieved as William and Catherine Booth College in Winnipeg is recognized internationally as the centre for Salvation Army educational endeavours. It is projected that their total annual enrolment will grow from the present 600 students per year to 1500 students per year, within the next five years.

They have developed a high-quality, field education program that requires their students to be involved in community field placements. Many of their students give up to two days per week of service in both public and private agencies in the inner city as part of their academic program.

The college greatly values the network of relationships that they have established in Winnipeg over the past 20 years, and want to grow and develop as the leading Salvation Army post-secondary educational institution in the world. I am pleased to make a few short remarks. I anticipate that this is going to committee, and will be passed in the next few days. I am very pleased to be associated with this bill.

Mr. Marcel Laurendeau (St. Norbert): Mr. Speaker, I would like to thank the member for bringing forward this bill on behalf of the Salvation Army. I had the opportunity, a number of years ago, to bring a bill forward that was along the same lines. I am only glad that the University of Manitoba will be recognizing the programming that goes on at Booth Bible. I am looking forward to these positive changes.

Mr. Jim Penner (Steinbach): Thanks to the honourable member for bringing forward this bill, which is of assistance to the accreditation process of the William and Catherine Booth College. I have gone through this process as a board member on a board of governors in a college. I know that accreditation is a long, hard road. I am also familiar with the Salvation Army, since my uncle in Saskatchewan was one of the leaders in the Salvation Army programs in Regina and Saskatoon.

It is necessary for the college to gain a closer affiliation with the universities to establish accredited courses and to establish accreditation. The University of Manitoba and the University of Winnipeg are members of what is called AUCC, the Association of Universities and Campus Colleges. AUCC is the top accreditation organization in Canada. I am proud to say that Trinity Western University, which I represent, is a member of AUCC. That means, Mr. Speaker, that the courses that they design are immediately fully transferable and immediately accredited. So, to do that, it is necessary to have a certain percentage, or a certain portion of the professors must be accredited as PhDs. The library facilities must be adequate, up to a certain standard. The process to get there is to establish transferable credits from the William and Catherine Booth College to the University of Manitoba and to Winnipeg university.

* (15:00)

In Manitoba, we have a unique circumstance, Mr. Speaker. That is that the Province of Manitoba, under the previous administration, has been supporting faith-based schools. That means that the Mennonite University in Winnipeg receives a grant for the tuition of students.

However, they receive no funding, as a Salvation Army school will receive no funding, for capital. Capital has to be raised privately, but costs of operation are shared with the province. Since this also reduces the cost per student to the taxpayer, it is a legitimate expense, it is a legitimate investment in our faith-based schools.

So, Mr. Speaker, in consultation with our caucus, we have certainly no reason not to support this bill, and we hope that the school

continues to grow, and their accreditation process will proceed. Thank you.

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

Some Honourable Members: Question.

Mr. Speaker: The question before the House is Bill 303, The Salvation Army William and Catherine Booth College Incorporation Amendment Act.

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

DEBATE ON SECOND READINGS— PRIVATE BILLS

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

Mr. Speaker: Bill 301, The Assiniboine Memorial Curling Club Holding Company Ltd. Additional Powers Act, standing in the name of the honourable Member for Pembina (Mr. Dyck).

Is it the will of the House for the bill to remain standing in the name of the honourable Member for Pembina?

Some Honourable Members: No.

Mr. Speaker: No. It has been denied.

Mr. Marcel Laurendeau (Official Opposition House Leader): Mr. Speaker, after listening very carefully to the Member for Assiniboia (Mr. Rondeau), and the reasons why he needed this bill for the Assiniboine Memorial Curling Club, we are prepared to move it on to committee.

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

Some Honourable Members: Question.

Mr. Speaker: The question before the House is second reading of Bill 301, The Assiniboine Memorial Curling Club Holding Company Ltd. Additional Powers Act.

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

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Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, would you please call Bill 203?

SECOND READINGS—PUBLIC BILLS

Bill 203—The Labour Relations Amendment Act

Mr. David Faurchou (Portage la Prairie): I move, seconded by the honourable Member for Morris (Mr. Pitura) that Bill 203, The Labour Relations Amendment Act, be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Faurchou: Mr. Speaker, I really do appreciate the opportunity to speak on Bill 203, The Labour Relations Amendment Act. It is of great concern to myself and all those that are interested in seeing this province maintain its infrastructure and, more specifically, the railway infrastructure of our province.

Mr. Speaker, I, along with two of my colleagues on this side of the House, want to address Bill 203 this afternoon, and for that opportunity we are thankful to the Government House Leader (Mr. Mackintosh).

Now, Mr. Speaker, in regard to Bill 203, it is a very short bill. There is basically only one intent of the bill, and the bill effectively accomplishes, if adopted, the repeal of section 58.1 of The Labour Relations Act. This particular section is new to The Labour Relations Act, having only been part of The Labour Relations Act for just about two years. Clause 58.1 was adopted by this House about two years ago.

I will state, at that time, I was in opposition to the adoption of, it was commonly known as Bill 18, which provided this clause to be incorporated into The Labour Relations Act. I do appreciate, though, the intent of the Government, when it brought forward this Bill 18 two years ago, as they were concerned about jurisdiction between the federal government and the Province of Manitoba as it pertains to successor rights, which effectively is the commuting of a contractual agreement from one entity to another, from federal jurisdiction to provincial

jurisdiction. I think we can all be very understanding that there was talk at the time of the potential closure of the Transcona railway yards that provided significant employment in the city of Winnipeg, as well as a great deal of economic activity in the province of Manitoba. It was for discussion at that time of pending closure and a loss of many, many jobs.

* (15:10)

Mr. Speaker, basically the jobs would have been probably picked up by another entity because the work was not something that was going to go away. It was just that the railway company was considering what was in their best interest at the time. It was a concern that persons who had spent a lifetime in service of the railway company, that service record would be lost without successor rights.

We do appreciate the intent of the clause. However, at present that threat of closure is no longer pending. Also, in advent of the passage of Bill 18 and 58.1 being entered into The Labour Relations Act, we all have been enlightened as to the ramifications of this clause, as it pertains to short-line railroad companies here operating in the province of Manitoba. It is very, very understood by all that one, when operating a small railway—there are perhaps only 10 employees or less—to look to that company to have representation to perhaps five different unions and to negotiate five different contracts, because essentially those are the job descriptions that any rail line has regardless of length and amount of miles or kilometres of track.

Mr. Conrad Santos, Deputy Speaker, in the Chair

One does have to have a switcher, one does have to have a signalman and one does have to have a maintenance individual. Those then are responsible for operating the rolling stock, engineers and those others who effectively do the administration and are in charge of that train.

We do understand the original intent. However, this clause has served its purpose; it is no longer necessary. At this point in time, as the Minister of Industry, Trade and Mines (Ms. Mihychuk) is abundantly aware, we are in a

situation that needs to be addressed and that involves the acquisition by the Central Manitoba Railway company of a portion of trackage between the city of Winnipeg and the town of Gimli.

I know the Minister of Industry, Trade and Mines would welcome this amendment as it would certainly make it clear as to how one could move forward with the acquisition by the Central Manitoba Railway of this trackage from Canadian Pacific and all persons that are reliant upon that traffic corridor that provides freight service within the region would be most appreciative.

I will now yield to my colleague from Gimli who is very, very understanding of the situation with the central Manitoba railroad and the acquisition of that line from the Canadian Pacific because it directly affects employment within his constituency. So I appreciate the opportunity.

Mr. Harold Gilleshammer (Minnedosa): I would like to support my colleague from Portage la Prairie for bringing forward this piece of legislation. I say that sincerely because it is not often we get to debate legislation that is non-government legislation. There is a good deal of thought and research and work that goes into bringing forward a bill like this. I think it is very important, as members of the Legislature, that we all have an opportunity to bring forward legislation which affects the quality of life and so forth here in Manitoba.

We have talked about railways before, and I will get into that in a minute. I would say to my colleague from Portage congratulations on doing the leg work on this and to do the research and to bring forward what is an important issue for Manitobans and particularly those that are affected by short-line railroads.

All of us who have lived in this province for some time know about the history of railroads in Manitoba. There was a time that the railways were a very romantic part of life on the prairies, and these ribbons of steel that joined our country together from sea to sea at that time were an important part of binding this nation together by the construction of these railways. Sometimes it is difficult to accept that these railways no

longer are the major mode of transporting people across this country.

I can recall, as a youngster, growing up in Manitoba. My dad worked for the CNR, and one of the perks of being a railway employee in those years was you got these free passes on the railway for yourself and your family. I recall travelling from one coast to the other by rail with my parents in the summertime, seeing what a huge country this was and admiring this country, as I studied history, got to know the history of the railways and how this was a major part of Confederation and bringing provinces together.

In the little village where I grew up, the railway, at that time, brought the daily newspapers in. This was our opportunity. Mind you, they were often a day late but still very important to be able to read in the daily papers. The Minister of Culture, I think, probably is recollecting some of this from his youth as well. In the little villages, there was the local drayman who picked up the dray or the parcels, the food stuffs that came on the train.

I remember living near the station and assisting him. I knew when the trains came in, and I was not paid for it, but enjoyed helping load the truck and then drive around town delivering to the hardware store and the grocery store and to others in town, again, a period in our history that I look back fondly on.

I grew up in the village of Erickson. I can recall every summer the troop trains coming into town because we had a major cadet camp at Clear Lake at that time on the north shore of Clear Lake. Unfortunately, it has been let go and not used, but these young would-be soldiers, in uniform, were brought into Erickson for about a three-week period. We would gather at the station, and they, of course, got out, and lined up, and got ready to get in the trucks for that drive up to the park. But they used to ask us to run downtown and get them a bar or a drink or something, because they had been on this train for a long time. I would remind you that these trains were not air-conditioned in those years. In fact, this was a long and dusty ride for some of them. We were more than happy to help them out because, often, there was a bit of a tip in it for us as well. But the railway was just a very important connection in our community.

Mr. Speaker in the Chair

It is sad to see that this line has now been ripped up from Neepawa up through to Russell, the Rosburn subdivision. It is part of the Trans-Canada Trail, but this is not the use that I remember.

This was not the use that it was intended for. Unfortunately, we are having to accept that railways no longer perform a useful function, but we are paying for that in the fact that our roads are getting beat up by the truck traffic and the other traffic that is on our highways.

I think it is rather sad that these rail lines did have to be ripped up, but there is an answer in some of our communities. That is to allow for these short-line railways to exist and expand. We have some potential in Manitoba now, if these short lines would be allowed to flourish, but this Government passed legislation in the last session which has a very detrimental effect on the creation of short-line railways. I think it is very sad, and it is one of those balancing acts where they felt they had to make a statement for their unions to preserve the unions that once existed.

Well, the union does not fit with the short-line railroad, because the short-line railroad wants to employ two or three people who not only drive the train, but they fix the track, and they do anything else that needs to be done, but with the successor agreements that is not allowed to happen because the union is very regimented. The union is very definite about what people can do, and as a result—and we were told this at committee by people who owned and operated short-line railroads at that time, that this would be the death knell for the expansion of short-line railroads.

That is coming to pass, because right now we are looking at a line that goes from Selkirk to Gimli which the CPR wants to abandon. They will make that decision. They have every right to make that decision, if, in fact, it does not meet with their business plans, and in fact if it is no longer in a position to create positive revenue for the company.

There is in place in Manitoba individuals who would like to expand their holdings in short-line railroads, and would be very happy to purchase this and operate it like they do their other short lines.

This company out of Brandon, Cando Contracting, is a model corporate citizen in this province where they have employee ownership. These employees understand how a short-line railway can work, how it can make money, how it can succeed, and it does not need government interference. As a result of that bill that was passed last session, while they have looked at the economics of taking this over, they are walking away from it. They are not interested in taking it over.

The Minister of Industry knows this. She has been skating with this in the House, indicating that everybody is at the table, negotiations are going on, the deal could still be consummated, the deal could still be made. But the partner who is going to purchase it is saying no. We have looked at it and because of your legislation, we cannot go ahead with this purchase. This is like cutting off your nose to spite your face.

* (15:20)

The Government needs to make some amendments to their legislation so that this rail line can continue to exist. You have got a willing buyer and a willing seller, if the legislation is changed to make it viable once again. It shows a definite lack of understanding on the part of the Government of how a short-line railway can work. I commend again the Member for Portage la Prairie (Mr. Fauschou) in bringing this forward, in pointing this out to the Government and saying, there is a way we can make this work. If you can yield a little on your legislation, give a little so that the legislation can be changed, this could again become a successful short-line railway.

I recall when the negotiations were on, on the Hudson's Bay line, that the CN company had very little motivation and very little interest in keeping the port of Churchill open, in keeping that line open. Since it has been taken over, in the mid-nineties, by OmniTRAX, now we are seeing the successes of that rail line. We are seeing the successes of the port in Churchill. The sky is the limit. These are entrepreneurs. These are business people. These are people who want to make this work, and they do not want to have the Government interfering in their business.

In fact I sort of find it amusing that members of the Government, ministers of the Crown, talk

about OmniTRAX and how wonderful they are doing. Are they not aware of what Cando Contracting has done? Are they not aware of the other short-line railroads, and that these can be truly a success? If they want to preserve that line from Selkirk to Gimli, there is a willing buyer and somebody who is prepared to keep that line open, which has a major impact on some of the economy in that part of the world.

I would urge the Government to consider this legislation; to take a look at this amendment to The Labour Relations Act that would allow that to take place. This bill repeals section 58.1 of The Labour Relations Act. Section 58.1 deals with the status of collective agreements that relate to formerly federally regulated businesses that become provincially regulated after a sale. So this is purely within the purview of the provincial government to make this change, and to see the success. In fact, there is a tremendous downside to the Government if they do not go ahead and make this change, in that the CPR, who has agreed to keep the line open for a few more months, could very well close it. The Government will be scrambling. They will, perhaps, be trying to put money into it. They will, perhaps, try to find buyers, but unless this legislation is changed, this will not work as a short-line railroad.

I would ask members of Cabinet, the Minister of Justice (Mr. Mackintosh) and others, to take a serious look at this bill that has been brought forward by my colleague from Portage la Prairie because he truly understands the situation. In fact, I know that he would be happy to meet with members of the Government to give them a little more insight into this. The member from Gimli, who understands the economy of his constituency, the importance of this rail line to the town of Gimli to the company that makes a fine product in Gimli, and needs to have the ability to ship that out; that company could very well shut down. This railway could shut down, and the Government is simply standing idly by, instead of taking proactive measures.

The Minister of Culture (Mr. Lemieux), I think, understands the railways, and understands some of the history of them and how they are important to this province. I would urge him to take a look at this legislation, communicate with

his colleagues and say, listen, we made a mistake in passing that legislation last year. There is nothing wrong with revisiting the legislation, and nothing wrong with admitting that you have made a mistake. In fact, it is a quality to be admired in people when they say we have taken a second sober look at this, and it was a mistake to pass that legislation. We are prepared to rescind it, to change it, to allow short lines to flourish because I can tell the Minister of Culture there are going to be other lines like this. There are going to be other areas of this province who are currently served by the CN and CP who are going to be looking at closure.

We have a company in Manitoba. In fact, we have a couple of companies that are in the short-line railway business. They know the economics of it. They know how to make these lines profitable. There is a small profit margin here if they are allowed to run them the way they want to run them.

You do not have to be concerned about the employees of Cando Contracting and their short-line railroad. They are part and parcel of the operation. They have been allowed by, I think, a very intelligent and far-sighted owner to have part of the ownership of that. So he does look after his employees. His employees are part of the operation, have been for a long time. You do not need to put in place legislation to protect them. You do not have to have in place legislation which guarantees people certain jobs for life. His employees are flexible. They understand the economics of the short-line railway.

I would urge the ministers and members of the Government to take a serious look at this, particularly the Minister of Industry (Ms. Mihychuk), because I think she found out with the harness racing industry, where a very negative decision was made by her colleagues on Treasury Board to take money away from the harness racing industry. I would urge her to take a look at this legislation that has been brought forward by the member from Portage la Prairie. It allows her to have a solution to this.

Mr. Speaker: Order. The honourable member's time has expired, 15 minutes for private members.

Mr. Edward Helwer (Gimli): I would just like to put a few comments on the record in support of Bill 203, The Labour Relations Amendment Act. I want to commend the Member for Portage (Mr. Faurichou) for bringing this amendment forward because it certainly would change the way some things do business in Manitoba.

I think the Minister of Labour (Ms. Barrett) should realize that the best idea to get rid of part of Bill 18, section 59, or whatever it is, and to repeal that section of Bill 18 would be the answer to a lot of problems that we have here in Manitoba, especially in my area. The Member for Minnedosa (Mr. Gilleshammer) touched on the railway to Selkirk and Gimli, and it is important that something be done with that railway.

A couple of the big shippers along there are, of course, the Manitoba Rolling Mills in Selkirk and the old Seagram's plant, the Diageo, which is Guinness' UDV now at Gimli, one of the main reasons that we need that rail line is they wanted to expand their production there at Gimli. One of the main things made there is Crown Royal whiskey, and everybody likes Crown Royal, made in Manitoba with Manitoba water. One of the main reasons it is made there is because of the water.

What happened was, when they closed the distillery down in Québec—they closed two distilleries, as a matter of fact, one in Ontario, one in Québec—they were going to move part of that production of that Crown Royal to Gimli, because Gimli was already making Crown Royal. But, because of Bill 18 and because of the railway, the CP wants to abandon the railway. They had a willing buyer in Cando Contracting from Brandon, Gord Peters, but, because of Bill 18 and the successor rights, they were not possible to come to terms with CP on this railway.

There is no way that Gord Peters and Cando Contracting are going to accept the union and successor rights of CP that CP has now. It just does not make sense, because Cando Contracting is an employee-owned company that operates independently. They do not have a union. They do not need a union. They have a company that is run by the employees, and it makes a lot of

sense in the case of a railway, because they have to become efficient in order to make some money on that line.

* (15:30)

There are a lot of options for that line. If there is grain, there are a number of farmers, Diageo, the distillery, and out of Selkirk, of course, there is a big steel mill, the Manitoba Rolling Mills. But, along that line, a number of farmers already load the producer cars at Gimli, if there was a railway. Right now, the railway, the CP, is running two trains a week, Tuesdays and Fridays, because of the amount of product that has to be shipped from the distillery and farmers who are shipping producer cars.

In the past number of years, elevators have been closed at Riverton. There is no more elevator there. There is no elevator at Gimli. There is no elevator at Leslie. The elevators are closed, no elevator at Selkirk. They tore down the elevator, closed and torn down. So farms are getting larger, and, as they get larger, they can market their own grain and load producer cars. It makes sense, Mr. Speaker, that we have a rail line there and allow farmers the ability to ship their grain directly to either Thunder Bay or Vancouver or wherever it has to go.

Producer cars are becoming more and more popular amongst the larger farmers because they can grow a lot of grain of one particular variety or one particular kind that is rated the same, and to ship a whole carload to market. So there is no reason why this Government could not allow the amendment of this bill, repeal that section of Bill 18, which would take away the successor rights, and allow Cando Contracting to buy the rail line from CP. They would pick up a lot of business along that line. Everybody would be able to work on that.

An Honourable Member: This is about jobs.

Mr. Helwer: It is about jobs. Let me tell you. Seagram's alone or the new-coming Diageo who lost some of the production to a plant, Schenley plant, in Edmonton, and also another plant in Amherstburg, Ontario. That is what happened to Diageo. Because they could not expand in Gimli because of the railway, they went to other

distilleries and expanded their production elsewhere. So what we did is lost jobs in Gimli and in Manitoba.

You know, the Seagram's company or Diageo, as it is called now, are excellent corporate citizens. They are good, community-minded people. They help the community. They help any kind of sports facilities. They made a large donation to the new hospital in Gimli, the new health care centre. They are a great company and very good corporate citizens.

If we allow this rail line to go because of this government's inability to deal with Bill 18 and to repeal that section of Bill 18 and to pass this Bill 203, they have really cost jobs in my constituency and in the Gimli area. This is, certainly, having an effect on business in Manitoba. So it takes in a very large area, this railway that Cando Contracting wants to take in. So it is very, very important. *[interjection]*

That is right. That is with special crops. Well, you know, that is another thing. There are lots of opportunities up in the Interlake area. As a matter of fact, there is a company at Riverton making environmental blankets right now out of straw. They need something like 4000 tonnes of straw and I do not think they are going to be able to get that much straw in the local area. So they are going to have to ship it in. But, if there is no rail, they have to ship by truck—

An Honourable Member: And on new roads.

Mr. Helwer: Well, that is right. There, again, it is going to cost the Province a lot of money to maintain the highways, because the trucks are going to use these highways and pound them to pieces and they will have to be rebuilt a lot sooner to be able to carry the heavy weights and to—

An Honourable Member: Rebuild them.

Mr. Helwer: Well, that is right, rebuild, but we have. During our term of office in government, we did fix up Highway 9, Highway 8. Also, Highway 8 is complete to Gimli, but it has to be built further in to Riverton and Hecla. There is a lot of freight comes out of Riverton and the Gimli area already with fish, and it is all trucked—*[interjection]*

Mr. Helwer: Well, I do not know about twinned, but I would not mind if they could extend the highway. The four-lane from Parkdale north at least to Gimli would be very nice, but that is just some of the reasons why we need to pass this bill and repeal that Bill 18.

I am sure that there are going to be many, many more examples of this come up in Manitoba in the next years to come because CP and CN want to get rid of some of these smaller railways and Cando Contracting want to expand, but they cannot. So this is not the only problem that is going to come about. There are going to be other examples, I am sure, in the near future, that are going to come about in the same kind of situation. So this is going to affect rural Manitoba in many, many areas, not only the Interlake area, but in many, many areas of Manitoba. It is not only on this one line through Selkirk and Gimli.

An Honourable Member: If this Government really cared about rural Manitoba—they do not care about rural Manitoba. They do not really know that there is life outside the Perimeter Highway, as a matter of fact.

An Honourable Member: Do not care about rural Manitoba.

Mr. Helwer: You do not; you do not know there is even life outside the Perimeter Highway. I have not heard the Member for Selkirk (Mr. Dewar) say one word about losing that rail line to Selkirk and Gimli, not one word.

An Honourable Member: The Member for St. Vital (Ms. Allan) is supportive of this amendment.

Mr. Helwer: Is she?

An Honourable Member: Yes, she supports rural Manitoba.

Mr. Helwer: Well, good.

I just want to say one other thing about another industry that is starting up in the Interlake area. They are the environmental blankets. These are shipped throughout the U.S. Right now, they are shipped by truck, but there is no reason why they could not be shipped by

rail, if we had a local railway that they could load the cars in Gimli or something. So this is affecting many, many industries. You know, we have an industrial park there at Gimli that has the capability to expand and attract new industries to employ more people, but we have to have a railway, Mr. Speaker, and in order to do that, we have to repeal Bill 18 so that they do not have to have these successor rates.

Those are just some of my thoughts on Bill 203, and I would certainly support it. I want to again thank my colleague from Portage for bringing this bill forward. It certainly does meet the standards that we need. So thank you, Mr. Speaker, for this opportunity.

An Honourable Member: Pass.

Mr. Glen Cummings (St. Rose): Are we ready to pass? Mr. Speaker, I believe I heard from the government benches that perhaps they are prepared to pass this bill to committee. I am looking to the Government House Leader (Mr. Mackintosh) for guidance. Pass?

Mr. Speaker, I would agree to pass this bill to committee.

Hon. Jon Gerrard (River Heights): Mr. Speaker, I just want to say a word or two on this bill before it goes—[interjection] I think that what we have seen is a poor example of operating the provincial government from the point of view of the people of Manitoba. Certainly, there is a critical need to resolve the issue of the future of the line to Gimli. There is a critical need for the Minister of Industry, Trade and Mines (Ms. Mihychuk) to own up to her critical responsibility and role here. One of the options which would appear to be available is passing this bill to resolve the issue and clarify it. As such, failing any satisfactory action by the Minister of Industry, Trade and Mines to resolve this, I believe that this would be a satisfactory solution.

Clearly, what is needed here is some sensibility and sensitivity to the needs of people in the Interlake region. Clearly, what is needed here is to have some consideration for jobs, employment in the future of the people in Gimli. Clearly, what is needed here is to have some

thought for the economic future of the province. I believe that we should get on with the work of resolving critical issues like this, and if the minister has been unable to achieve a resolution in any other fashion, as she has repeatedly indicated and promised and said that she is working on it, but we have not seen any sign of that.

So, Mr. Speaker, I think that, failing some effective action by the minister, the only real recourse of this Legislature would be to pass this bill, get it on to committee. Let us have hearings and move it from there.

* (15:40)

Mr. Frank Pitura (Morris): Mr. Speaker, I would just like to put a few comments on the record in support of my colleague from Portage la Prairie in bringing this bill forward and my support for this bill and trust that the House will see fit to pass it on to committee today.

I had the privilege of having some discussions with the individuals from the Diageo company at Gimli who are deeply concerned about the impact that this lack of rail service will mean for their company at Gimli, and what it could mean for this entire industry in Manitoba. Certainly, within the existing Bill 18, there is a clause within that bill that could grant an exemption to whoever is a short-line rail operator taking over the rail line in terms of the exemption with regard to succession.

It is up to the minister to take that leadership to grant them that exemption, and if that would occur, that would establish and maintain for a long term the sustainability of a rail line to Gimli for many years to come, whether, in fact it, continues to be CP, or whether it is a line like Cando or the Central Manitoba Railway. The minister has that ability right now under this act, under the present legislation that they passed in their first session here, to grant them that exemption.

However, my colleague from Portage la Prairie brought in this bill that would eliminate the clause within that legislation, which, I think, is the right way to go, which eliminates successor rights with smaller rail lines taking

over the abandoned rail lines of the larger railroads.

Any time a short-line railroad takes over the running rights on either a CP or CN line, that railroad does it with far fewer employees. In the situation that we have with the Central Manitoba Railroad, where it is employee-owned, all of the employees are probably jacks of all trades. They can be an engineer. They can be a customer sales representative. They can be a switcher, construction. They can perform a number of duties. If the succession rights in the legislation have to be carried forward to a small running rights rail line, this, in effect, would make them hire many people, and would make them totally uneconomic. So small rail lines will totally reject any kind of opportunity in Manitoba.

Interestingly enough, when the Government brought this legislation forward, when they first brought it forward, we warned them, and said that the passage of Bill 18, along with clause 58 with regard to succession rights, is going to result in no small-line, short-line railroads coming into this province or expanding within the province. We have a couple of short-line railroads in Manitoba at the present time. They are functioning quite well.

However, in order to be able to sustain them in Manitoba, and to help them with their growth in Manitoba for their future economic activity, they need to expand their short lines within the province. Expansion from Selkirk to Gimli would have been one of those expansions for Central Manitoba Railway, which now operates a short line in my constituency. I say this with a little bit of selfishness, the fact that in order to preserve the short-line rail in my constituency, it is important for them to be able to function properly from Selkirk to Gimli and to continue that service there and to enhance that service to a company like Diageo. I am very much in support of the fact that succession duties within this piece of legislation should be withdrawn.

In my colleague's piece of legislation that he has introduced, it is a very simple piece of legislation, very clear-cut, saying that this section should be repealed, and then we do not have that issue to worry about, and a short-line railway like Central Manitoba Railway can have

confidence in being able to operate the line from Selkirk to Gimli, from Morris to Hartney and to continue their growth and taking continuing much-needed rail service in Manitoba where the old line companies such as CP and CN are not willing to go. I hope that all of our colleagues in the Legislature will see fit to pass this bill on to committee today. I will allow another speaker to make some comments.

Mr. Larry Maguire (Arthur-Virden): Mr. Speaker, our member from Portage la Prairie is to be commended for his actions in bringing this bill forward to try to clarify some of the concerns about how we develop relations in Manitoba between our industries and employment in the province, and try to expand the economy of Manitoba.

I would beseech the members of the Government today to reconsider the sections of the Labour Relations Act, particularly section 58.1, that they have brought forward that inhibits the short-line railroad from making expansions, under the guidance that it has already operated under in this province for many years by forcing it to become unionized.

Mr. Speaker, I just want to make a few comments in regard to some concerns from Cando Contracting president, Mr. Gord Peters, in relation to his concern. He brought this concern forward to the minister as well as in committee a number of times in regard to the efficiencies with which this company operates, the fact that it is an employee-owned company.

I just wanted to make a few comments that Mr. Peters indicated that Bill 18, passed two years ago, essentially said that if a company under federal legislation sold a portion of its business to a company under provincial legislation, the latter would have to retain the former's existing workforce and also abide by the former's terms of collective agreement. This is what is referred to in the rail industry as successor rights. Of course, it deals with the relationship of a provincial company taking over a portion of a federal company that the federal company may want to dissolve themselves of.

In this case, Mr. Speaker, these are generally short portions of track that they do not feel as a major international company now that they

could perhaps be as efficient as they need to be in working in that particular short space of track. This particular case that was being looked at was the one from Winnipeg to Gimli, where a rail branch line was being used to move product from the former Seagram Distillers out of that area and steel companies there to move their fine product out of the honourable Member for Gimli's constituency down through to Winnipeg to connect with markets across North America.

This legislation, which maybe seems innocuous to some, can have a very detrimental effect on a company who is not the size of a CN or a CP, to be blunt, Mr. Speaker, or those size of railroads. When you have a company that has got sound labour relations and a very good track record, working record, a very profitable record as well, if I could add, who wants to make jobs and expand its base here in Manitoba. This Government has refused to allow them an exemption under Bill 18, which is what they, of course, first asked for, to do business in this province.

But I believe that to be fair to all short lines in Manitoba, and we have a few others in Manitoba, never mind the fact that there are others operating in North America who will not even look at Manitoba under this kind of legislation to come here for the future, I believe that it is the proper decision that the member has made from Portage la Prairie to request that the Government actually repeal section 58.1 of The Labour Relations Amendment Act, Bill 203, as has been outlined in this House today.

Mr. Speaker, I just want to put a quote on the record from Mr. Peters, as was reported in the *Manitoba Cooperator*, recently which states that: It would force our guys to become unionized, and if Becky is saying that we have to be unionized, then it is very clear we will not be back. That quote, I think, outlines the concern of our short-line railroads in Manitoba.

He goes on to say that their short line, who the majority owners are the employees of the company, say that: We are getting represented the way we want to get represented anyway. We own the company. We make decisions how we want. So why put another layer in there?

It seems very clear that this company, with its successes, is not only a Manitoba-based

company. It operates short-line railroads in Alberta, in Ontario, in the United States. It has a sound record not only as a company that started out being in the recycling of short-line railroads, if you will, of track, taking up track, recycling of railroad ties and steel and the service lines that did not want to be operated anymore.

* (15:50)

They started out as a young company in Manitoba with some energetic people with sound ideas and lots of energy, and worked day and night to try to make a go of it, and have done so from absolutely nothing when they first started out. This is a very sound example of a company, of how it can grow, how it can build on the initiatives of the individuals who want to make it grow. It is also an example of how a person with that idea can go on and succeed as Mr. Peters has, in not only being the chairman of the Brandon Chamber of Commerce for his term, but, also, now gone on to be this year elected as the chairman of the province of Manitoba. Then we should very well listen to some of their concerns and allow them to operate at least in their home province in a manner that would be conducive to them, at least giving them some incentive to stay here, to locate and keep their head offices here so that we are not making it prohibitive for them to do business.

Before I became an elected Member for Arthur-Virden in 1999, I had some personal experience with the issues of successor rights across Canada with the Canadian Transportation Agency in a number of rulings that go around, a number of these particular pieces of legislation. It would be incumbent upon me, if I were minister, to listen to these kinds of presentations very clearly because, when I look at how difficult the rest of some of these industries have tried to make it work for some of these industries to exist around the other red tape, if you will, that they put in place, this is one that we could have really helped out in our own province by attracting some pretty heavy equipment, some pretty down-to-earth individuals and some hardworking souls, if you will, that have run a very sound company.

If there are any profits in these kinds of companies, one that is owned by its employees

being the majority owners, it is certainly one that we should look at as somewhat of a model in this province, indeed, all of Canada. I think that Mr. Gordon Peters has recognized that by making him chairman of the Chamber of Commerce in Manitoba today.

Mr. Speaker, it is not the few jobs that would be impacted by having this company operate this line. It is those several hundred that we may lose in the distillery operation at Gimli, in the steel plant that are going as well, in that area. It is unfortunate that we are looking so callously and focusly inward on what, in this case, for the short line and not just Mr. Peters's company, but any short line. To take that line over, they would have to look at the four or five jobs that they feel are important to their union boss friends to have those jobs set in stone that they will be there forever when, really, now that it has changed focus from a major railroad to a short-line operating company, that, perhaps, individuals could do multiple jobs on some of those short-line operations such as switching, such as shunting cars, such as helping load.

I am not saying that the people who are unionized and doing the job now are not doing a good job. They are doing a good job for the major railroads that they are working for today. But this is about making sure that you give this kind of a company the flexibility that will allow it to employ a few more Manitobans on a regular basis in its own company, but make sure that, if there is any expansion in the other companies that it is working for. Keep in mind, Mr. Speaker, that this company has to haul something to make it viable in the first place. As I have pointed out, there are at least two companies that would rely on the 20-year agreement that Cando Contracting, Central Manitoba Railway has put forward to continue and make sure that these companies are viable in the future.

That, Mr. Speaker, is no small win for Manitoba because, if we have got hundreds of jobs continuing to work in those areas, we will also have companies from outside of Manitoba looking at coming here. That company itself is large enough that it has bases outside of Winnipeg and outside of Manitoba. We have had indications that they would have come here to expand some of their base, but we will lose that

expansion, and have already done so in some of the products that are being built and processed by these companies. I find that a lost opportunity for Manitobans.

So, Mr. Speaker, with that, I will end my remarks. I would just close by asking the members of the Government to vote in favour of this amendment, to repeal section 58.1 of The Labour Relations Act, as this has been put forward. It would save them a great deal of angst, I think, in their negotiations with others in trying to get this process in place. I think they would have an immediate uptake of an operating company in Manitoba go ahead with signing agreements and keeping jobs in Manitoba.

So, with that, I will end by calling the Speaker to call the question on this bill.

Point of Order

Mr. Speaker: Is the honourable Member for Portage la Prairie on a point of order?

Mr. Faurischou: Yes, Mr. Speaker.

Mr. Speaker: On a point of order?

Mr. Faurischou: Point of order. I would like to ask the Speaker to canvass the House to see if there is leave for the honourable Member for Ste. Rose (Mr. Cummings) to address this bill, as there was some confusion earlier this afternoon in regard to whether or not you had called the question.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. It would require unanimous consent for the member to speak twice.

Is there unanimous consent for the Member for Ste. Rose to speak twice? No? Is there unanimous consent? *[Agreed]*

* * *

Mr. Cummings: Thank you, Mr. Speaker, and thank you to the House. I wanted to put a couple of comments on record. Unfortunately, I thought that perhaps this bill was on its way to committee, so I chose to refrain.

Mr. Speaker, the issue here is that we would like this rail facility, this rail line, to be useful, to be functional, and it is an investment, and job opportunity in this province. The minister and, I know, the Government say that they agree. What I fear is that we can agree, but if we do not move forward with some solution to this problem, we will be faced with the possibility of this line not being operational.

The issue in my mind is not whether or not a specific company has an opportunity to operate. But the fact is there is probably only one valid offer that will make this operational. Secondly, in my mind, the issue is not, need not, be a major labour issue because, while there might be some principles involved, if we go past the positioning that labour and business often take on issues such as this, if we go past the positioning, the fact is we have very few rail lines left in this province, Mr. Speaker. OmniTRAX owns the Hudson Bay Line, and the port. Frankly, in my area, the only lines that are left are the main lines, and that is not an issue and that is not in question.

So I really would urge all members of this House to work for the betterment of the province, an opportunity that is being somewhat shrunk, if we continue to debate or if we continue to have inertia on how we might move this forward, because it is not going to move forward under the present conditions unless something changes. I understand that there may be options that are available to the Government where they may be able to make some amendments of their own within the present act. If they want to do that, then I wish they would send a signal to the industry.

* (16:00)

My colleague from Portage la Prairie has done, I believe, a real service in the interest of debating how we can solve this problem by bringing forward this bill. If this bill is not the end of the debate, if this bill is not where we choose to go as a province, then I would urge the Government to move it forward.

I had said to the minister, when I asked if I could recover my opportunity to speak on this bill, I am not personally attacking her or any member of this Government. I am saying to the

Government, we are genuinely concerned. The fact is, there are not very many other lines out there left. Believe me, I have seen them close, and I have watched with some dismay as they close. The only lines that we have left that might end up in a private manner, I believe we have one left in southern Manitoba, beyond this one. So it goes beyond being a matter of principle. I would urge this House, on both sides, the Government has an opportunity and the responsibility to act. I would urge them to move forward with a solution.

We believe this bill would provide a solution. If it is not the one the Government chooses to grasp, then I would ask them to move forward and put an offer on the table so that we can make this line work.

Hon. MaryAnn Mihychuk (Minister of Industry, Trade and Mines): I move, seconded by the Minister of Agriculture and Food (Ms. Wowchuk), that debate be adjourned.

Mr. Speaker: It has been moved by the honourable Minister of Industry, Trade and Mines, seconded by the honourable Minister of Agriculture and Food (Ms. Wowchuk), that debate be adjourned. Agreed?

Some Honourable Members: No.

Voice Vote

Mr. Speaker: All those in favour of adjourning debate, say yea.

Some Honourable Members: Yea.

Mr. Speaker: All those opposed to adjourning debate, say nay.

Some Honourable Members: Nay.

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

Formal Vote

Mr. Marcel Laurendeau (Official Opposition House Leader): Yeas and Nays, Mr. Speaker.

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

* (17:00)

Order. The question before the House is: Shall debate on Bill 203 be adjourned?

Division

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

Yeas

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

Nays

Cummings, Dacquay, Derkach, Driedger, Dyck, Faurshou, Gerrard, Gilleshammer, Hawranik, Helwer, Laurendeau, Loewen, Maguire, Mitchelson, Murray, Penner (Emerson), Penner (Steinbach), Pitura, Reimer, Schuler, Smith (Fort Garry), Stefanson, Tweed.

Madam Deputy Clerk (Bev Bosiak): Yeas 30, Nays 23.

Mr. Speaker: The motion has been carried.

* * *

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, on further House business, would you please call third readings of bills in the following order: 34, 32, 22, 43?

THIRD READINGS

Bill 34—The Charter Compliance Act

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Mr. Speaker, I move, seconded by the Minister of Intergovernmental Affairs (Ms. Friesen), that Bill 34, The Charter Compliance Act; Loi sur l'observation de la Charte, be now read a third time and passed.

Motion presented.

Hon. Jon Gerrard (River Heights): Mr. Speaker, I rise to speak on third reading of Bill 34. I support Bill 34, The Charter Compliance

Act. This act, together with Bill 53, will bring Manitoba into compliance with the Charter of Rights and Freedoms. The act will recognize the legal obligations and responsibilities of individuals in same-sex relationships, and will mean that it is now necessary for those in same-sex relationships to report conflicts of interest just as those in opposite-sex relationships now have a responsibility to do.

I support Bill 34, including the ability of same-sex couples to adopt children. I understand both the NDP and the Conservative parties also support the ability of same-sex couples to adopt children. I have listened carefully to testimony at committee stage, and noted the arguments put forward by the Conservative Party in opposing this bill at committee stage. In my view, the points raised by the Conservative Party in opposing this legislation are not of sufficient merit to vote against the bill. The Justice critic for the Conservatives has indicated that she is concerned about safeguards to protect children from being adopted by felons and about the process for screening applicants for adoption.

While the process for screening applicants for adoption may not be perfect, the procedures have been developed over many years and have a significant level of rigour and thoroughness. I believe that Child and Family Services have the competence to do effective screening, but I would urge the Minister of Family Services (Mr. Sale), in review of the committee testimony and the comments, to review the process once more in light of Bill 34.

But to vote against this bill based on concerns with screening is not a satisfactory reason, given the long history in Child and Family Services to develop and use effective screening approaches. Interestingly, in one regard, the screening process will now be much improved from previous.

Under the existing system, same-sex couples can adopt on the basis of an application by one of the parents. Under the present system, the application does not have to and indeed must not include the second parent. Under the present conditions, it is much more likely that a criminal conviction or other concerns with the character of the second parent might escape notice, since

information about the second parent is not only not required, but indeed under the present legislation, one of the two same-sex partners must remain completely silent and hidden.

Under Bill 34, details of both same-sex partners will now be required, and screening can be done in this fashion in a way that is much more complete as well as more honest than at present.

I do have some concerns about the potential for varied interpretation of the phrase "some permanence" in reference to the length of time that common-law partners must live together for this act to apply, and the varied times that are used in different parts of this act. Nevertheless, specific sections of the act do have specific time frames, and, hopefully, over some period of use, greater clarity will emerge.

I want to note, Mr. Speaker, that I have listened carefully to the opinions of church leaders who presented at committee stage of Bill 34. I note that there were church leaders who spoke both for and against Bill 34. I respect the opinions of church leaders and the strong feelings both for and against this legislation. Nevertheless, as legislators, I believe that, while we should listen carefully to church leaders, there is a separation of church and state which is important to note and to recognize as we consider this bill.

The issues we consider here have been the subject of intensive debate and discussion in Manitoba over quite a number of years. They are not necessarily easy ones, but as legislators, we have the responsibility to support the Canadian Charter of Rights and Freedoms as it has been interpreted by our courts to recognize the pluralistic nature of our present society and to end areas of discrimination in our province.

I would now like to provide a bit more detail on why I support the legislation. As a physician and in my practice of medicine when I was actively practising, it has been my belief that I should provide equal medical care to individuals regardless of their sexual orientation. As a physician, it is my belief that in practising as a physician there is a responsibility and an obligation to do what I can to help a person who

is sick or to provide advice and assistance to someone who wants to be healthy, independent of whether they are straight or gay or lesbian or bisexual.

In a similar fashion now as a legislator, I believe it is important to do the best we can to achieve fairness and justice with respect for individuals whatever their sexual orientation.

Second, as a society, I note that we have moved progressively during the last several decades to recognize that there has been in the past discrimination against people who are homosexual. We have moved steadily to address this discrimination. I would like briefly to tell two personal stories.

The first involves a good friend of mine, Doug Whitfield. In the late 1960s we spent a lot of time together in Saskatchewan banding owls, hawks and eagles. We had a lot of adventures together and some of these, for example, the time we took a plane down a rapids on the Churchill River, are mentioned in the book *The Bald Eagle, Haunts and Habits of a Wilderness Monarch*. We canoed, we hunted grouse and ducks and we spent time watching birds. Each of us also dated girls, and we each got married. Some time after he was married, Doug and his wife split up. Doug came to the realization that his predominant orientation was homosexual. He joined the gay community.

* (17:10)

We have kept in touch in the years since, though we have, for the most part, lived long distances apart. I have learned, from time to time, of the difficulties and the discrimination Doug has experienced. At one point he may have lost his position at a university because of being gay. At other times I have seen and felt the ostracization he has received. It is time to end such discrimination.

The second involves another good friend who began to help me with media relations and communications shortly after I was elected MLA in River Heights in 1999. It was some time before I learned that she lived with a same-sex partner. This did not change the professional relationship we had. We continued working

together until shortly before her untimely death some months ago. From her, I have learned more of the difficulties many who are lesbian or gay have experienced in the last several decades.

Last year, I stood up to support bringing Manitoba into full compliance with the Charter of Rights and Freedoms by fully addressing the various statutes which have needed changes in Manitoba. Today I want to compliment the NDP government for completing the job begun last year. There are many areas where I disagree strongly with the approach being taken by the NDP government, but in this instance I think it is important to improve fairness and to end discrimination, and I provide them with compliments.

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

Some Honourable Members: Question.

Mr. Speaker: The question before the House is Bill 34, The Charter Compliance Act.

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

Some Honourable Members: No.

Some Honourable Members: Yes.

Voice Vote

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

Some Honourable Members: Yea.

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

Some Honourable Members: Nay.

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

Formal Vote

Mr. Marcel Laurendeau (Official Opposition House Leader): Yeas and Nays, Mr. Speaker.

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

The question before the House is third reading, Bill 34, The Charter Compliance Act.

Division

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

Yeas

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

Nays

Cummings, Dacquay, Derkach, Driedger, Dyck, Faurshou, Gilleshammer, Hawranik, Helwer, Laurendeau, Loewen, Maguire, Mitchelson, Murray, Penner (Emerson), Penner (Steinbach), Pitura, Reimer, Schuler, Smith (Fort Garry), Stefanson, Tweed.

Madam Deputy Clerk (Bev Bosiak): Yeas 31, Nays 22.

Mr. Speaker: The motion is accordingly carried.

* * *

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, the next bill.

Bill 32—The Fatality Inquiries Amendment Act

Hon. Gord Mackintosh (Minister of Justice and Attorney General): I move, seconded by the Minister of Family Services and Housing (Mr. Sale), that Bill 32, The Fatality Inquiries Amendment Act, be now read a third time and passed.

Motion presented.

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

An Honourable Member: Question.

Mr. Speaker: The question for the House is Bill 32, The Fatality Inquiries Amendment Act.

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

Bill 22—The Public Schools Amendment Act (Francophone School Division Governance Structure)

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, I move, seconded by the Minister of Finance (Mr. Selinger), that Bill 22, The Public Schools Amendment Act (Francophone School Division Governance Structure); Loi modifiant la Loi sur les écoles publiques (structure de gestion de la division scolaire de langue française), be now read a third time and passed.

Motion presented.

Mr. Speaker: Is it the pleasure of the House to adopt the motion? *[Agreed]*

Bill 43—The Polar Bear Protection Act

Hon. Gord Mackintosh (Government House Leader): I move, seconded by the Minister of Conservation (Mr. Lathlin), that Bill 43, The Polar Bear Protection Act, be now read a third time and passed.

Motion presented.

Mr. Speaker: Is it the pleasure of the House to adopt the motion? *[Agreed]*

House Business

Mr. Mackintosh: Matters of House business, Mr. Speaker. I would like to announce that, instead of being considered by the Law Amendments Committee this evening, Bill 42, The Off-Road Vehicles Amendment Act, will, instead, be referred to the Standing Committee on Law Amendments for the committee meeting, to be held on Wednesday, August 7.

Mr. Speaker: It has been announced that instead of being considered by the Law Amendments committee this evening, Bill 42, The Off-Road Vehicles Amendment Act, will, instead, be referred to the Standing Committee

on Law Amendments for the committee meeting to be held on Wednesday, August 7.

An Honourable Member: What is that?

Mr. Speaker: That is for the committee meeting on Wednesday, August 7, at 6:30 p.m.

Mr. Mackintosh: I would like to announce the Standing Committee on Private Bills will meet at 6:30 p.m. on Thursday, August 8, to consider the following bills: 301, 302 and 303.

Mr. Speaker: It has been announced that the Standing Committee on Private Bills will meet at 6:30 p.m. on Thursday, August 8, to consider the following bills: Bill 301, Bill 302 and Bill 303.

* (17:20)

Mr. Mackintosh: Mr. Speaker, with regard to the budget implementation legislation, I move, seconded by the Minister of Finance (Mr. Selinger), that the House resolve into Committee of the Whole.

Motion agreed to.

COMMITTEE OF THE WHOLE

Bill 45—The Budget Implementation and Tax Statutes Amendment Act, 2002

Mr. Chairperson (Conrad Santos): The Committee of the Whole will come to order to consider Bill 45. Does the honourable Minister of Finance have an opening statement?

Hon. Greg Selinger (Minister of Finance): No, I do not.

Mr. Chairperson: Does the honourable critic, Member for Steinbach, have an opening statement?

Mr. Jim Penner (Steinbach): Yes. Thank you, Mr. Chairperson. Bill 45 is The Budget Implementation and Tax Statutes Amendment Act, and it deals with various issues arising out of the Budget that we heard brought down on April 22.

The first part amends The Corporation Capital Tax Act. I have spoken before in this House about The Corporation Capital Tax Act,

and basically it is a tax on money that people invest in this province. So, if you lived in North Dakota or Ontario or Alberta and you decided to invest some money into the province of Manitoba, you would find out that, once a year, you would have to pay part of that money that you invested to the Government.

Now there is a move on to eliminate corporate capital tax because it is a disincentive. It is a disincentive for people to invest money in this province. So I would suggest that the Province of Manitoba, to invite investment which we desperately need to reverse the population depletion, to improve our image as far as a taxing authority, instead of just repealing the outdated provisions and clarifying how interest is to be calculated, that The Capital Tax Act be replaced with something else because The Capital Tax Act is a disincentive and certainly is not friendly to investment in the province.

Then, of course, there is Part 2, which is The Gasoline Tax Act, and it says how to enhance collection measures. Well, we just went through that with Bill 12, Mr. Chairperson. We just pulled Bill 12, I understand. Bill 12 was a collection bill, how to not collect money, and now we are enhancing the Government's ability to collect money. Do you not find that in complete contradiction? On one hand, we take Bill 12 out of the system because, although the Government was suggesting that we get softer on collections and that we would not be able to phone people at work if they owed us money, how do you collect an NSF bill when you cannot find people after hours? How do you collect a lack of payment? I have been in business long enough to know that is one of the toughest things to do. In fact, there is a story about grocers who were knocking at the gate of hell, and the devil said what do you want here? The grocer said everybody, when I try to collect money, tells me to go there.

The same thing for health and post-secondary education; in Part 3, it says enhanced collection measures. They want to get stronger collection measures.

The act goes on to amend The Mining Tax Act to clarify how interest is calculated. Mr. Chairperson, I must say that this looks like

another way of improving the income to the Government. Mining certainly does not need any downside. They need encouragement, they need a stronger support from the Government, and they are not getting that.

Then, of course, The Retail Sales Tax Act is being amended. Of course, that was part of the bill, addressing some of the changes in retail provincial sales tax, especially about feminine hygiene. We understand that those things are what we would have put in or supported in any event.

* (17:30)

However, I noticed that, in communications from the company's office, as of July 1st, the cost of registering of a business name—listen to this—the cost of registering a business name on July 1st went up 50 percent. Again, the dissolution of a business name went up 50 percent. The change or alteration of membership of a business name, the cost is now 50 percent higher. These are all fees that the Government is going to collect.

The change in capital contributed in a limited partnership, the cost of the fee is now up 50 percent; change of a business name, up 50 percent; the renewal of a business name, up 50 percent. Can you imagine that this Government is so scared about their revenue from commercial enterprises because of the lack of a business-friendly atmosphere here, they have gone ahead and just slapped it to the people on fees, every which way, whether it is licence plates for car dealers, or whether it is the fees charged by the Government for every little thing that they do.

I must tell you that Bill 45 fulfils much of what the Budget purported to do. But the Budget itself does not fulfil the needs of Manitobans, insofar as it does not address the encouragement of investment. That encouragement of investment would bring jobs to the province. The jobs to the province would bring our income up. Our income taxes would rise. Our personal income tax would rise and our corporate income tax would rise.

This is what we really need. We need more revenue. But to get more revenue, countries like New Zealand and Ireland have found out we

need to become tax-friendly. Even the province of B.C. has decided to run a deficit this year so that they can become tax-friendly.

When we compare ourselves to the provinces west of Québec, we are not tax-friendly. We are going to continue to lose population. We are going to continue to lose investment. So fulfilling the requirements of the Budget, as is done in Bill 45, is probably something that we cannot but expect would happen. However, when I look at the number of bills that have been processed that did not really seem to be well thought through, I have to look at Bill 45 and say: Did we really cover all the points? Has it been carefully studied? Have we done a good job with this bill?

Having said that, I believe that we will have to proceed with the bill.

Mr. Chairperson: We thank the honourable member. During the consideration of a bill, the table of contents, the enacting clause and the title are postponed until all other clauses have been considered in their proper order.

Also, if there is agreement from the committee, the Chair will call clauses in blocks that conform to pages, with the understanding that we will stop at any particular clause or clauses where members may have comments, questions or amendments to propose. Is that agreed?

Clauses 1 to 3—pass; clauses 4(1) to 7—pass; clauses 8 to 11(2)—pass; clause 11(3)—pass; clauses 11(4) to 13—pass; clauses 14 and 15—pass; clauses 16 and 17—pass; clause 18—pass; clauses 19(1) and 19(2)—pass; clauses 19(3) to 21(1)—pass; clauses 21(2) to 25—pass; clause 26—pass; clauses 27 to 29—pass; clauses 30 to 33—pass; clauses 34 to 36(2)—pass; clause 37—pass; clause 38—pass; clauses 39 to 41(2)—pass; clauses 42 to 45—pass; clauses 46 to 48(1)—pass; clause 48(2)—pass; clauses 48(3) and 49(1)—pass; clauses 49(2) to 51(3)—pass; clauses 51(4) to 53(1)—pass; clauses 53(2) and 53(3)—pass; clauses 54 to 55(2)—pass; clauses 56(1) to 58.1—pass; clauses 58(2) to 60—pass; clauses 61 to 63—pass; clauses 64 to 66—pass; clauses 67 to 68(1)—pass; clauses 68(2) to 71—pass; clauses 72 to 74—pass; clauses 75(1) to 76—pass; clauses 77(1) to 77(9)—pass; clauses 77(10) to 77(19)—pass;

clauses 77(20) to 77(22)—pass; table of contents—pass; enacting clause—pass; title—pass. Bill be reported.

Committee rise. Call in the Speaker.

* (17:40)

IN SESSION

Committee Report

Mr. Conrad Santos (Chairperson): Mr. Speaker, the Committee of the Whole has considered Bill 45, and it is agreed to report the same without amendment.

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

Motion agreed to.

REPORT STAGE

Bill 45—The Budget Implementation and Tax Statutes Amendment Act, 2002

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, by leave, I move, seconded by the Minister of Finance (Mr. Selinger) that Bill 45, The Budget Implementation and Tax Statutes Amendment Act, 2002, reported from the Committee of the Whole, be concurred in.

Mr. Speaker: Is there leave? *[Agreed]*

Motion agreed to.

THIRD READINGS

Bill 45—The Budget Implementation and Tax Statutes Amendment Act, 2002

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, by leave, I move, seconded by the Minister of Finance, that Bill 45, The Budget Implementation and Tax Statutes Amendment Act, 2002, be now read for a third time and passed.

Mr. Speaker: Is there leave? *[Agreed]*

Motion agreed to.

* * *

Mr. Mackintosh: Mr. Speaker, in preparation for the arrival of the Lieutenant-Governor, I suggest we have a recess for five minutes to rearrange the Chamber.

Mr. Speaker: Is it the will of the House to recess for five minutes for the arrival of the Lieutenant-Governor? *[Agreed]*

The House recessed at 5:40 p.m.

The House resumed at 5:46 p.m.

ROYAL ASSENT

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

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

Mr. Speaker: Your Honour:

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

Madam Clerk (Patricia Chaychuk):

Bill 45—The Budget Implementation and Tax Statutes Amendment Act, 2002; Loi d'exécution du budget de 2002 et modifiant diverses dispositions législatives en matière de fiscalité

Bill 55—The Interim Appropriation Act, 2002; Loi no 2 de 2002 portant affectation anticipée de crédits.

In Her Majesty's name, the Lieutenant-Governor thanks the Legislative Assembly and assents to these bills.

Mr. Speaker: Your Honour:

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

Madam Clerk: Bill 22, The Public Schools Amendment Act (Francophone School Division Governance Structure); Loi modifiant la Loi sur

les écoles publiques (structure de gestion de la division scolaire de langue française)

Bill 32—The Fatality Inquiries Amendment Act; Loi modifiant la Loi sur les enquêtes médico-légales

Bill 33—The Private Vocational Institutions Act; Loi sur les établissements d'enseignement professionnel privés

Bill 34—The Charter Compliance Act; Loi sur l'observation de la Charte

Bill 43—The Polar Bear Protection Act; Loi sur la protection des ours polaires

In Her Majesty's name, His Honour assents to these bills.

His Honour was then pleased to retire.

Mr. Speaker: Please be seated.

Hon. Gord Mackintosh (Government House Leader): Is it the will of the House to call it six o'clock, Mr. Speaker?

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

The hour being 6 p.m., this House is adjourned and stands adjourned until Tuesday at 10 a.m.

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Thursday, August 1, 2002

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