



Third Session - Thirty-Seventh Legislature

of the

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

**Official Report  
(Hansard)**

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Speaker*



Vol. LII No. 78B - 1:30 p.m., Thursday, August 8, 2002

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

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

## LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, August 8, 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 Bonnie Murray, Lisa Whyte, Kelly Whyte 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 Ed Clayton, Joseph Kleinsasser, Len Koop 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?

**Some Honourable Members:** Yes.

**Mr. Speaker:** 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 from Arthur-Virden (Mr. Maguire), I have reviewed the petition and it complies to the rules and

practices of the House. Is it the will of the House to have the petition read?

**An Honourable Member:** Yes.

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

**Madam Clerk (Patricia Chaychuk):** 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.

#### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, I am wondering if you could ask leave of the House for the House to receive the reports from the Standing Committee on Municipal Affairs and Law Amendments which met last night.

**Mr. Speaker:** Is there leave of the House to receive the reports of the committee that met last night? *[Agreed]*

#### House Business

**Mr. Mackintosh:** Mr. Speaker, would you canvass the House to see if there is leave not to see

the clock at 6 p.m. until one of the two House leaders, the Opposition or the Government House Leader calls it six o'clock?

**Mr. Speaker:** Is there leave to not see the clock until one of the House leaders calls it six o'clock? *[Agreed]*

#### Standing Committee on Law Amendments Eleventh Report

**Mr. Doug Martindale (Chairperson):** Mr. Speaker, I beg to present the Eleventh Report of the Committee on Law Amendments.

**Madam Clerk (Patricia Chaychuk):** Your Standing Committee on Law Amendments presents the following as its Eleventh Report.

**An Honourable Member:** Dispense.

**Mr. Speaker:** Dispense.

#### Meetings:

*Your committee met on Wednesday, August 7, 2002, at 6:30 p.m. in Room 255 of the Legislative Building.*

#### Matters Under Consideration:

*Bill 2—The Security Management (Various Acts Amended) Act/Loi sur la gestion de la sécurité (modification de diverses dispositions législatives)*

*Bill 21—The Partnership Amendment and Business Names Registration Amendment Act/Loi modifiant la Loi sur les sociétés en nom collectif et la Loi sur l'enregistrement des noms commerciaux*

*Bill 23—The Pesticides and Fertilizers Control Amendment Act/Loi modifiant la Loi sur les produits antiparasitaires et les engrais chimiques*

*Bill 24—The Securities Amendment Act/Loi modifiant la Loi sur les valeurs mobilières*

*Bill 38—The Public Health Amendment Act/Loi modifiant la Loi sur la santé publique*

*Bill 42—The Off-Road Vehicles Amendment Act/Loi modifiant la Loi sur les véhicules à caractère non routier*

*Bill 53—The Common-Law Partners' Property and Related Amendments Act/Loi sur les biens des conjoints de fait et modifications connexes*

**Membership Resignations / Elections:**

*Your committee elected Ms. Cerilli as Vice-Chairperson.*

*Substitutions received prior to commencement of meeting held on August 7, 2002:*

*Mr. Penner (Emerson) for Mr. Laurendeau  
Mrs. Driedger for Mr. Reimer  
Hon. Ms. Wowchuk for Mr. Dewar  
Hon. Mr. Chomiak for Hon. Mr. Lathlin  
Ms. Cerilli for Mr. Santos*

**Public Presentations:**

*Your committee heard two presentations on Bill 2—The Security Management (Various Acts Amended) from the following organizations:*

*Jeff Kisiloski on behalf of Jay Holdnick, Canadian Association of Agri Retailers  
John Lindsey, Manitoba Chapter of The Canadian Emergency Preparedness Association*

*Your committee heard one presentation on Bill 21—The Partnership Amendment and Business Names Registration Amendment Act/Loi modifiant la Loi sur les sociétés en nom collectif et la Loi sur l'enregistrement des noms commerciaux from the following organization:*

*Jamie Kraemer, Peter Dueck, Blair Graham, Institute of Chartered Accountants of Manitoba*

*Your committee heard three presentations on Bill 23—The Pesticides and Fertilizers Control Amendment Act/Loi modifiant la Loi sur les produits antiparasitaires et les engrais chimiques from the following individuals and/or organizations:*

*Herm Martens, Private Citizen  
Weldon Newton, Keystone Agricultural Producers  
Marcel Hacault, Manitoba Pork Council*

*Your committee heard four presentations on Bill 24—The Securities Amendment Act/Loi modifiant*

*la Loi sur les valeurs mobilières from the following organizations:*

*Murray Smith, Manitoba Council of Aging  
Gloria Desorcy, Manitoba Branch of the Consumers Association of Canada  
Greg Bieber, Bieber Security  
John Stefaniuk, Canadian Bankers Association*

*Your committee heard one presentation on Bill 42—The Off-Road Vehicles Amendment Act/Loi modifiant la Loi sur les véhicules à caractère non routier from the following organization:*

*Dawn Gratton, SNOMAN*

*Your committee heard 10 presentations on Bill 53—The Common-Law Partners' Property and Related Amendments Act/Loi sur les biens des conjoints de fait et modifications connexes from the following individuals and/or organizations:*

*Gilles Marchildon, EGALE  
Stephen Copen, Private Citizen  
Tim Preston, G.O.S.S.I.P  
Donna Huen, Rainbow Resource Centre  
Janet Scarth, Elliot Leven and Dianna Scarth, Manitoba Human Rights Commission  
Helen Hesse, Private Citizen  
Mike Law, Gay and Lesbian Issues Section of the Manitoba Bar Association  
Debra Parkes, Private Citizen  
Sharon Pchajek and Maureen Pendergast, Private Citizens  
Karen Busby, Private Citizen*

**Written Submissions:**

*Your committee received one written submission on Bill 24—The Securities Amendment Act/Loi modifiant la Loi sur les valeurs mobilières from the following organization:*

*Richmond Bayes, Securities Law Section of the Manitoba Bar Association*

**Written Submissions:**

*Your committee received one written submission on Bill 38—The Public Health Amendment Act/Loi modifiant la Loi sur la santé publique from the following organization:*

*Shelly Wiseman, Canadian Federation of Independent Business*

**Written Submissions:**

Your committee received two written submissions on Bill 53—*The Common-Law Partners' Property and Related Amendments Act/Loi sur les biens des conjoints de fait et modifications connexes* from the following individuals and/or organizations:

Sara Kinnear, Private Citizen  
Evelyn Braun, LEAF Manitoba Inc.

**Bills Considered and Reported:**

Bill 2—*The Security Management (Various Acts Amended) Act/Loi sur la gestion de la sécurité (modification de diverses dispositions législatives)*

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

THAT the proposed subsection 8(2) of **The Emergency Measures Act**, as set out in subsection 10(2) of the Bill, be amended by striking out “When a program or plan is submitted under clause (1)(d) or subsection (3) to the co-ordinator for approval,” and substituting “After a program or plan has been submitted under this section to the co-ordinator.”

THAT subsection 10(2) of the Bill be amended by adding the following after the proposed subsection 8(8):

**Transitional**

**8(9)** A program or plan that was submitted to the co-ordinator before this subsection came into force is not required to be resubmitted under clause (1)(d). But the co-ordinator may approve it or refer it back to the local authority under subsection (2).

THAT the proposed subsection 3.1(4) of **The Pesticides and Fertilizers Control Act**, as set out in section 25 of the Bill, be replaced with the following:

**No provision of spraying equipment**

**3.1(4)** No person shall, directly or indirectly, provide aerial or ground-based spraying equipment to another person if he or she has reason to believe the other person will use it for the unlawful application of a substance

THAT the proposed subsection 3.3 of **The Pesticides and Fertilizers Control Act**, as set out in section 25 of the Bill, be amended by adding “; or the person designated by him or her,” after “minister.”

THAT the proposed clause 8(c.1) of **The Pesticides and Fertilizers Control Act**, as set out in section 28 of the Bill, be replaced with the following:

(c.1) prescribing equipment or classes of equipment for the purpose of the definition “aerial spraying equipment” in section 1;

(c.1.1) prescribing equipment or classes of equipment, other than equipment used primarily in farming, for the purpose of the definition “ground-based spraying equipment” in section 1;

THAT section 43 of the Bill be amended by adding the following after the proposed subsection 11.1(1) of **The Public Health Act**:

**Presentation of identification**

**11.1(1.1)** In exercising a power under this section, a medical officer of health must, upon request, present his or her certificate or other means of identification prescribed in the regulations.

THAT the proposed subsection 11.1(9) of the English version of **The Public Health Act** as set out in section 43 of the Bill be amended by adding “reasonably” before “considers”.

THAT section 61 of the Bill be amended by striking out “February 1, 2002” and substituting “November 1, 2003.”

THAT section 62 of the Bill be replaced with the following:

Coming into force  
62 This Act comes into force on the day it receives royal assent.

Bill 21—*The Partnership Amendment and Business Names Registration Amendment Act/Loi modifiant la Loi sur les sociétés en nom collectif et la Loi sur l'enregistrement des noms commerciaux*

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

THAT the proposed clause 75(2)(b), as set out in section 5 of the Bill, be amended by adding "directly" after "partner was".

THAT the proposed clause 84(4)(b), as set out in section 5 of the Bill, be amended by adding "directly" after "partner was".

*Bill 23—The Pesticides and Fertilizers Control Amendment Act/Loi modifiant la Loi sur les produits antiparasitaires et les engrais chimiques*

Your committee agreed to report this bill without amendment.

*Bill 24—The Securities Amendment Act/Loi modifiant la Loi sur les valeurs mobilières*

Your committee agreed to report this bill, without amendment.

*Bill 38—The Public Health Amendment Act/Loi modifiant la Loi sur la santé publique*

Your committee agreed to report this bill without amendment, on division.

*Bill 42—The Off-Road Vehicles Amendment Act/Loi modifiant la Loi sur les véhicules à caractère non routier*

Your committee agreed to report this bill without amendment, on division.

*Bill 53—The Common-Law Partners' Property and Related Amendments Act/Loi sur les biens des conjoints de fait et modifications connexes*

Your committee agreed to report this bill with the following amendments, on division:

THAT the following be added after subsection 16(8) of the Bill:

16.(8.1) Section 3 is amended by adding "or 2.1" after "section 2" wherever it occurs.

THAT the proposed section 25.1, as set out in subsection 16(30) of the Bill, be amended by

adding "described in subsection 2.1(1)" after "in respect of common-law partners".

THAT subsection 25(7) of the Bill be replaced with the following:

25(7) Section 17 is amended

(a) by adding the following after clause (a):

(a.1) there is a declaration in the will that it is made in contemplation of the testator's common-law relationship with the person the testator subsequently marries; or

(a) by adding "or" at the end of clause (b) and by adding the following after clause (b):

(c) the will fulfills obligations of the testator to a former spouse or common-law partner under a separation agreement or court order.

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

**Motion agreed to.**

\* (13:35)

#### **Standing Committee on Municipal Affairs Second Report**

**Mr. Tom Nevakshonoff (Chairperson):** Mr. Speaker, I beg to present the Second Report of the Committee on Municipal Affairs.

**Madam Clerk (Patricia Chaychuk):** The Standing Committee on Municipal Affairs presents the following as its Second Report.

**An Honourable Member:** Dispense.

**Mr. Speaker:** Dispense.

#### **Meetings:**

Your committee met on Wednesday, August 7, 2002, at 6:30 p.m. in Room 254 of the Legislative Building.

#### **Matters Under Consideration:**

*Bill 20—The Adult Learning Centres Act/Loi sur les centres d'apprentissage pour adultes*

**Committee Membership:**

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

Substitutions received prior to commencement of meeting:

Hon. Mr. Caldwell for Hon. Ms. Friesen

Ms. Allan for Mr. Martindale

Hon. Ms. McGifford for Hon. Mr. Sale

Ms. Asper for Mr. Schellenberg

Mr. Pitura for Mr. Faurschou

Mr. Maguire for Mr. Loewen

Mr. Schuler for Mrs. Mitchelson

Mr. Enns for Mr. Derkach

Substitutions made, by leave, during committee proceedings:

Mr. Derkach for Mr. Maguire

**Public Presentations:**

Your committee heard 10 presentations on Bill 20—The Adult Learning Centres Act/Loi sur les centres d'apprentissage pour adultes, from the following individuals and/or organizations:

Cam Moir, Private Citizen

Levi Foy, Private Citizen

Theresa Stanick, Private Citizen

Paul Jensen, Private Citizen

Peter Wohlgenut and Art Reimer, Manitoba

Teachers' Society

Sylvia Provovski, Brandon Adult Learning Centre

Jerry Storie, Turtle Mountain School Division

Paulette Lavergne, USCW Adult Learning Centre

Nasheba Dejesus, Private Citizen

Christin Lavergne, Private Citizen

**Written Submissions:**

Your committee received two written submissions on Bill 20—The Adult Learning Centres Act/Loi sur les centres d'apprentissage pour adultes, from the following organizations:

Don Wiebe, Border Land School Division

Pat Drew, Winnipeg School Division

**Bills Considered and Reported:**

Bill 20—The Adult Learning Centres Act/Loi sur les centres d'apprentissage pour adultes

Your committee agreed to report this bill, with the following amendments:

THAT section 1 be amended

(a) by adding the following definition in alphabetical order:

**"instructor"** means a person who meets the qualifications and requirements in the regulations and is authorized by the minister to teach a course at a registered centre;

(« instructeur »)

(b) by replacing the definition "teacher" with the following:

**"teacher"** means a person who holds a valid and subsisting Manitoba permanent professional teaching certificate issued under The Education Administration Act, and subject to The Public Schools Act and The Education Administration Act, meets the qualifications and requirements in the regulations; (« enseignant »)

THAT subsection 8(1) be amended

(a) in clause (e), by adding "or instructor" after "teacher"; and

(b) in clause (f), by adding "or instructors" after "teachers".

THAT subclause 8(2)(a)(i) be amended by striking out "and teachers" and substituting, "teachers and instructors".

THAT clause 36(f) be amended by striking out "and teachers" and substituting ", teachers and instructors".

THAT section 38 of the French version be amended by adding "ou des règlements" at the end.

**Mr. Nevakshonoff:** Mr. Speaker, I move, seconded by the honourable Member for Rossmere (Mr. Schellenberg), that the report of the committee be received.

**Motion agreed to.**

## ORAL QUESTION PERIOD

### Manitoba Hydro Transfer Payment

**Mr. Stuart Murray (Leader of the Official Opposition):** I have said it before, and it bears repeating. The Doer government has a spending problem. We have asked time and time again in this House for this Premier to come clean to all Manitobans, to tell Manitobans that the reason that he is gouging Manitoba Hydro for a million dollars a day is that he cannot keep his spending under control. Time and time again, the Premier and his ministers throw up excuses and red herrings. I would like to give the Premier one more chance to come clean with Manitobans.

Mr. Speaker, will he admit to Manitobans that he ran a deficit? Will he finally take responsibility and tell Manitobans that the reason that he is taking a million dollars a day out of Manitoba Hydro is merely to satisfy his insatiable spending appetite?

\* (13:40)

**Hon. Gary Doer (Premier):** Mr. Speaker, the only thing that is insatiable in this House is the rhetoric of the member opposite.

The level of spending in the three years previous to our election was double the level of spending that has been achieved since we were elected. In other words, we are spending 50% less in the first three years in office than in the last three years they were in office, point No. 1. Those numbers are in the Public Accounts. I will send a copy of the Public Accounts to the member opposite so he can give it to his researchers.

Point No. 2, members opposite took \$500 million out of the rainy-day fund in their last three years in office. Four days after the election a secret Order-in-Council was signed for over \$185 million before our Government was sworn in. In the dark it was signed, Mr. Speaker—*[interjection]* No, it did not, no, it did not.

Point No. 3, in contrast to the \$500 million taken by members opposite for their double spending of ours from the rainy day fund, in our first two Budgets at year end we have not taken one cent out of the rainy-day fund. Now the

members opposite put \$420 million in the rainy-day fund from the sale of the Manitoba Telephone System, the one-time-only benefit of that sale.

What we have done is, by not taking any money out of the rainy-day fund, the Hydro dividend, \$288 million, has allowed us to pay down debt for the three years in which it is taken. That works out to \$96 million a year.

You know, Mr. Speaker, there are only three jurisdictions in all of North America, including states in the United States, that are balancing their books and paying down their debt. Yes, some provinces raised health care premiums, some provinces took a higher dividend from their Crown corporations.

In a perfect world it would be better to take nothing from Hydro, but in these challenging times I thought and we think it is sensible to maintain health care, to maintain education, to balance the books, to pay down the debt and not take a cent out of the rainy day fund.

### Civil Service Voluntary Reduced Work Week

**Mr. Stuart Murray (Leader of the Official Opposition):** Mr. Speaker, for my first supplementary, in this year's Budget the Premier and the Finance Minister hatched a plan to raid Hydro because they needed to balance their books from last year. Almost halfway through this current fiscal year the Doer government realized that their million-dollar-a-day raid on Hydro was not enough to feed their spending habit. So, yesterday, the Minister of Finance (Mr. Selinger) announced Doer days.

On this side of the House we agree with the Canadian Taxpayers Federation, who described the Doer days scheme as an act of desperation. Clearly the taxpayers of Manitoba are now looking at Doer days in more ways than one.

My question to the Premier: Is the reason that you brought in Doer days because you are running out of options of Crown corporations to raid?

**Mr. Speaker:** Order. Before recognizing the honourable First Minister, I would like to remind

all honourable members that when making a reference to other honourable members, it is by the titles or constituencies. We have agreed to make references to leaders of the parties to point out the era of that time.

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

**Mr. Speaker:** Order. I am asking the co-operation of all honourable members because we have always allowed a lot of latitude, but I am just asking the co-operation of all honourable members.

\* (13:45)

**Hon. Gary Doer (Premier):** Mr. Speaker, we wanted to bring in a volunteer system in working with the employees. We said we would try to work in partnership rather than unilateral decision making. We had some problems with the former system. One of the difficulties with the arbitrary nature of the past program was the lack of the ability of managers to ensure that operational requirements would be maintained. For example, ambulance attendants in some rural areas, there was not one. We were trying to train more, but there was not one on a Friday for some places. Yet, when the former Premier had to go to the swearing-in ceremony for the former Prime Minister, the government jet was available.

Mr. Speaker, we actually thought that operational requirements would be a better way to go. We have a smaller Cabinet, and I will ensure that smaller Cabinet, through the management system, ensures that operational considerations are balanced against the individual requests of employees. We think this is a very sensible way to go. That is why we are proceeding.

#### **Literacy Partners of Manitoba Funding**

**Mr. Peter Dyck (Pembina):** My question is for the Minister of Education. Last year, Literacy Partners of Manitoba provided more than 2700 people with literacy upgrading. Of those, 135 were social assistance recipients. Thanks to literacy training, those 135 people now have paying jobs. That is a saving of nearly \$2 million in social assistance costs to this Government. I

would like to table three copies specific to that, please.

Mr. Speaker, can the Minister of Education explain why he has frozen funding for a program that actually more than pays for itself in the savings it achieves for this Government and other departments such as Family Services?

**Hon. Drew Caldwell (Minister of Education, Training and Youth):** I am sure those viewing will find it more than passing strange and ironic that the first series of questions from the Leader of the Opposition is saying spend less, spend less quite vociferously. The first question after the Leader gets up or the de facto leader of the party gets up is spend more, spend more.

In terms of adult literacy in our province, since 1999 our Government has increased funding for adult literacy programs in the province by 18 percent. That is in addition to the 8% increase in operating support we have provided for public schools in the province. Today, there is more money being provided for adult literacy programs in the province of Manitoba than at any other time.

**Mr. Dyck:** This is little comfort for the people up in the gallery.

Can the minister tell the people in the gallery who have been helped by Literacy Partners of Manitoba why he has frozen his Government's commitment to improving literacy in Manitoba?

**Mr. Caldwell:** When we came into office in September, 1999, there was \$6 million budgeted for adult literacy and adult learning centres in this province. Today, there is \$13 million budgeted for adult learning centres in the province, over 100% increase.

In 1997-98, members opposite committed \$913,000 for adult literacy programs in the province. Today there is \$1.2 million in literacy expenditures. We had some challenging budget decisions to make. I note the member did not say they were cuts. He should perhaps talk to his leader and have his leader stop insisting we reduce expenditures on this side of the House for education as well as in other areas.

\* (13:50)

### **Agricultural Policy Framework Manitoba Participation**

**Mr. Jack Penner (Emerson):** On June 5 of this year, the federal government unveiled a \$5.2-billion farm program promoting better use of agricultural land, increasing the number of farms with environmental plans, investment in agricultural innovations, enhancement of our export opportunities and strengthening of rural communities.

Can the Minister of Agriculture tell us today when she is going to announce her Government's participation in a program that will enhance and maintain the operations of our agricultural community?

**Hon. Rosann Wowchuk (Minister of Agriculture and Food):** I thank the member for that question, and it is an important issue. As I indicated to the member when the Agricultural Policy Framework was first brought forward, producers in Manitoba asked us not to sign the agreement because they were concerned with the lack of detail in the agreement. We have since had discussions with producers, Mr. Speaker, and we are moving forward with signing the agreement.

I have to tell the member the program he is talking about is for the next crop year. It is not for this year, so we are working through the agreement and it will be in place and we will have new programs for next year. The existing programs are in place for this year. There will be new programs for next year that will come under the funding the member refers to.

### **Dakota Tipi First Nation Soaring Eagle Agreement**

**Mr. Leonard Derkach (Russell):** Mr. Speaker, the Premier of this province continues to refuse to call the public inquiry into the gaming scandal that is plaguing this Government and the Dakota Tipi band.

In a sworn statement of July 26 in Queen's Bench, Mr. Arden Pashe said under oath, and I quote: I am advised by David Doer, employee of

Soaring Eagle, and verily believe that the Manitoba Gaming Commission entered into an agreement with Soaring Eagle to provide the said audit. This is the same firm that has an agreement to manage Dakota Tipi Gaming Commission for 15 percent of receipts from VLTs.

Mr. Speaker, I would like to ask the Minister responsible for Gaming: Can the minister confirm that Soaring Eagle and David Doer who is the Dakota Tipi Gaming Commission, was also the firm that was going to do the audit for the gaming commission?

**Hon. Steve Ashton (Minister charged with the administration of the Gaming Control Act):** I am very pleased to answer the question because yesterday I pointed to the fact that this member five times had put on the record fraudulent accusations suggesting that the gaming commission had hired Soaring Eagle, Mr. Speaker.

Yesterday, Mr. Speaker, the Deputy Opposition House Leader (Mr. Tweed), in Question Period, repeated that no fewer than three times, despite the fact that the gaming commission, in a letter that I tabled yesterday, indicated clearly that was not the case.

Mr. Speaker, what is interesting is at the same time this member was asking questions in Question Period, apparently PC research was phoning over to the gaming commission. In fact, the gaming commission responded in writing, a copy to myself, which indicated once again there was no contract.

So I ask the member: When is he going to put accurate information on the record? When is he going to apologize for misleading the House and Manitobans yesterday? There is no contract.

**Mr. Derkach:** Once again, I will try to get an answer from this minister. Will he confirm that Soaring Eagle and David Doer is the firm that the Manitoba Gaming Commission has a commitment or an agreement from to provide the gaming commission with the audit?

**Mr. Ashton:** Mr. Speaker, I want to quote the Deputy Opposition House Leader. By the way, I would really be interested in what the Leader of the Opposition (Mr. Murray) has to say about

this. Yesterday he said David Doer was hired by the Manitoba Gaming Control Commission to do the audits. When are they going to withdraw that fraudulent accusation?

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

**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, this minister knows better. *Beauchesne 417*: Answers to questions should be as brief as possible, deal with the matter raised and not provoke debate.

If the minister refuses to answer the question, he can do that by remaining in his chair, Mr. Speaker.

**Mr. Speaker:** The honourable Minister of Transportation and Government Services, on the same point of order.

**Mr. Ashton:** The same point of order, Mr. Speaker. Certainly, I was in fact answering the question, I think. The member got up on a matter of order before I completed. I am more than glad to answer questions about this.

\* (13:55)

**Mr. Speaker:** On the point of order raised by the honourable Official Opposition House Leader, I would like to remind all honourable ministers, *Beauchesne 417*: The minister should deal with the question that is raised.

\* \* \*

**Mr. Speaker:** The honourable Minister of Transportation and Government Services, have you concluded your comments? *[interjection]* Are you finished your comments? No. You have time left.

**Mr. Ashton:** Thank you, Mr. Speaker. Once again, I am waiting for this member and the

deputy leader to withdraw the fraudulent accusation, that there was a contract between the Gaming Commission and Soaring Eagle. That clearly is not the case. You can repeat it a hundred times; it does not make it the truth.

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

**Mr. Speaker:** Order.

#### Point of Order

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

**Mr. Laurendeau:** Mr. Speaker, maybe the minister did not hear us the first time on *Beauchesne 417* that he should not provoke debate, but I am sure that you made a ruling on this once already.

If you could only ask the minister, if he does not have an answer for a question, he should remain seated.

**Mr. Speaker:** On the point of order raised by the honourable Official Opposition House Leader, I would like to remind the honourable minister of *Beauchesne 417*: The minister should deal with the question that is raised.

\* \* \*

**Mr. Speaker:** The honourable minister, have you concluded your comments?

**Mr. Ashton:** Yes.

**Mr. Derkach:** Well, Mr. Speaker, we will try to get an answer one more time. Will the Minister responsible for the Gaming Commission please confirm for Manitobans today that David Doer, the brother of the Premier (Mr. Doer), a member of the Doer family, who is the Dakota Tipi commission, was to provide the Manitoba Gaming Commission with the audit from whom he is the manager for?

**Mr. Ashton:** Mr. Speaker, once again, I can confirm something that members opposite have attempted to avoid over the past period of time, and that is that Soaring Eagle, of which Mr. Doer is a principal, indeed worked for Dakota

Tipi. That is no secret. They worked for the federal government. They did not work for the Province.

Mr. Speaker, I would appreciate members opposite putting on the record and apologizing for the misinformation they put on the record yesterday. Today we hear nothing from the members opposite on that fraudulent accusation yesterday. We are giving answers, and they continue to mislead Manitobans.

### **Dakota Tipi First Nation Soaring Eagle Agreement**

**Mr. Mervin Tweed (Turtle Mountain):** Mr. Speaker, I am glad that the Minister of Gaming referred to the Manitoba Gaming Commission in a letter that he received, and I would like to table that letter we received this morning. In that letter, it states that the Manitoba Gaming Commission had a commitment from the Dakota Tipi Gaming Commission to provide us with the required audits. We know that on July 12, and we tabled that document, that David Doer and Soaring Eagle became the Dakota Tipi Gaming Commission managers for a 15% cut of VLT revenues.

My question is: Can the Minister of Gaming confirm what is said in this letter, the letter that he referred to, that the Manitoba Gaming Commission had a commitment from David Doer and Soaring Eagle that he would provide the audits?

**Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act):** Mr. Speaker, what I will do actually is I will table a copy of this letter. It is interesting. The members opposite tabled a copy of a letter, and they blanked out who it was addressed to. I will table a copy of the letter, which indicates it was addressed to Lanny McInnes, researcher, PC caucus, and I will also quote that in the letter, unlike the accusation made by the deputy leader yesterday, it indicates quite clearly that at no time did MGC pay Soaring Eagle, that there was no contractual agreement. It confirms what we said yesterday, and it confirms what we said all the way along.

Mr. Speaker, I expect an apology from this member for putting false information on the record yesterday.

**Mr. Tweed:** Mr. Speaker, the only people that need an apology are the people at Dakota Ojibway and the people of Manitoba who have been defrauded by this Government.

My question is: Can the minister not see clearly that this letter proves David Doer was going to provide the audits, audits that would have decided how much money he would get, and Manitoba Gaming would have accepted them? He said that to reporters on July 24, and I am asking him just to admit it today.

**Mr. Ashton:** Mr. Speaker, if I could put on my Transportation hat for a moment, I have never seen a more rapid reverse movement. I think we are breaking the speed limit in reverse.

Yesterday, they said there was a contract. The letter they tabled, which they blanked out who it was sent to, confirmed there was no contract. In fact, they knew that or should have known that. I expect them to put accurate information on the record, and I hope the leader across the way will show some leadership and request that his members do what the Member for Fort Whyte (Mr. Loewen) did. When they were wrong yesterday, when they are wrong again today, they should apologize and withdraw that false information.

\* (14:00)

**Mr. Tweed:** Mr. Speaker, if it walks like a cover-up and talks like a cover-up, it obviously smells like one too, and it is time for the Premier to clear the air for all people in Manitoba.

I want to ask him today if he will do the right thing and call a judicial inquiry so people of Manitoba can know the truth.

**Hon. Gary Doer (Premier):** Mr. Speaker, a couple of weeks ago, it was one group or faction in the Dakota Tipi. Now they are using another faction in an affidavit.

Mr. Speaker, a letter yesterday. Dear Minister Ashton: The Manitoba Gaming Control Commission is aware that an allegation—that would be you—has been made that the commission entered into an agreement with Soaring Eagle to provide audits related to the

Dakota Tipi Gaming Commission. Please be advised that the Manitoba Gaming Control Commission has never entered into any contractual agreement with Soaring Eagle. Regards, Mr. Josephson, Executive Director of the Manitoba Gaming Control Commission.

It is consistent with what we have said all along. I know they are desperate—

**Mr. Speaker:** Order.

#### Point of Order

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

**Mr. Leonard Derkach (Russell):** Mr. Speaker, *Beauchesne* 417 says very clearly that answers to questions should deal with facts. Yesterday—

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

**Mr. Speaker:** Order. I have cautioned the House before about using points of order for debate or rebuttal. If the member is rising on 417 about dealing with the matter raised, being brief with the answers, we in Manitoba have followed a practice where we have allowed latitude to the leaders, so 417 would not be applying in this case. I have cautioned members about using 417 to debate or rebut, and I am going to ask all honourable members for their co-operation on that matter.

**Mr. Derkach:** Mr. Speaker, I did refer to 417 of *Beauchesne's*. I would ask that 417 *Beauchesne's* be adhered to regardless of who the member in this House is, whether it is the Premier or whether it is a minister in this House. That is the matter I am rising on. Questions to answers should not only be brief but they should deal with the matter that was raised. The Member for Turtle Mountain asked that an inquiry be called on the basis of the information that he has received, sworn statements and affidavits that have been given in this House.

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

**Mr. Doer:** An individual who writes a letter, who worked for both the former administration and—

**Mr. Speaker:** Order. I am going to once again remind all honourable members, when rising on a point of order it is to point out to the Speaker a breach of a rule or departure from practice of the House and not to use points of order for rebuttal or debate.

The honourable Member for Russell, on his point of order does not have a point of order.

\* \* \*

**Mr. Speaker:** The honourable First Minister, to conclude his answer.

**Mr. Doer:** This letter was written to deal with the fact that there were three different employment issues here. Actually, there are four: one, with The Exchange Group; two, with Health Canada; three, with the chief; and four, with the gaming commission. His letter is very clear.

I have gone through this kind of stuff with members opposite on the Pan Am Clinic. I am used to it, but the facts always will set you free.

#### Hecla Marina Details of Sale

**Hon. Jon Gerrard (River Heights):** Yesterday in Question Period the Minister of Conservation admitted that his department and his Government had paid for a sewage line going into the marina at Hecla. I table today the terms of an agreement. This is the terms of the bid for the Hecla Marina, which says very clearly that installation of the sewage line is the responsibility of the operator, not of Manitoba Conservation.

I ask the minister today: Why did his department pay for the installation of a sewage line to the Hecla Marina when it was clearly a responsibility of the operator, according to the terms spelled out in this document?

**Hon. Oscar Lathlin (Minister of Conservation):** Again I would like to indicate to the member as a follow-up to my response yesterday that this particular marina, the public was coming in to use the restaurant washrooms. There is a campground right adjacent to the facility. Other members of the public were coming in.

The businessperson involved was complaining to government that he was inundated with members of the public constantly using his facilities. They were not customers who were coming into his restaurant. They were starting to cause a problem for his business.

So the Government and this operator got together because the department had been contemplating building another facility that would be government-owned. It was going to cost in the vicinity of \$75,000. So when this person came forward the department took advantage of a business arrangement with this operator.

**Mr. Gerrard:** My supplementary to the Minister of Conservation: I ask the minister why he is spending public money for a sewage line to the owner of a private bar and restaurant when he has a specific agreement saying that it is the responsibility of the owner of the bar and restaurant, not of the Department of Conservation.

**Mr. Lathlin:** Mr. Speaker, I want to continue with the response that I was making, and that is to say to the member that the public is benefiting from this arrangement that was entered into with the operator of the restaurant, the marina. In fact, the arrangement has proven to be satisfactory to the public, to the operator and also to government in that, instead of spending \$75,000, the expenditure was reduced to some \$23,000.

\* (14:10)

**Mr. Gerrard:** Mr. Speaker, my supplementary to the minister who paid, I think it is, probably \$30,000 or something for installation of a sewage line: What did he sell this marina for in the first place? What did he buy it for when he bought it or when it was bought by the department in 1998 or thereabouts? What was the value of the marina? Give us the full details.

**Mr. Lathlin:** Mr. Speaker, I can indicate to the member that the previous lease that was awarded in 1995 for an annual fee of \$1,900, as I said earlier, there were constant problems with the operation of the marina under that particular lease, the level of service, primarily. The Province was responsible for all the repairs and maintenance required at the marina. So, in March of 2000, the previous lease was cancelled

with compensation given to the leaseholder for the improvements that he made up to that point. After that, a public tender was issued toward the new lease.

### **Workplace Safety Government Initiatives**

**Mr. Gerard Jennissen (Flin Flon):** Mr. Speaker, today is the second anniversary of the HBM&S smelter explosion in Flin Flon. This tragic event and others underscore the need for safer workplaces in the province of Manitoba. Could the Minister of Labour explain how Bill 27 addresses this obvious workplace safety and health need?

**Hon. Becky Barrett (Minister of Labour and Immigration):** Mr. Speaker, this morning we began public hearings on Bill 27, and one of the first presenters was Miss Cindy Skanderberg, who lost her son to a workplace fatality in December of 1999, at the age of 19 years. One of the things she said in response to the fact that this legislation has not been fully reviewed for almost 25 years is there is no system on earth that can withstand the test of time without regular maintenance and/or reviews to keep it in touch and successful in our ever-changing world. Without the proper nurturing, that system becomes stagnant, outdated and ineffective.

Mr. Speaker, Bill 27 is going to help pull Manitoba out of that quagmire into which it has sunk. Mr. Speaker, Bill 27 is a balanced, progressive, forward-looking response to unacceptable levels of workplace injuries, illnesses and deaths in this province. It is a result of 62 consensus recommendations that were made by a three-person task force headed by Wally Fox-Decent, and we expect it to be very successful.

### **Dakota Tipi First Nation Soaring Eagle Agreement**

**Mrs. Joy Smith (Fort Garry):** Mr. Speaker, since we have raised the issues around Dakota Tipi, members opposite have made light of the situation, even laughing at the matter. We should all remember that the women on Dakota Tipi who came to this Legislature told us they have to drive to Winnipeg to go to food banks so they can feed their children.

I would like to ask this Minister of Gaming how he can stand in this Legislature, when we first raised this issue, knowing full well that the Premier's (Mr. Doer) own brother had signed a sweetheart deal to get rich off money that should be going to these women and children, and actually told Manitobans and these women, when they sat in the gallery, that everything regarding gambling on Dakota Tipi was above board. How could he do that?

**Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act):** Mr. Speaker, I want to put on the record what we have done as a Government and contrast that with the fact that, for five years, from 1994 to 1999, there was illegal gaming. There were no audits provided, no attempt to do that.

I want to contrast that, because I think the member should look at the record of what we have done. We have hired Deloitte & Touche to conduct a special operating review. VLTs have been turned off and will remain turned off. The gaming agreement with Dakota Tipi has been suspended subject to the content of that review. I think anybody in this House who knows what has been happening at Dakota Tipi will recognize what I think the Minister of Aboriginal and Northern Affairs (Mr. Robinson) related to this House a while ago.

This is a community that is in crisis. We have to deal with issues that are raised. It is a community that needs healing. I take great offence for the member opposite suggesting we have done anything other than deal with seriousness with every single legitimate concern that has been raised. We have acted.

#### **Manitoba Gaming Control Commission Information Release**

**Mr. Leonard Derkach (Russell):** How hypocritical can this minister be? It is this Premier's (Mr. Doer) brother who has caused the chaos in that band by making an agreement where he would get 15 percent of all revenues. This Government every time it gets into trouble runs out to get somebody to write a letter for it. Yesterday, during Question Period, staff from our caucus phoned over to the Manitoba Gaming Commission and was asking a question about the

agreement. He was asked to define the agreement and that the commission could not respond until he could define what he meant by agreement. Before the answer came, he was also told that they could not answer the question until after Question Period was over.

I would like to ask the Minister responsible for Gaming why even staff at the Manitoba Gaming Commission have had the gag put on them with respect to this deal with David Doer.

**Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act):** Mr. Speaker, to show the nonsense of that statement, I call this exhibit A. It is interesting. The letter they tabled did not have any indication to whom the letter was sent to. They covered it up. I do not want to get into that.

This is the actual text of the letter. It deals with the statement made by the member opposite five times, repeated by the deputy leader five times. As the contract indicated, it was not the case. I find it very unfortunate that the Member for Russell from his seat not only referenced Mr. Josephson of the Gaming Commission, but I believe Wally Fox-Decent and Bob Brennan. I do not know how far his paranoia extends, but I would suggest he save his comments for proper debate in this House and not malign some of those prominent Manitobans.

I would say when the gaming commission writes in response to a question that members opposite should accept that and should apologize for ever having suggested anything that was factually incorrect. We expect an apology from them.

#### **Dakota Tipi First Nation Gaming—Judicial Inquiry**

**Mr. Leonard Derkach (Russell):** Mr. Speaker, this Government has no shame. On a new question, by the way.

My question to the Minister responsible for Gaming: Why would he not do the honourable thing and ask his Premier (Mr. Doer) to call an independent judicial inquiry into a situation that has brought in the Premier's brother, who has been signing an agreement with Dakota Tipi to

take 15 percent of proceeds from the VLTs? Who knows how many more agreements he has.

Why will this minister not do the honourable thing as Minister responsible for the Gaming Commission and ask for an independent judicial inquiry that should be launched in order to find out what the truth is?

**Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act):** Mr. Speaker, I cannot believe the member opposite having anything in his preamble talking about no shame, no shame.

I want to indicate if we had to respond like that every time members opposite made a fraudulent accusation, we would have 150 inquiries, because the only thing in this case that they went on, the fundamental accusation they made was what? That there was a contract. They repeated it five times yesterday. The deputy repeated it three times yesterday. They were dead wrong. They should withdraw that fraudulent accusation.

Do what the Member for Fort Whyte (Mr. Loewen) did. I say to the Leader of the Opposition (Mr. Murray), show the same leadership you did with the member from Fort Whyte. Rein in your deputy leader, rein in the Member for Russell, get them to stick to the facts.

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

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

**Mr. Derkach:** The fraudulent statements that have been put on the record in this House have been put on the record by the Minister responsible for Gaming, who has changed his story from one day to the next. We have seen lie after lie in this House as a result of what is happening at Dakota Tipi. It is time for this Premier to come clean, to put the record straight. It is time to call a judicial inquiry into what has happened to the people on Dakota Tipi, poor people who need the money, rather than it going into the Premier's pocket. Will the Premier call a judicial inquiry?

\* (14:20)

**Hon. Gary Doer (Premier):** I would expect the member opposite will repeat that assertion outside of the House, Mr. Speaker—

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

**Mr. Speaker:** Order.

### Point of Order

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

**Mr. Derkach:** Mr. Speaker, just to correct a statement I made, and I will apologize.

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

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

**Mr. Derkach:** At the end of my question, I said the Premier's pocket. I sincerely apologize for that. That is not what I meant, Mr. Speaker. I was talking about David Doer, the Premier's brother.

**Mr. Doer:** Mr. Speaker, it may come as a surprise to the member opposite, but the individual that you are attempting to malign with me is a person who worked for the Northern Flood capital project under the former government, for seven or eight years. I did not talk to him about his work then; I do not talk to him about his work now. I act in the public interest.

We have asked consistently, Mr. Speaker, for the chief to be replaced, in the sense of having an election in that community. You know, this is the same individual chief who allegedly, or has got a contractual arrangement with my brother. If that is in, quote, anybody's interest to ask for that same chief to be removed, I think the member opposite is just flailing away.

The bottom line, Mr. Speaker, is I hope Minister Nault signed an Order-in-Council yesterday, dealing with section 74 of the act. I have said that for months. I have said consistently for months, no matter whether they hire The Exchange Group or whether they hire any other group. The letter says that the, quote, member is not correct. The Manitoba Gaming Commission

has never entered into a contractual agreement with Soaring Eagle. This Government has had no contract with Soaring Eagle, and I resent the fact that members are trying to create the impression that we do.

**Mr. Speaker:** Order. Before I recognize the honourable Member for Russell, I had recognized him on a point of order. The honourable member did not have a point of order.

\* \* \*

**Mr. Derkach:** Mr. Speaker, I was just trying to correct the record so there would be no impressions left that were unworthy.

On a new question, Mr. Speaker, I want to ask—

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

**Mr. Derkach:** Mr. Speaker, the Premier has just made us aware, in this House, for the first time, that in fact they want to have Chief Pashe removed as Chief of Dakota Tipi. That is not the information that was put on the record by the Minister of Aboriginal Affairs (Mr. Robinson). So we have a conflict here. The Premier has an opportunity to clear the air on this matter. He has an opportunity to clear the air. I want to believe the Premier. So, in that sense, I ask him, in the spirit of clearing the air for Manitobans once and for all, whether he will do the honourable thing and call an independent inquiry so that people can come forward, under oath, give their statements, tell the truth, and we can have the air cleared, once and for all, for the Premier of the province.

**Mr. Doer:** Mr. Speaker, we have said for a number of weeks now that the recommendations made by the Aboriginal and Northern Affairs Minister (Mr. Robinson) are very sensible. One, Minister Nault has made a determination in April, Mr. Speaker, that he will be removing the chief under section 74. We have said all along the minister should get on with that Order-in-Council and allow that decision to be fully implemented with the election of a chief in the community by the people. We have said that consistently.

We have also said consistently there should be a process of mediation. Members opposite quote one group and another group and another affidavit from all different sides. There are serious matters in that community. We need a mediation process besides the election.

The air has been cleared. The head of the Gaming Commission, who worked for the public of Manitoba under their administration and under the current administration, says the allegations made by this member are not correct, I repeat, not correct. The MGCC has never entered into a contractual arrangement with Soaring Eagle. End of case, Mr. Speaker.

#### Introduction of Guests

**Mr. Speaker:** Order. I would like to draw the attention of all honourable members to the loge to my left where we have with us Mr. Jim Carr who is a former member for Fort Rouge.

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

Oral Questions has expired.

#### MEMBERS' STATEMENTS

##### Winnipeg Mennonite Children's Choir

**Mr. Harry Schellenberg (Rossmere):** Mr. Speaker, I rise to recognize the Winnipeg Mennonite Children's Choir which returned recently from a trip to Austria, Italy and Germany. This choir has been performing in Canada and abroad for almost 45 years with the original founder and still current director, Helen Litz. In this recent tour the Winnipeg Mennonite Children's Choir had the privilege and honour to sing with the world-renowned Vienna Boys' Choir.

During the choir's long and illustrious history it has sung on stages around the world and garnered awards and acclaims wherever it has appeared. The Winnipeg Mennonite Children's Choir, headquartered in North Kildonan, was one of only three North American choirs and the only choir from Canada to be invited to the international children's choir festival hosted by the Vienna Boys' Choir in Vienna.

Mr. Speaker, the choir, which was away from June 24 to July 9, included 27 children from its ranks of 40 singers ranging in age from 6 to 16. The children's choir travelled to several cities. However, a highlight of the tour was a trip to Salzburg, Austria, the setting of *The Sound of Music* where they sang songs from the movie. The choir also spent two days singing and sightseeing in Venice, Italy before ending the trip at the Touch the Future Festival in Darmstadt, near Frankfurt, Germany. During the tour the choir had stayed in hotels in Austria and Italy and were billeted in homes in Germany.

Mr. Speaker, over the years the choir has been invited as Canada's representatives to the International Society for Music Education held in various locations around the world, including cities such as Warsaw, Poland; Canberra, Australia; Seoul, Korea; and Pretoria, South Africa.

The choir and its director are to be commended and congratulated for being goodwill ambassadors for our city, province and country for 45 years.

### Department of Justice Initiatives

**Mrs. Joy Smith (Fort Garry):** Mr. Speaker, in our province of Manitoba our most vulnerable citizens are our senior citizens and our children. In any province or in any country it is acknowledged that for a society to grow and expand we need to protect our seniors and we need to protect our children.

Regrettably, Mr. Speaker, this present Government has lagged behind in both of those regards. The cyber tip line that was promised over a year ago is still not in place. The cyber tip line was a line that was to be established so women, children and people in Manitoba could call in on the issue of child pornography. Child pornography is something that the police departments here in the province of Manitoba want to eliminate and eliminate immediately. The present Government seemingly got in line and said, we will help. We will eradicate the child pornography in cyber space. This has not happened.

Our seniors were told during the last election that this present Government was very concerned about their safety and would actually

put in safety systems in their homes or opportunities for them to put safety systems in their homes so they would be safe and not afraid of home invasions.

\* (14:30)

Mr. Speaker, when we talk about the lack of commitment, the lack of follow-through on these two promises, we see a society in Manitoba that is unprotected with the present NDP government. The lack of police resources, I have to tell you, is dismal, when we have promises that police officers will be put on the streets and it does not happen.

### Manitoba Magic Softball Team

**Ms. Bonnie Korzeniowski (St. James):** Mr. Speaker, I rise to speak about a group of young people who during this past long weekend became champions of the Western Canadian Softball Tournament. The Manitoba Magic Girls Softball Team won the first place in the Western Canadian Softball Championship held August 2 to 5 in Victoria, B.C.

Many of these young players are from my constituency of St. James as well as as far as Brandon, Altona and Portage la Prairie. Many of these players will go on to play with some of the top provincial and Canadian teams that in the past have won top honours in different competitions in the United States as well as Canada.

This last weekend the Manitoba Magic Softball Team defeated the B.C. home team in back-to-back playoff games to win the gold medal for Manitoba, the first of these games going to an extra three innings as it was tied in regular innings. It cannot go without acknowledging the hours of hard work put into practising in sweltering heat. It certainly paid off.

I would like to congratulate Blair Morrison, head coach; Aubrey Kehler, assistant coach and Colleen Kolt, manager of the Manitoba Magic team. Parents, coaches and friends, we are all very proud of the superb effort and determination that these young athletes showed.

Congratulations to Deanna Easterbrook, Whitney Friesen, Allison Friesen, Shauna Kehler, Christy Kolt, Stephanie Messner,

Megean Morrison, Carolyn Paterson, Amber Schultz, Teneille Sonnichen, Jessie Turner and Cheryl White.

I would also like to mention that another team from Manitoba, the Midget Boys team from Winkler, won the gold, making it a Manitoba sweep of the tournament.

Mr. Speaker, I am very proud of these young athletes and their achievements. I know that I speak on behalf of all the parents, coaches and members of this Legislature when I thank them for their accomplishment and wish them continued success.

### **McCain Foods Champion Potato Growers**

**Mr. David Faurshou (Portage la Prairie):** Mr. Speaker, I rise today to congratulate a number of the province's premier potato growers who took away awards at the annual McCain Foods Growers Barbecue in Portage la Prairie, which I recently had the pleasure of attending on July 31.

Mr. Speaker, McCain Foods determines the top 10 growers by monitoring the quality of processing potatoes received by the Portage la Prairie processing plant. A sample is tested for different characteristics such as size, defect level and colour. A point value is given and then totalled to determine the winners.

Mr. Speaker, earning the McCain Foods Champion Potato Grower trophy for the sixth time was Fingas Farms Ltd. of Portage la Prairie. Wilmer, Cam and Kim Fingas and their families also took the title from 1995 through to 1998 and again in 2001.

Joining the Fingas Farms of Portage la Prairie at the podium, in order of placing were: Beaver Creek Farms Ltd., Ed, Stan, Don and Lloyd Wiebe of MacGregor; Société Marquise Agricole Ltd., Nicholas and Giol Ponsin of St. Eustache; Haskett Growers Ltd., Cornie, Harold, Larry, Marvin and Lyle Thiessen of Winkler; South Trail Farms Ltd., Wes Kehler of Gretna; Elm River Colony Farms Ltd., Harold, Mark and Jake Hofer of Portage la Prairie; W.F. Farms Ltd., Peter and Les Wiebe of MacGregor; S.B. Vegetable Growers and Riverside Growers, Oege and Idzered Boersma of Portage la Prairie;

Glenelg Farms Ltd., Doug, Marshall and Greg McLeod of Portage la Prairie and Blair Athol Farms Ltd., Don, Gord and Todd Stewart, also of Portage la Prairie.

On behalf of myself and all my colleagues in the Progressive Conservative caucus, I commend Fingas Farms Ltd. and the other top 10 growers for their achievement. Indeed, their exemplary performance is the reason why Manitoba will soon lead the nation in potato production.

### **Riel House**

**Ms. Linda Asper (Riel):** Mr. Speaker, Riel House National Historic Site of Canada at 330 River Road in my constituency was the home of Julie Lagimodière Riel, mother of Louis Riel. It is a historic link to Manitoba's past, a permanent fixture on its original construction site. Having sheltered three generations of the Riel family, Riel House sits on an example of the Métis river lot system, the original family property running in a long strip from the Red River to the Seine River, cutting through what is now St. Vital Centre.

Built by Louis Riel's brother, Joseph, in 1881, Riel House was home to Julie Riel until 1906, then other family members until 1969 where they ran a post office from the turn of the century until the 1960s. Louis Riel lay in state in Riel House for two days after his execution in 1885, with the funeral procession to St. Boniface starting from there.

Riel House today attracts 7000 visitors annually, open from the May long weekend to Labour Day. School programs are held in May and June. Summer camps occur in July, group bookings in August. The annual corn roast held on September 1, reminiscent of the traditional harvest celebration, recognizes the end of summer with free corn on the cob and bannock, music and games.

Activities and tours at Riel House are conducted by Vania Gagnon, director of the Riel House, and six staff members dressed in full period costumes. Young people witness how people lived in the area a hundred years ago, how life has changed from survival in pre-Manitoba and how St. Vital has developed in

today's vibrant community with cars passing daily in front of Riel House.

Riel House with its tiny three furnished rooms, loft and root cellar awaits your visit. It is a historic gem for us all to enjoy.

## ORDERS OF THE DAY

### GOVERNMENT BUSINESS

#### House Business

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, there is an intention today to deal with some proposed changes to the rules of the House that have been considered across the different parties, and so I would like to table for the House three copies of the proposed changes.

I would like to announce that Bill 27, The Safer Workplaces Act, will be transferred from the Standing Committee on Municipal Affairs that is resuming consideration as a committee at 3 p.m. in 255. Instead, Bill 27 will be considered by the Standing Committee on Industrial Relations at 3 p.m. in 254.

**Mr. Speaker:** It has been announced that Bill 27, The Safer Workplaces Act (Workplace Safety and Health Act Amended) will be transferred from the Standing Committee on Municipal Affairs that is resuming consideration at 3 p.m. in Room 255. Instead, Bill 27 will be considered by the Standing Committee on Industrial Relations at 3 p.m. in Room 254.

**Mr. Mackintosh:** Mr. Speaker, I would like to announce that there will be some minor changes in terms of the schedule for committees this evening. Law Amendments, of course, will go ahead at 6:30 p.m. in 255 regarding health bills. Private Bills will meet at 6:30 p.m. in 254, and if that committee has completed its business by 7 p.m., it is the intention to have the Standing Committee on Privileges and Elections meet at 7 p.m. in that same room, to consider the report of the Judicial Compensation Committee.

If the Private Bills Committee is not finished by 7 p.m., the Privileges and Elections meeting

will start within a few minutes of the Private Bills Committee completing its business.

**Mr. Speaker:** It has been announced that there will be some minor changes in terms of the schedule for committees sitting this evening.

Law Amendments will go ahead in Room 255 at 6:30 p.m. Private Bills will meet at 6:30 p.m. in Room 254, and if that committee has completed its business by 7 p.m., it is the intention to have the Standing Committee on Privileges and Elections meet at 7 p.m. in Room 254 to consider the report of the Judicial Compensation Committee. If the Private Bills Committee is not finished by 7 p.m., the Privileges and Elections meeting will start within a few minutes of the Private Bills Committee completing its business.

\* (14:40)

**Mr. Mackintosh:** Would you canvass the House to see if there is agreement to change the Estimates sequence, to move the Estimates of Health from 254 into the Chamber, with the change to apply for today. The intention, Mr. Speaker, is to have only one section of Supply sitting this afternoon, that section meeting in the Chamber.

**Mr. Speaker:** Is there agreement to change the Estimates sequence, to move the Estimates of the Department of Health from Room 254 into the Chamber, with the change to apply for today? It is to have one section of the Committee of Supply sitting this afternoon and that section will be meeting in the Chamber. *[Agreed]*

**Mr. Mackintosh:** Mr. Speaker, if it is necessary for the Municipal Affairs Committee to continue with deliberations after 6:30 p.m. this evening, that committee will be relocated to 254 and will resume its considerations shortly after Privileges and Elections Committee has completed its business.

**Mr. Speaker:** It has been announced that, if necessary, for the Municipal Affairs Committee to continue its deliberations after 6:30 p.m., that committee will be relocated to Room 254 and will resume its considerations shortly after the Privileges and Elections Committee has completed its business.

**Mr. Mackintosh:** I move, seconded by the Minister of Agriculture (Ms. Wowchuk), that—*[interjection]* Oh, we already are in Supply. We are resuming Supply in the Chamber, Mr. Speaker.

**Mr. Speaker:** As previously agreed, we will now resume Supply in the Chamber.

#### COMMITTEE OF SUPPLY

**Mr. Chairperson (Conrad Santos):** Good afternoon. Will the Committee of Supply please come to order? We will take a recess.

**Mr. Marcel Laurendeau (Official Opposition House Leader):** Mr. Chair, I wonder if we might recess just for a moments and call back the Speaker.

**Mr. Chairperson:** Is it the will of the committee that we take a few moments so that we can call back the Speaker? *[Agreed]*

#### IN SESSION

#### House Business

**Mr. Speaker:** The House is back in session.

**Hon. Tim Sale (Acting Government House Leader):** Mr. Speaker, I wonder if you would canvass the House to see if there was unanimous consent to move the sections of Estimates, Transportation and Government Services and Legislative Assembly into the Chamber following Health but preceding Intergovernmental Affairs?

**Mr. Speaker:** Is there unanimous consent for Transportation and Government Services and the Legislative Assembly to be moved into the Chamber following the Estimates of the Department of Health and preceding the Estimates of Intergovernmental Affairs? Is there agreement? *[Agreed]*

**Mr. Sale:** I would ask the House to resolve itself back into Committee of the Whole, Committee of Supply, I believe, sorry.

**Mr. Speaker:** We will now move back into Committee of Supply.

#### COMMITTEE OF SUPPLY (Continued)

#### HEALTH

\* (14:50)

**Mr. Chairperson (Conrad Santos):** Good afternoon. Will the Committee of Supply please come to order? This section of the Committee of Supply meeting in the Chamber will be considering the Estimates of the Department of Health.

It has been previously agreed to have a global discussion in all areas and then proceed with line-by-line consideration with the proviso that if a line has been passed, leave will be granted to members of the Opposition to ask questions in areas that are passed. We invite the minister's staff to join us in the Chamber.

The floor is now open for questions.

**Mrs. Myrna Driedger (Charleswood):** When we recessed earlier today, we had been talking about a letter from a Jan Fortier who is a nurse who quit working here in the pediatric ICU and has since moved to Alberta.

We have had some discussion on the letter, but I would like to just state again for the minister that there is one aspect of this letter that certainly must cause some alarm for the minister. That is her comment in the letter that there are many shifts where pediatric ICU is skating along the edge of disaster due to inadequate staffing. Heavy workloads make tired nurses. Tired nurses make mistakes. Mistakes can and have led to tragedy.

In responding to some of this, the minister made reference to overreaction occurring in a previous situation. I really have to ask him, there is some very serious commentary in this letter, and, true, some of it is definitely related to some of the internal problems at the Children's Hospital, obviously, and she has documented them extremely well. I have seen previous letters to the editor from Ms. Fortier, and she is a strong advocate for good and safe patient care. She is also a strong advocate for better working conditions for nurses, and I think that her frustration and concerns have been articulated particularly well in this letter.

She also indicated that the minister knew about this situation and these challenges in the pediatric ICU nine months ago. So when the minister made a reference earlier about a previous overreaction occurring with another problem that occurred, I am assuming he is referring to the baby heart cath and indicated that there might have been an overreaction. Was his inference that Ms. Fortier is overreacting to the situation at the PICU?

**Mr. Chomiak:** No, Mr. Chairperson, if that was the member's impression, that was not the impression that I intended to leave. The point I was making with respect to that was that this was a very long letter with a whole series of points raised by this particular individual.

Mr. Chair, the reference to the overreaction quote in the pediatric cath I indicated was a product, I think, of a system that is now responding, whereas in the past it may not have responded as quickly to a difficulty as a result of the Sinclair and Thomas inquiries.

I not only made that statement here in the House, but I made the statement publicly when we had a conference attended by 300 individuals across Manitoba representing Manitoba Health, regional health authorities, the college of nurses, the College of Physicians and Surgeons and other professional groups, where we dealt with medical error and medical mistake. The point I was making was that the system is more responsive.

\* (15:00)

Mr. Chairperson, I note in the letter that I received from the member this morning that she provided this information to the vice-president of nursing at the Winnipeg Regional Health Authority, pardon me, that this letter was at the suggestion of the vice-president of nursing to the chair of recruitment and retention committee at the Health Sciences Centre, and she referenced a whole series of previous issues.

The member knows full well that we take all issues very seriously and do follow-up on all issues. I have been very consistent in my approach, and that is that if there is a situation that can be improved, if there is a mistake that has been made, we should learn from it. We should

continue to do that. We should be open, not defensive, in terms of when matters occur. I think that is only in keeping with the overall philosophy that is developing across the country of dealing with error and learning from mistakes.

I will be attending a federal-provincial ministers' conference in approximately a month from now, chaired by the Health Minister of Alberta. One of the issues again on the agenda, one of the significant issues, is medical error and how we deal with that issue. Part of the response is (a) we act and react, and I will do a follow-up to this letter, and secondly, we always attempt to learn from any suggestion or any mistakes. That was the context with which I was replying to the member's questions.

**Mrs. Driedger:** Can the minister tell me, or I guess when he heard about this nine months ago and would have been made aware at that time that there are many shifts where the pediatric ICU is skating along the edge of disaster due to inadequate staffing, as stated in her letter, what did the minister do at the time?

**Mr. Chomiak:** Mr. Chairperson, I am not certain what reference the member is making to nine months ago.

**Mrs. Driedger:** Well, I think the minister is trying to mislead right now. He knows full well what the reference is, because there is a small handwritten comment from Ms. Fortier at the end of the letter which he chuckled about earlier this morning, indicating that the minister had been made aware of this situation nine months ago, and, in fact, she has asked me to specifically ask him what he did about it.

**Mr. Chomiak:** Mr. Chairperson, I thought this handwritten note on the back of this letter was from a staffperson who photocopied this for the Member for Charleswood. That is why I was reacting that way in committee and did not mention it because I did not want to make an issue out of it. I did not know that the handwritten portion of this letter that went to the member was copied to me. I have not seen this letter formally, except for the member providing it to me this morning.

So Ms. Fortier asks Mrs. Driedger to ask Mr. Chomiak if he has ever heard any of this

before about nine months ago from me, and then ask him what he did with the information. Mr. Chairperson, as I recall, there has been numerous correspondence and numerous letters to the editor from Ms. Fortier not just during my tenure as Health Minister, but preceding my tenure as Health Minister. She is a constant proponent, advocate, critic of the system.

Mr. Chairperson, I am going completely from memory here, but as I recall, when a matter of this kind was brought to my attention, I asked the individuals involved at the WRHA to review the situation in regard to this. I think, and if memory serves me correctly, I replied to Ms. Fortier when she previously had corresponded to me.

**Mrs. Driedger:** Can the minister tell me, because I believe Manitoba Health has recently compiled the list of nursing vacancies in Manitoba. I would like to ask the minister what those numbers actually show and when he intends to release the document. It is an annual document that has been put together, usually in April. It was started late in our term in government. It is annual statistics compiled of nursing vacancies in the province. It includes permanent positions and term positions. I note that last year the minister left out the term positions which made a dramatic difference to the numbers by about 400 nurses. That document was just quietly let out to the media at the end of August of last year when it was very hot outside and nobody was paying attention.

I know that Manitoba Health has been working on the document. I would like to ask the minister what those numbers are for this period of time, this annual report that comes out from them, and when he intends to release that document to the public?

**Mr. Chomiak:** Mr. Chair, if there ever was a leading question that was one, but I will resist responding to several of the points in the leading question. That information will be released as we normally do, it is released to the public.

**Mrs. Driedger:** As I recall, it is normally released much earlier than this. Last year it was certainly released very much later than normal. Those numbers, when it was set up originally, it

was for the activity to be completed by the end of April.

I can understand the minister's trepidation, perhaps, if those numbers are extremely high in terms of nursing vacancies. I think it is a fair question for Manitobans to know what the nursing vacancy rate in this province is.

When we left Government, we were short 700 nurses. The last time the minister released this last summer, they were short almost 1500 nurses and that includes permanent and term vacancies. Those are actual nursing bodies that we need to do the jobs and fill those spots. I would like to ask the minister why he is not releasing that information.

**Mr. Chomiak:** As I indicated to the member, that information will be made public.

**Mrs. Driedger:** I would like to ask the minister why he is stalling, why he is afraid to release it now.

**Mr. Chomiak:** As I indicated to the member, that information will be made public. But let me point out to the member nursing statistics have only recently, as the member indicated in the latter part of their term, started to be compiled. I asked the staff about that. I do not even want to say what the staff said, because, well let me put it this way. There were not very good stats kept, and for good reason.

**Mrs. Driedger:** Well, I do not understand why the minister would want to drag the staff in here and make comments about what the staff might say and put the staff in such an uncomfortable position. I am surprised that he would do that.

But the minister certainly has those numbers. I would think he would be tracking these numbers very, very carefully, considering all of the comments he has made about the nursing shortage when we were in power, and the lack of keeping of numbers, et cetera.

I have always said right along, I have never hidden the fact that it probably was not until about 1997 before anybody in Canada started to realize we were starting to have a serious issue on our hands in this country. We started to

collect that information and, because it is done manually, because we do not have the technology to do it, it is a huge problem for the RHAs. It is a very time-consuming effort to make to do it. So I know that that information has been compiled and I am wondering why the minister is sitting on it.

\* (15:10)

**Mr. Chomiak:** I have indicated to the member that that information will be made public, as we always do.

**Mrs. Driedger:** Could the minister tell us when he is going to release those numbers?

**Mr. Chomiak:** I cannot give the member a definitive date at this point.

**Mrs. Driedger:** I am going to ask the minister to confirm that, in fact, in the last fiscal year, over \$3 million was spent on private duty nurses. That is just in Winnipeg. Winnipeg hospitals spent over \$3 million on hiring private duty nursing staff, I should say nursing staff because I am sure that includes health care aides as well. Can the minister confirm that information would be accurate, that we have spent that kind of money, over \$3 million, last year to hire private duty nursing staff because our nursing shortage is so bad?

**Mr. Chomiak:** I believe the member FIPPA'd that information from the Department of Health and has that information, and I think the member should compare the numbers compared to when the member opposite was the assistant to the Minister of Health.

**Mrs. Driedger:** I can certainly compare it, but I think the relevance is related to the fact that, in this past year, with the NDP, nursing shortage doubled since they took office, that, in fact, what has helped to hold the system together is private duty nurses who have actually come into hospitals, private duty nursing staff who have come into hospitals, to look after patients.

We certainly heard about it with, I believe her name was, Miranda Kostiuk-Hein, whose baby needed surgery desperately. She could not find an ICU nurse and was put into the awful position of struggling to try to find a way to have

her baby have surgery, and she needed ICU nurses. So she got her own private duty nurses to come in so that her baby could have surgery. So, when I am adding all of this together, I have to think that the minister is not releasing those numbers because those numbers probably are not painting the picture he wants us all to believe is occurring in Manitoba.

You know, the nursing shortage has doubled under his watch, despite all his promises in the election that he was going to make everything better. He was going to create all these full-time jobs and, in fact, has dismally failed in that area because the full-time to part-time ratio is basically unchanged. So the minister has failed in that area. If he wants to claim that he has made things so much better, why is he so reluctant to release those numbers?

**Mr. Chomiak:** I just love the way the member plays around and says do something, do something, and then, when we provide the information, the member scurries away because she is wrong, Mr. Chairperson. That has happened over and over and over again. First, it was with the nurses' contract. All the nurses are going to go on strike. Oh, what planet is the minister on? Oh, crisis, crisis, crisis. Pay the nurses more. Then, when we settled, where was the member? Where was the member?

### Point of Order

**Mrs. Driedger:** A point of order, Mr. Chairman.

**Mr. Chairperson:** The point of order being raised, the honourable Member for Charleswood.

**Mrs. Driedger:** Mr. Chairman, I have asked the minister before, and I will ask him again. If he wants to make statements about me saying something, I would really request that he put accurate information on the record. If he is going to say I demanded more, I would like him to table that information.

**Mr. Chairperson:** The honourable minister, on the same point of order?

**Mr. Chomiak:** Yes, thank you, Mr. Chairperson. I do not think the Member for Charleswood has a point of order. It is a dispute over the

facts, but it is on the record what the member said to the media.

**Mr. Chairperson:** There is no point of order.

\* \* \*

**Mr. Chomiak:** Mr. Chairperson, that happens over and over again, Mr. Chairperson. It happened with the nurses. It happened with the doctors. It happens over and over again. When the data comes out, we can debate the data, but, for the member to talk about information and hypothetically project what the minister is doing and what the minister is feeling and all of the so-called changing of information, et cetera, I do not think is appropriate. We should deal with the facts when the facts are on the record.

**Mrs. Driedger:** On February 28, '02, in a FIPPA document, it indicated that there were 97 beds closed in Winnipeg hospitals. On May 22 of this year, to the media, the minister said: The number of hospital beds in Winnipeg hospitals as of last March was at least 500 more during the last year the Tories were in office.

I would like to ask the minister to provide proof of that number because according to his own annual reports from 1999-2000, 2000-2001, it only indicated that there were 22 hospital beds opened. Yet the minister is claiming that he has opened at least 500. Yet the FIPPA from February showed that 97 beds were closed. I think the minister is trying to put some misinformation on the record with those numbers because the only way he could possibly account for that number is if he were to account for about the 453 personal care home beds that were built by the Tories and then opened under his reign.

So, where does he get 500 acute care beds in hospitals opened under his watch? Where does that information come from, because in any of the documents that are out there, that is not showing? Mr. Chairperson, can the minister prove where that comes from?

**Mr. Chomiak:** I believe the member clarified her discrepancy in the course of her comments.

**Mrs. Driedger:** Mr. Chairperson, it was not my discrepancy. The minister told the media, and I

quote: The number of hospital beds in Winnipeg hospitals as of last March was at least 500 more during the last year the Tories were in office.

That is the minister's statement to the media. What did the minister mean when he made that statement to the media, and can he back up that statement?

**Mr. Chomiak:** There are more than 500 beds in the system, Mr. Chairperson.

**Mrs. Driedger:** I would like to suggest that the minister is really skating on this, and he is on really thin ice. There is a real credibility issue with him running out and telling the media that there are at least 500 more beds during the last year that the Tories were in office.

Where in the world does the minister get that figure from? According to all of his own information, the first couple of years only 22 new beds were opened. According to the FIPPA, 97 beds were closed. How in the world does the minister find it credible to make that kind of a statement to the media?

**Mr. Chomiak:** I think the member is having a meltdown, to use the analogy of thin ice. The member is having a meltdown in terms of her reference to beds, because as is often the case, Mr. Chairperson, beds that are open or hospitals that are open or personal care homes that are open under our regime are always what the member did despite when it happened, but when something negative happens, it is exclusively members on this side of the House.

I think the member's question clarified the issue when she mixed not only the type of bed that she was referring to, because she had mixed the type of bed she was referring to in both of those questions, and she dealt with different time frames with respect to who was in power.

**Mrs. Driedger:** Well, the minister is really skating around this issue. When the question was posed to him in the House at that time, it was very, very clear that we were talking about hospital beds. The minister claimed, in fact, he promised he was going to open 100 beds. That was his promise during the election. Vote for me,

vote for our party, and we are going to open 100 new beds.

We are holding him accountable to that promise. He cannot defend, either, that promise. He is afraid to be accountable and admit that he has failed to keep that promise. In fact, he misled not only us in the House on the issue, but he has misled the media and the people of Manitoba by going out there to say the number of hospital beds in Winnipeg hospitals are 500 more. The minister is trying to be very evasive. He is just all over the map on this one and cannot provide accurate information to substantiate what he is saying.

Every time he cannot be accountable for his own promises and his own actions, he lashes out and tries to tangle up all the information and throws in all this rhetoric. Well, he is starting to trip over his own rhetoric now.

Mr. Chairperson, I would like to ask the minister again: Where are those 500 beds?

\* (15:20)

**Mr. Chomiak:** Let us look at the facts as stated by the Member for Charleswood. The Member for Charleswood indicated she FIPPA'd a document about closed beds in February of 2002 in which the member received the reply, as she did to her hundreds and hundreds of pages of information, that said, and the member quoted, 97 beds. The member asked whether or not there were 97 acute care beds.

I should find the FIPPA, Mr. Chairperson. I believe it went to the Department of Health. I should see if I can find it, but I think it was dealing with acute care beds.

Then when I said that we had increased the number of beds, the member said, oh, no, no, those were Tory beds. Those were not NDP beds. Despite the fact that we opened new personal care homes in the city of Winnipeg. We opened new personal care homes in the city of Winnipeg, we opened new personal care homes outside of Winnipeg, we have opened new hospitals, Mr. Chairperson.

So, if I say we have increased beds, the member says, oh, those were Tory beds. If I say,

as the FIPPA said, and I will go with the FIPPA about the 97 beds in February, that is 97 beds in February.

In terms of med beds, I have indicated that to the member and the member can continue to spin it any way she wants.

**Mrs. Driedger:** Mr. Chairperson, in the Deloitte & Touche report, they indicate that we have more acute care beds per 1000 than other jurisdictions, even when adjusting for our demographic profiles and catchment area. Doctor Postl has also commented on June 27 of this year that we could easily close 200 more beds in the system which actually would be the equivalent of a community hospital.

It is interesting that the minister has criticized past closures of beds, yet recent studies say that more beds should be closed. His own study, the Deloitte & Touche study, has some indication in it that beds could be closed. Dr. Brian Postl, who is the head of the WRHA, indicated on June 27 that more beds could be closed. The Manitoba Centre for Health Policy and Evaluation study validates that the closures in the nineties has not negatively affected patient care, and yet the minister has such joy in ragging on the Tories for closing beds. Yet, interestingly enough, Mr. Chairperson, that has been the trend right across North America. In fact, it has been hundreds of thousands of beds across North America that have actually been closed.

Why should they be kept open? That would be very inefficient, that would be a very costly move when so many surgeries are now done in day surgery. The minister has even acknowledged the Manitoba Centre for Health Policy and Evaluation report that shows we do need to move to more day surgeries, the trend has been for day surgeries and that, in fact, we will adequately have enough hospital beds in the future as long as the minister continues to increase that trend.

So, while he likes to get his 10-second sound bite and thinks he is doing such a great job of criticizing something, he is actually being very critical of something that is happening throughout North America. Now his own head of the WRHA is saying that more beds can be

closed and his own report is saying to close beds.

I would like to ask the minister if he is going to accept any of those recommendations from the Deloitte & Touche report to close beds.

**Mr. Chomiak:** Mr. Chairperson, I hear the member and I remember the discussion we had last year in Estimates. In fact, I photocopied the member's comments about urging us to close more beds and the fact that she thinks we should de-bed and we should do a lot more bed closures. I noted that advice from the Member for Charleswood during the course of Estimates last year. [*interjection*]

**Mr. Chairperson:** Order, please. The minister has the floor and I direct the questioning.

**Mr. Chomiak:** Thank you, Mr. Chairperson. Just a reminder for the member, it was similar to her discourse today about defending the bed closures in the nineties and saying there was no problem with the bed closures in the nineties, everyone is de-bedding and why would we not follow that trend line. I noted that from the member, as I note suggestions from the member. I noted her suggestion that we should be closing more beds.

I note that numerous studies have indicated for some time that we have per capita a higher number of acute care beds and per capita a higher number of personal care home beds in this jurisdiction. Information has also come forward, as a result of numerous studies, that we have long stays in Manitoba. Let me make this clear, Deloitte & Touche suggested that if you were able to put in place a number of efficiencies and recommendations in that report and if you were able to put in place community, home and other linkages and other resources, you would have an opportunity to reduce an equivalent number of beds. That is what the Deloitte & Touche report suggests. The member, I think, is taking her own predisposition to closing beds a little bit too far by saying are you now going to close those beds. That is not what Deloitte & Touche recommends, and that is not what we intend to do.

Having said that, Mr. Chairperson, let me just talk about another issue. The member talks

about using private clinics. Why would we use private clinics when we have operating rooms like in Steinbach, like in Ste. Anne, like in Thompson, Manitoba, that can have their surgical slates increased? We want to build up our existing infrastructure which is already in place, including the Pan Am. Deloitte & Touche talks about opportunities for bed numbers based on putting in place, and it is very clear in the report to not follow the mistakes of the nineties, that if one were to put in place these kinds of changes, those or equivalents, that you have to put in place the resources to deal with particular patients.

I note what the member suggests in this regard. It has not been our pattern to follow all of the advice of the Member for Charleswood, but I just wanted to clarify for her the understanding of the Deloitte & Touche report.

**Mrs. Driedger:** Can the minister read back to me the words I might have said last year in Estimates that he just referenced, where he indicated I said that beds should be closed? Could he please re-read what I might have said?

**Mr. Chomiak:** I would have thought the member would be aware of that. I will attempt to find it in my notes as we go through the course of this discussion. I did note it, and so I will try to find it.

**Mrs. Driedger:** I ask the minister to do that because oftentimes when I ask him questions, and, in fact, this started out right from the very first time I was in Estimates, the moment I asked a question the minister automatically put some kind of claim to it that I was either for or against it just because I asked him the question. He has done it since.

I am going to ask him that if he is going to say that I said something, I want him to have the proof in front of him from now on, and I put him on notice on that because I think that is very unfair to treat one's colleagues in such a fashion, and from now on I would really like him to have proof when he says the opposition critic has run around saying this or that.

\* (15:30)

Oftentimes, all I do is ask the questions as Manitobans want me to do as Her Majesty's

Loyal Opposition, Official Opposition. So I think I have that obligation to ask the questions. Just because I ask the questions does not mean I am for or against anything. The member knows full well on that.

I certainly would like to know and have the minister tell me what I might have said on the issue then. But I am also indicating to him that the trend has been to move more health care into the communities to do more day surgeries, and that was part of the reform in the nineties. We were starting to do that. With the reform of the nineties, with more day surgeries, with more community care, with more supportive housing, with more assisted living, when you put all those initiatives into place, you do not need the hospital beds because you can care for people in a place where they would probably be and that is in their own home where they can be closer to friends and family. So it makes it better for the patient, but it is also more cost-effective for the health care system.

So, in fact, that was what was happening in the nineties. So, when I am making reference about bed closures, the trend is for more bed closures. That is what is happening in this country. I think governments are doing that, health authorities are doing that, as a way not only to care better for people and how they might like to be cared for, but because it also has a cost benefit to the system.

So can the minister tell us whether or not we are going to be seeing bed closures in Manitoba, and maybe at the same time can he indicate whether there are already a number of beds closed and actually whole wards closed in some hospitals?

**Mr. Chomiak:** I understand the member's question. That is why I corrected the member and read into the record her comments that she made about her inappropriate conclusions regarding Deloitte & Touche. I read into the record her comments about the NDP, about our Government getting rid of nurses, and caused great consternation amongst the nursing community. I was able to outline for the member where she had made the mistake, and I read it into the record, and I will continue to do that. I think that is wise. I think we should deal with the facts as

raised and we should do that. The member regularly FIPPAs information with respect to temporary bed closures and the like.

One of the problems that we have, Mr. Chairperson, and I do not quite know how to handle it, maybe the member can give me direction on this, is, for example, there was in this Chamber not too long ago a temporary closure of a facility because of a doctor shortage. It was a temporary closure, something that had happened for a period of time. The member and other members stood up and asked questions. It was like they were implying—and I had to correct the record—that this was permanent. Because of staffing issues, there are regular, because of vacations.

You know what I said? I said to members—*[interjection]* The difference, Mr. Chairperson, for the Member for Russell (Mr. Derkach), was those were permanent beds, 1400 permanently closed. Misericordia Hospital closed hundreds of beds, 1400 acute care beds closed. That is by the statistics that I got from the member's predecessor in government. That was their statistics, not even mine.

So, Mr. Chairperson, I have said that we have consistently tried to open more beds to deal with issues. We have, and we continue to do that. Our difficulty is staffing shortages. Fortunately, as I have indicated on many occasions, we have reinstated the nursing programs. With respect to the diploma program, the BN program, is actively running. We are now training more nurses, we are educating more nurses than in any time in the past decade. Fortunately, we will be in a situation where we are going to be training more nurses and be able to fill those vacant positions.

I know there are vacant positions because (a) we have created a number of programs; and (b) because we are no longer, to quote the president of the Manitoba Medical Association, the dark days of the 1990s. There is a different ethos that is going about and we will continue to do that.

**Mrs. Driedger:** I wonder if the minister can tell me how many patients were in the hallways during the last week of July.

**Mr. Chomiak:** That information regularly appears on the Web site. We put that information on the Web site. The one thing I can tell the member, which I think is very positive that all members should be pleased about, is that if you compare year-over-year we have done an 80% reduction over when the members were government. The members know that.

The members know on any comparative basis, as CIHI. The member quoted CIHI. Now when CIHI said we have done a better job of hallway medicine and the stats show a reduction of 80 percent, the member seems to have difficulty accepting that. There are difficulties on occasion. Every time there is difficulty the member stands up and reminds us of that, but I think we have been over this over and over again. I know there is a pattern because we are not ashamed to put the comparative statistics up on the Web site.

The thing we find, when the numbers are better, which is the majority of the time, we do not hear anything from members, or they say, oh, the numbers are different. When the numbers are periodically worse than they were last year, which was our term of government, or worse than the year before, the odd occasion, the very odd occasion, because I have had a statistical analysis done of this, the very odd occasion they are periodically on a day or week worse than in 1999. Overall, it is an 80% improvement. The member stands up and reminds us of that, but that is what democracy is all about.

That is why the information is put on the Web site. We are not afraid to put our record on the Web site. The member has ample opportunity and does on a weekly basis check the statistics, she does. Every time the numbers are higher or slightly higher, she says, oh, it is not over; it is not over, et cetera. It is quite clear that on a comparative basis there is no comparison in terms of the dark years of the 1990s.

**Mrs. Driedger:** Does the minister think the opening of all the personal care home beds is what actually has helped to eliminate the large portion of patients in hospital emergency hallways?

**Mr. Chomiak:** No, Mr. Chairperson, there are a variety of factors. It is a factor because, as I

recall from memory, when members were in office the waiting list in acute care beds to get a personal care home bed was over 200. I am going from memory. It was over 200. It is now, if memory serves me correctly from the last time I checked the statistics, between 20 and 30.

**An Honourable Member:** I wonder why.

**Mr. Chomiak:** The member says I wonder why. Hard work on the part of people in the system, plus a comprehensive hallway medicine plan.

Let me go through it. Not only have we opened more personal care home beds but we have put in place more day programs to keep people out of acute care beds, including day programs at CancerCare Manitoba. We have put in place more psychiatric nurses to deal with the psychiatric patients that appear in emergency rooms. We have put in place fast-tracking. We have put in place expanded home IV programs. Why is that important? Expanded home IV programs provide care that used to only be exclusively provided within the acute care setting. We have put in place, in all areas, geriatric assessment teams and geriatric teams that provide services to seniors and others to keep them out of the acute care setting.

I met with a group of nurses from emergency who made suggestions to me. As a result of some of those suggestions, we put in place additional triage to assist in dealing with the hallway situation.

\* (15:40)

We have also put in place advertising and information campaigns. I know the member was critical of our information campaign. I would just like to table, if I could find a copy of it, a copy of the ads the member was so critical of with respect to emergency rooms. When I attended at an emergency room I even saw up in the emergency room. I have seen it in many people's homes. We found out from our consultation that information was important to members of the public. We have been providing that. Part of our emergency room campaign was to deal with that.

I do not want the member to think it is only a case of opening additional care home beds,

which we have done, that has resulted in the significant impact on the hallways, but it is that whole series of measures I have cited. Of course, I am only going from memory. There is a whole series of others, some that were announced on November 22, 1999, which was the first phase. As I have indicated to the member and the member has pointed it out, the member has asked, hallway medicine and the approach to dealing with it just does not end with one program or one announcement. We work at it every single day. We look for improvements every single day. We look at how we can make the situation better. We receive advice on a regular basis.

Let me give another example. Victoria Hospital, which the members opposite had the occasion to redevelop, they did not. We are, Mr. Chairperson, and we are hoping that with the redevelopment of the Victoria Hospital, one of the chronic difficulties we have is at Victoria Hospital, we will be able to eliminate that. That is very significant. That is what I mean when we work on it day by day.

I cannot find in my notes, Mr. Chairperson, the item I wanted to table, but I do want the member to know, and I think she does, certainly opening those beds was significant, but it certainly is more than that. It is a whole variety of programs that I have announced, it is a comprehensive approach and it is something we work on, on a daily basis.

**Mrs. Driedger:** Back in September of 2000 the federal government made a commitment for, I believe it was \$23 billion, to be reinstated into health care across the country over the next five years. In reading newspaper articles about that particular commitment I understand that Manitoba's commitment, or what they will receive from that, is \$800 million over five years, which is approximately \$160 million a year. Can the minister indicate whether that is accurate?

*Mr. Stan Struthers, Acting Chairperson, in the Chair*

**Mr. Chomiak:** I do not think the member can cite those specific numbers along those lines. Just let me elaborate. There are capital dollars

involved in that. There are primary health care dollars, some are designated for almost exclusive provincial control but requiring federal approval, some are almost totally controlled by the federal government but will be occurring in Manitoba. In addition the information technology portion, which is fairly significant, is essentially controlled by the federal government as a result of projects in the province.

You cannot extrapolate it is \$160 million per year. I think we could break it down by area and give the member information by area but I do not think you can necessarily break it down like that and do justice to it.

**Mrs. Driedger:** When the commitment of \$800 million was made to Manitoba over five years, there was also talk of what I thought was a separate fund beyond that for information technology and then another separate fund for primary care.

Is that an accurate or inaccurate understanding of that money breakdown, that \$800 million went into health care in Manitoba over five years, but on top of that there were two separate funds, or is that not the case?

**Mr. Chomiak:** I am just going to go through my notes and try to clarify. It is not coming to me off the top. It could be the time is getting to me, but it is not coming to me off the top. But I am just going to go through my notes, as well, and try to clarify those figures.

If the member wants to continue down another line of questioning, we can go back to that specific issue, if the member would like.

**Mrs. Driedger:** I would like information from the minister on that. I can wait until his staff brings him some information. I am just curious if we are going to see \$800 million for five years in a row since 2000, and if the primary care dollars are separate, if the information technology dollars are separate.

Now, I do note in the Estimates book, I believe, that primary health care dollars allocated for this year appear to be from that fund perhaps, and they appear to be \$5 million, in fact, 5.2. I would like to ask the minister, I

understand some person has been hired to be in charge of the primary care dollars and the distribution of those dollars.

Is that accurate and could he give us some information about what is happening in that area?

**Mr. Chomiak:** There are two components to the primary care dollars of which we are in the approval stages with the federal government at present. We have put together a team of individuals from the Department of Health to head up the primary care component of the program.

I do not know if the word "negotiating" is appropriate. We are presently seeking approval from the federal government with respect to a portion of those dollars to be expended within this year.

**Mrs. Driedger:** Can the minister give us some indication as to what is happening with the information technology dollars and actually with the primary care dollars, if some of this money has already started to be put into action, because that commitment was made in 2000? We are now in 2002.

**Mr. Chomiak:** This, is, in fact, one of the difficulties with extrapolating figures and designating figures for particular years. When we came out of the First Ministers' and the Prime Minister's conference in September, Mr. Chairperson, there was extensive information outlining all of the money that would be flowing. We have only recently finalized with the federal government, has the federal government finalized the categories for approval of the primary care dollars.

\* (15:50)

So it is one of those issues where there is no doubt the Province could have spent and can spend those primary care dollars two years ago. What has happened is only recently has the criteria been allocated. The primary health care transition fund which was announced was \$800 million over four years. Thirty percent of the fund, \$240 million over four years, will be available for proposals related to a variety of reform initiatives. Seventy percent will be allocated to

provinces on a per capita basis. Manitoba is getting its share based on that particular ratio. We are entitled to that portion and we are finalizing with the federal government some of our projects as we speak.

I do not want to go into the specific projects, Mr. Chairperson, not because I am not pleased with them or not that it is not important, but the problem is going to be if we have to change or they do not meet with our criteria, we are back at the drawing board in some areas.

**Mrs. Driedger:** That is fine with me. I am more interested in the bigger picture in terms of those dollars. Can the minister just clarify this? According to the newspaper reports it is \$800 million over five years. He quoted some different numbers. Are his numbers different?

**Mr. Chomiak:** The information that I have is that it is \$800 million over four years.

**Mrs. Driedger:** Can the minister then tell us, with this money coming into the province, this is obviously new money coming in, is it for health care? Does that mean that after this period of time we are going to see the Health budget increased by at least \$800 million over those 4 years?

**Mr. Chomiak:** I probably was not clear. The \$800 million is for the entire country, of which Manitoba gets—*[interjection]* I am talking about the primary health care dollars. That is the difficulty. There are several funds and several packages of money. Let us break it down by packages. There is an \$800 million primary care fund. It is in two parcels. Seventy percent goes to projects in the provinces on a per capita basis. I think Manitoba qualifies for \$20 million over four years on a per capita basis. On the primary health care portion of the fund, Manitoba qualifies for approximately \$20 million over four years.

We also qualify for a portion of the 30 percent of that larger \$800 million. Those are initiatives that have to be national or multi-jurisdictional. There are a few million dollars that might be available there. An example of that would be something I suspect to deal with First Nations communities or something at a national

level. That is the primary care dollars. Primary care dollars are one-time dollars that go towards primary projects. There are very strict criteria, very specific criteria. In general it is primary care dollars dealing with, quote, reform of the system. That is the \$800 million of primary care and the breakdown of that.

There is also a separate package dealing with renewal of infrastructure, et cetera. We have discussed that on occasion. That is over two years. Again, it is funny, \$18 million each year for two years, \$37 million that has been allocated for infrastructure capital projects. That is the second parcel.

There is a third package. It is information technology. I cannot remember what that number is. We are getting that number. There is also a topping up to the Province of health care dollars. I am also getting that number to the member.

**Mrs. Driedger:** So can the minister indicate, because it sounds like in the end, after all of this is said and done, we could have hundreds of millions of more dollars? The minister is shaking his head, and yet, according to several newspaper articles, it is talking about Manitoba getting, overall in this one big fund, part of the \$23,800,000,000 over five years.

**Mr. Chomiak:** Yes and no. Three of those packages, three of those parcels are one-time money. A fourth portion that is part of it is ongoing money and an ongoing top up with relation to the CHST, that portion and I will get you that, Mr. Chairperson. So I guess it depends how one characterizes it. We are not getting all of that money every year. The information technology stuff is one time; the equipment is essentially one time; the primary health care is one time, but over a four-year period. Then there is a top up. There is a portion, again I will get to specifics, there is a top up with respect to the equalization via the CHST portion.

**Mrs. Driedger:** Can the minister tell us with this top up ongoing money, which is probably significant dollars, is that considered then new money going into health care, so that, in fact, it is going to raise the baseline spending, or can it

be actually used and put into efficiencies within the health care system?

Otherwise, if we put in more money, it will take us well beyond the 40 percent of our budget then going into health care. Is he going to take that money and try to use it in some way to deal with the costs we have now or is it actually going to end up going in as new money and then increasing the baseline costs of health care?

**Mr. Chomiak:** One of the arguments that we made during the course of the negotiations for the federal money was earmarking it, now we were in a huge debate with some jurisdictions, most notably Québec, that wanted it totally free. Manitoba and the other provinces, most of the other provinces with the exception of the two larger provinces, Alberta and Ontario, really want earmarked money to go towards the system that would allow us to initiate certain initiatives. I always use the example of if the money was earmarked towards Pharmacare or to Home Care. Those are two areas of significant growth in health care that we generally, all provinces are bearing on their own. That was not the case.

Mr. Chairperson, as I said to the member when the deal was finally cut, some portions of the deal were actually portions that Manitoba had actually, both publicly and privately, pushed very strongly for with the federal government, notably the equipment fund and IT fund, which was not designated the way we actually wanted it necessarily, a primary health care fund, which was not as much resources as we called for. The rest was just provided as a top up.

That it essentially did is, and again I am going from memory, it amounted that the federal government paid, in terms of a proportion of health costs, up 1 percent, from 12 to 13 and from 13 to 14. So it helped. It helped in terms of balancing, but the member will know that since then most jurisdictions have settled collective agreements at significant ratios, starting with Alberta, then B.C., then Nova Scotia, then Ontario, then Manitoba, then Saskatchewan.

What has happened and I am not being critical of this, but what has happened is that a lot of the resources have gone to the settling of

collective agreements. Now, that is only natural if one considers that 70 percent, roughly, of your costs go towards paying your professionals and your other employees. I hope that is helpful to the member.

\* (16:00)

**Mrs. Driedger:** At the time that commitment was made to Manitoba, the Premier (Mr. Doer) of Manitoba is quoted in the paper as saying what it really does for Manitoba is it takes the risk out of budgeting for health care. What it allows us to do is make plans on a longer term basis and I think that is good. The Premier at the time seemed very happy about receiving the money and that it made a big difference and he seemed to be satisfied with this five-year deal.

Every year since then he has gone to these premiers' conferences, is asking for more money, says that provinces have to stop whining, but then he keeps asking for more federal money, then he asks for more federal money. Yet, when they got the money back then, he felt that it took the risk out of budgeting for health care. He said the five-year deal means Manitoba will not have to go cap in hand to Ottawa every year to lobby for increases in health care funding.

Why did he settle for that deal then in 2000 and make everything seem so good, and now he is going cap in hand every year since then to ask for more money?

**Mr. Chomiak:** I am happy to talk about that. I was there. I was there when the deal was cut. I was there during discussions with the premiers; myself and Jamie Muir, the Conservative Health Minister of Nova Scotia, as well as Madame Marois, who is the Health Minister of Québec. The Premier of Alberta and the former Premier of Ontario, Mike Harris, both indicated they did not like that agreement but signed that agreement nonetheless.

It is true that there was a certain amount of stability that was provided as a result of the agreement in terms of the next several years, because it allowed us to know and plan the amount of money from Ottawa. I want the member to note this, in the two preceding years the federal government came in midway, or

halfway, or at the end of a budgetary year and pumped more money into the system, both when the members were in government and when we were in government.

By virtue of this agreement, we had some idea of what the amount of money would be. We would not have to go through this are they going to pay, are they not going to pay? So we got stability in that sense, but the Premier of Ontario and the Premier of Alberta both stated that they signed the agreement, they shook hands, they were happy but it was not a great agreement, in the sense of it was an interim step. We all knew at the time what was happening on the political front, that there certainly was direction towards a federal election.

I think it is not correct for the member to criticize the First Minister of Manitoba who has been acknowledged across the country for being innovative with respect to health care and taking a lead with respect to health care. It was the First Minister of Manitoba, our Premier, who got the premiers of the country to agree to share centres of excellence, no small feat.

It was not that long ago when we could not get hospitals to co-operate. Can you imagine trying to get provinces to co-operate? Our First Minister, as an example of innovation, has received co-operation from all of the provinces so that Manitoba can be the centre of excellence for the gamma knife and for neurosurgery. Alberta will essentially be the centre for pediatric cardiac surgery.

We are going to share services across the country, particularly in western Canada. It was our Premier (Mr. Doer) who brought that about. That is innovation. That is something that has been talked about for years, and our Premier was able to realize that.

The second factor is we now have a common drug formulary process that we are working on. Again, Mr. Chairperson, talked about for years. I went back and looked in the reports. It was talked about when Don Orchard was minister. It was talked about when Jim McCrae was minister. It was talked about when Darren Praznik was minister. It was talked about when Eric Stefanson was minister. It was talked

about when I was minister. The First Ministers now have put in place a common formulary to deal with drugs. That is another innovation put in place that has happened since.

Now, Mr. Chairperson, I was at that First Ministers' conference. We said it will provide some stability, but it is not over. We needed more funding. The public has strongly supported us on that. We have said it at Romanow. We know that the public supported it as a result of our consultations. We said at the time, we require additional funding, and we have done that since, Mr. Chairperson. I know the member referenced consultations. I know the Conservative Party had consultations. I noted the article in the *Brandon Sun*. There were almost as many presenters as members of the Conservative Party. That is good. We had hearings across the province. We have had input from the public.

I do not think it is fair of the member to criticize the First Minister who has been recognized as being innovative, having brought about a number of changes with respect to health care in addition to keeping the federal government accountable for its funding to health care.

I will just cease at this point because the member may have numerous other questions.

**Mrs. Driedger:** I guess I just found it interesting what the Premier was saying at the time and the headlines he is getting across the country, we have to stop whining, and then for the next two years he is saying we should not be going cap in hand, and he gets all these hundreds of millions of dollars coming into Manitoba. He makes it appear at the time that it maybe is not all that we need, but he seemed to be very satisfied with it. Two short years later he is talking quite differently. So it sounds just a bit strange, I guess, to me.

I am going to turn over the questions to one of my colleagues who has some specific case issues to discuss with the minister.

**Mr. Larry Maguire (Arthur-Virden):** Thank you to my colleague from Charleswood and Mr. Chair. I know that there are a number of particular circumstances that come to the attention of each one of us as MLAs in the Legislature of

Manitoba from time to time. I know that this family has indicated to me that it is perfectly fine to go ahead and express their view in regard to the type of system that we have today. In a letter that I have received from this person's spouse, it references that they would be very happy to look at doing anything that they possibly could to, and I quote, have some changes made to our poor health system.

**Mr. Chomiak:** I do not want to appear to be difficult, but could I perhaps have a copy of the letter so I can follow along? I believe that is part of the rules. I do not want to necessarily invoke it if it is difficult, but it does help if I could have the full context of the letter in terms of understanding the situation insofar as the member has indicated the family has given him permission anyway.

\* (16:10)

**Mr. Maguire:** I will make that available to the minister, Mr. Chair. I will get one made and I will provide it to him. I will be very short on it. I am not going to belabour it. I have had a number of them. I only refer to this one from that number. Lately it seems that I have several that have indicated to me that they have had to go elsewhere, outside of Manitoba, for health care. This particular individual was diagnosed, felt there were some problems last November 6 and, in fact, could not get any kind of a CT scan here in Manitoba quickly enough to satisfy their circumstances as well as their doctor's in relation to this particular individual.

The doctor referred them to Bottineau, North Dakota, of course, just across the border from my region, southwest Manitoba, where they were able to be scheduled for a scan there the next morning at 7:15 which showed a mass on this person's lung. On December 27 they were subsequently scheduled for an operation here in the city of Winnipeg. The entire left lung was removed at that time. That was quite traumatic, but the person felt quite good about it, felt the circumstances had been dealt with rather expeditiously, given what they had heard about the health care system in Manitoba.

This summer this person has experienced headaches a number of times and once again

went to his doctor to see if they could secure some kind of help in Manitoba, to have another check at least on this, and were denied that opportunity. They would have had to have got into the waiting list for some time and, as already has happened once to them, felt they would not have been served if they would have had to wait in November any longer, so they took it upon themselves to go to Devils Lake, it would appear, with their doctor's blessing for sure. They received an appointment five days later to have a CT done there again, which in this case the particular person has indicated that they have a number of spots, that the cancer has moved to the brain. This person has been diagnosed with less than a year to live. That is what he has indicated to me personally.

The letter here, of course, is requesting that there be something done for the payment of some of the outside-of-Manitoba costs for these areas. I know the Government was helping in certain circumstances when people were going to the States for this kind of care. Of course, that was for breast cancer and prostate cancer treatments at that time. I know they were also being shifted to Thunder Bay for a while. I have a couple of specifics. I guess I would like to ask the minister just where they are in regard to whether they are still paying for those two treatments in the U.S.

**Mr. Chomiak:** I want to deal with some of the information the member put on the record.

I am very sorry to hear about the condition of that individual. I would like to look at the letter and do a follow-up. I am always concerned when people feel they are not getting the appropriate level of care.

Having said that, I just want the member to know that the *Free Press* did a review and went down to Grafton. The head of that clinic said they knew the waiting lists were shorter here because their business had dropped considerably. I hope the member and Member for Charleswood (Mrs. Driedger) were assured by that. It was a comment by the head of the clinic in Grafton, North Dakota, so I am sure the members will be assured by that. That does not help that individual and I am not trying to minimize the impact on the individual, but

overall it is good to know that has, in fact, occurred.

We are doing way more CAT scans than any other time in our history. The determination is made by prioritization and made by physicians.

Two points, first off, if an individual receives appropriate approval, we have the best travel policy in the country in Manitoba. That is something that has been in place for a long period of time. We cover more costs than most jurisdictions, point one. Point two, in our efforts to reduce waiting lists for radiation treatment, and we have been able to reduce them in half, we put in place a fund, an emergency fund. The two basic areas of treatment were for breast cancer and prostate cancer, for a couple of reasons, because there obviously was a number of cases that were sent to North Dakota, because they are the easiest to transport in terms of types of cancer. We had challenges with respect to the waiting lists for radiation treatment in Manitoba. We determined those two disease groups were the most effective to be able to transfer outside of Manitoba.

We subsequently have been transferring some of those cases to Thunder Bay with respect to treatment. The good news is if it is radiation treatment an individual needs we have been able to reduce the waiting lists significantly for that. Again, under the circumstances the member talks about with respect to their constituents, that obviously does not help, but the member did ask specifically about the travel outside of Manitoba.

I did table a copy of a pamphlet we provide, I do not know how many copies, I should provide additional copies perhaps, that outlines Manitoba's out-of-province travel to members opposite. One of the recommendations in the Sinclair-Thomas report was that we prepare a pamphlet informing individuals about out-of-province travel expenses. I am going to try to get copies to the member before the day ends.

**Mr. Maguire:** I wonder if the minister could indicate to me, I know there was some transportation to the U.S. at one time and as well to Thunder Bay. Could he give me the details around when that started and if it is still being continued in Thunder Bay, or when he terminated that?

**Mr. Chomiak:** When we came to office in the fall of '99, one of the first reports that came across my desk was a concern from CancerCare Manitoba that the waiting lists for treatment were too long, were almost dangerous. We instituted a fund that allowed individuals, at the determination, together with the patient and CancerCare, to send individuals from Manitoba to Grand Forks to receive radiation therapy.

As I indicated earlier, the two disease groups chosen were breast cancer and prostate cancer, specifically because, as difficult as those circumstances are, those two groups could receive the treatment more effectively than people with other forms of cancer. That has resulted in decreased waiting lists.

The program continues. We have shifted the location of the treatment to Thunder Bay but the program does continue. There have been, I think, other forms of cancer other than breast and prostate cancer that have been transferred, but the majority of cases are breast and prostate for the reasons I already cited.

**Mr. Maguire:** I appreciate the fact that the minister has just indicated that it was breast cancer and prostate cancer that were mainly treated. Can he indicate to me if that is still occurring in Thunder Bay?

**Mr. Chomiak:** Yes, I believe so.

**Mr. Maguire:** I guess he has also indicated that some other treatments have been taken for other forms of cancer from time to time outside of breast cancer and prostate cancer treatments. He has indicated those are the two that are being done because they are easy to transfer.

In this particular case, as in many cases, if people are nervous and worrying about whether or not they have a fatal disease, I submit that it is not the transfer costs they are worried about, although if you have to go very far, of course, it could be. In this particular case, these folks drove across the border. They were probably closer to Bottineau than they were to Brandon. Having to drive to Devils Lake to get the scan two weeks ago, the brain scan, the head scan, was closer than driving to Winnipeg.

I would like to ask the minister how often other circumstances or other types of cancer are considered. He indicated they were, so I assume they are. Can he tell me how often that occurs?

\* (16:20)

**Mr. Chomiak:** First off, I was answering the question in general. I was not referring to the circumstances of the member's constituents. I assume from what the member stated, and maybe I am wrong, it was the CAT scan the individual was concerned about and the individual subsequently had surgery, not radiation treatment. Maybe it had been followed up with radiation treatment, but the cancer was dealt with via surgery.

Just to return back to the issue, we continue to send patients, although not as frequently, to Thunder Bay for treatment to still keep the waiting lists down to what they are now. The waiting lists in this regard are dealing with radiation treatment. Just to go back to what I had stated earlier, in the fall of '99 the radiation treatments were excessively long and we had to do something to reduce them.

With respect to the issue of CAT scans, CAT scans are prioritized by doctors. One of the things that we have tried to do as a Government is extend the extent of CAT scans outside of the city of Winnipeg. The member might know CAT scans are located at Boundary Trails, Selkirk, Steinbach, Thompson—

**An Honourable Member:** Selkirk has theirs?

**Mr. Chomiak:** Selkirk has purchased one. Steinbach has purchased one, Thompson, et cetera. I will check in terms of my notes, but we have extended treatment for CAT scans outside of Winnipeg. The Boundary Trails CAT scan has been dramatically utilized. We have purchased additional CAT scans. I opened the one in Thompson. We have the one for Steinbach, Selkirk and a third location. Anyway, I will get that in my notes with respect to CAT scans.

One of the plans has been that not only are we doing more CAT scans, but we have more CAT scans. There was a time when the government of the day would not allow any more

CAT scans to be purchased. We took that freeze off. We allowed for purchases of CAT scans. That again does not help the individuals. What we have found with respect to CAT scans is that despite the significant increase in the number of CAT scans, there still is difficulty. I certainly understand and appreciate the concerns raised by the member. I would like to do a follow-up when I get a copy of the letter on the specific circumstances that the member is referring to.

While I am at it, Mr. Chairperson, just let me retable—I tabled it the other day—the pamphlet that we provided the other day with respect to out-of-province travel. I am just looking through my notes now because I have given up trying to rely on my memory this afternoon as to the locations of the CAT scans in Manitoba, including those that have been purchased and are going to be installed.

I might point out at this point that it is very important the member know that we are going to be installing a CAT scan for the first time outside of the city of Winnipeg in Brandon, which should significantly help individuals in Brandon, in rural Manitoba and in the western part of the province in terms of providing MRIs.

I will just cease at this point and get the information back to the member in a second, if the member wants to ask another question.

**Mr. Maguire:** Mr. Chairperson, the minister is quite right. The individual who is involved here: November 6 to see his doctor, could not get it done in Manitoba for some time on a CT scan. The next morning he got it in Bottineau. Operated on, on December 27 and, as I said earlier, the doctors felt there was no subsequent need for radiation at that time.

In late June, after some time of headaches and through the early part of July, subsequent meetings with their doctors in Brandon indicated that they could not get a scan, could not even give him a date in Manitoba when he could get a scan.

So they chose to go to a doctor in Devils Lake, there is no doubt about that, to see if they could get a CT scan. They phoned on July 19. They got an appointment on July 24. And, as

they have indicated, they would like to send these bills forward. I am sure by now they are aware of the out-of-province medical referrals pamphlet that you have given to us.

There are comments that I could quote from the letter, but I will not do that at this time. Suffice to say that these people feel very, very, very let down by the health care system that we have in Manitoba, by the type of system that they have.

It is unfortunate that it has to come to these kinds of circumstances before the minister is apprised of the severity of the shortfalls that we have in this province. He has indicated means by which he has tried to repair some of these. I certainly know there are limited dollars, but this minister is the one that spent over \$600 million more money on health care in the province of Manitoba since coming into power. Where the priorities are and how this money is being spent are the big questions on a lot of these people's minds. Is this system that we have got the most efficient way to provide health care? That is certainly what is going through these people's minds at this time.

*Mr. Chairperson in the Chair*

I would like to ask the minister as well, in looking at the specifics of this, I will just ask it the way it is put in the letter. If he were in these circumstances personally, what would he do? Mr. Chair, the letter, I think, very clearly points out that these folks would do without other things to make sure that their health was a priority. I know these people personally. They certainly have had that as a priority all through their lives and their family lives. So, for a person in their sixties to be afflicted with this kind of situation, I think that it is unfortunate that our system has failed, not only this particular individual, but hundreds of other individuals in the province of Manitoba.

We can go on about how we are going to put more equipment in and how we are going to bring more doctors in. We have seen this week we have hardly got any heart surgeons left in Manitoba. A number of indications have been that this particular situation here is that he will have to have some follow-up radiation treatment in the province; hopefully, that is taking place.

I would ask the minister if he would look at these circumstances. I would just like to say that I will also provide him with another letter that I received from another individual in my region of late in regards to a similar health-type of situation.

I wonder if he can just indicate to me so that I can tell this particular family, why, if other circumstances have been considered, a request from persons like this to just help defray some costs would not be considered when the minister has already indicated to me that, for these other types of circumstances, Manitoba pays very well?

I, having had family in Thunder Bay, know first-hand the circumstances and situation there. So, having the minister on record as saying that other types of cancer have been looked at for paying some of these costs, would he consider some of these details that I will provide him with as well?

\* (16:30)

**Mr. Chomiak:** As I said, I will already consider the information in the member's letter. I want the member to know, unfortunately when the former government was in power they had the option to move people as well out of province and did not do it. They turned their back on patients. I hate to have to say that but it was true. We put in place that program that the previous minister and the previous government turned down. That is a shame. We put it in place and we are paying for it, and that is part of the increased cost that the member references.

The new CAT scans are part of the increased costs that we put in place. The rural doctor program that members talked about but never did for 11 years is an increased cost that we put in place, and the doubling of nursing that we put in place is an increased cost that goes to that.

I will deal with the information, the specifics, and I will follow up. It is unfortunate, and I have indicated over and over again, I think the member ought to recognize, as the last poll recognized that we did, 61 percent of Manitobans felt that we were on the right track with respect to health care.

So for the member to generalize on the health care system using some examples, I know there are problems. I have said there are problems. But the member should have seen the problems in 1999 before we were able to improve the system: 1400 beds were closed, a thousand nurses laid off, nurses all across the world left Manitoba, nurses rallying here.

Members opposite shut down the diploma program. Eighty percent of the nurses were trained by the diploma program, members opposite closed it, we brought it back, LPN training. Members opposite, in the first Estimates here, said what are you going to do about rural doctors. We put in place a rural doctor program. And the member just now dismissed that program. It is not just a program for the future. It is a long-term program.

Yes, we expanded the number of positions at the Faculty of Medicine that had been cut by the previous government. Yes, we expanded the number of residency positions. But we also put in place a program for international medical graduates to put them through. We also put in place a director of rural and northern health, something that was talked about but never done. And we provide bursary and reimbursement assistance to people who are prepared to do return of service to Manitoba. We have had over 150 medical students that participated, things that happened today.

So the member, I think, has failed to recognize when the member says oh, you have only spent money and there has been no improvement, I think has failed to recognize the significant investments and the significant changes that have occurred in Manitoba over a short three years of time. In particular, on the critical shortages fund that we fund, the members opposite had the same opportunity to make that decision when they were in government, and they said no. We put it in place; it continues to be in place. That is part of the increased expenditures that members opposite criticized us for.

The money that we put in the collective agreement for the nurses is part of the increases in expenditures the members opposite criticize us for. The increase for the doctors to keep them

here, and all the doctors programs is part of the increased expenditures that members opposite criticize us for. So, Mr. Chairperson, I hope the member will forward the particular facts of the situation. As the member, I think, knows from experience, we try to follow up on all issues. If we can learn from a situation, we will try to improve the situation on a regular basis.

I am prepared to go on, but I know there are a lot of questions to outline a whole series of issues and improvements that have occurred in the health care system, and significant changes.

**Mr. Maguire:** Mr. Chair, I guess it is somewhat frustrating for me sitting here listening to the minister go on and lecture me about what did not happen in the past, or what he is not doing. I know it is certainly no comfort to the family that wrote this letter to him on the 26th of July.

If he is feeling that he wants to handle these situations in a timely manner, then perhaps he could look into the fact that he already had this letter for 10 days in his circumstances and could deal with it from the Goethals in Deloraine. It is somewhat a circumstance I think that they probably have, as I said, the out-of-province medical referral.

I believe I could take a quote from this letter to the minister by this person's spouse. It says: I know that you must get many letters like mine and have heard many circumstances like ours in the past. It has always happened to someone else, but when it hits home it is difficult to cope with these circumstances. It is bad enough having cancer or some other medical condition without having to try to cope with a system that just does not work. Try to put yourself in the same position and see how you would feel. Something has to be done and soon or many lives will be lost unnecessarily.

I appreciate the fact that you will look into this and try to do something in an expeditious manner for these folks. Health care is about priorities. That is what was happening during the eighties when my colleagues—I was not here—felt that there needed to be some priorities put in place in this province so that we could even have a health care system in the future from the, shall we say, reckless spending that went on in this

province from '84 to '88 when the debt tripled in this province under the NDP government. Many, many tougher decisions than this minister has ever had to make had to be made in those days to even have hospitals and doctors left in this province.

This minister sits here and tries to lecture us from the leverage of the dollars that he has had in this province, took over a better economy than this province has ever had. I would say to this minister that maybe if he looked in his own financial budget and planning, he would be able to figure out how to run a system and run a department on the multiples of dollars that he has got that were not there when he took over.

Maybe we would have a system today where in his rant he was going on about all the nurses that left the world to come to Manitoba. I think he maybe meant that the nurses were leaving Manitoba to go all over the world, but that is how confused this Government is.

I think that it is unfortunate that this minister goes on and on and on about how wonderful it was that he sent persons all over the world to get health care outside of Manitoba boundaries when during the election campaign it was his Government, his party, that had the stop signs up on the American border: We will not take anybody out of Manitoba. We will give you the health care you need here and you will get it all for \$15 million, and we will fix her. We will end hallway medicine.

Well, as my colleagues to my left have both indicated over the time that they have been in this Estimates period, we have got highway medicine with no help, and hallway medicine is still rampant in this province.

So I thank the minister to check into this situation. I just wanted to put a few of those priorities on the record so that the minister knows that the public is watching this. The public does know that they have had extra amounts of dollars to spend on some of these circumstances and that they have not fixed a thing.

**Mr. Chomiak:** As I have said on many occasions, because we take that very seriously and

we follow up on all cases, I think, would be very hard-pressed to indicate otherwise.

I am ever happy to compare our three years of government with the 11 dark years—I am quoting from the president of the Manitoba Medical Association—the dark years of the 1990s. I am prepared to debate that anytime, anyplace, anywhere.

The point, I think, just to put some closure on this, is there are issues. We work on them every day. We try to improve the system every day. We are working at it. I think the public understands that. It is not perfect, but I think the public knows that we are working on it on a regular basis.

As I indicated to the member, I am prepared to give a complete list. I could go on for the rest of this period on just the new initiatives we have put in place, but I know the member and members have numerous questions.

**Mr. Maguire:** I thank the minister for his time in regard to this circumstance. I will try to provide him with a letter that he may not have received from the other party involved in a completely separate circumstance on this. I would appreciate and thank him for his time and consideration of both of these parties' circumstances.

**Hon. Tim Sale (Acting Government House Leader):** I wonder if there would be leave to allow the committee to recess briefly to allow you to resume the Speaker's seat so that we could ask leave to waive private members' hour, which was inadvertently left off our procedures today when we did the House business for the day. I believe that the House leaders have asked that that be done.

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

The committee will accordingly recess so we can be in session so we can do what we have to do. Committee in recess.

\* (16:40)

## IN SESSION

### House Business

**Mr. Deputy Speaker (Conrad Santos):** The House now is back in session.

**Hon. Tim Sale (Acting Government House Leader):** Would you canvass the House and see if there is leave to waive private members' hour today?

**Mr. Deputy Speaker:** Is there leave to waive private members' hour today? *[Agreed]*

**Mr. Sale:** I would move that we resolve into a Committee of Supply.

**Mr. Deputy Speaker:** The committee just recessed. Having done what we had to do, we are now back to Committee of Supply.

## COMMITTEE OF SUPPLY

(Continued)

### HEALTH

(Continued)

**Mr. Chairperson (Conrad Santos):** The committee please come to order.

**Mrs. Myrna Driedger (Charleswood):** My colleague from Arthur-Virden has certainly brought up an issue that is one of growing significance in the health care area. I wish we did have significant more time to spend in Estimates because I have two files full of letters from people who have had trouble accessing the health care system in a timely fashion in Manitoba. Every one of the letters I have had, the phone calls I have had, they have made incredibly compelling cases about the lack of timely access to care.

One of the cases I can particularly recall is a young mother of two little kids who was having rapidly deteriorating, I think it was eyesight, and she could not get timely access to care here in Manitoba, either in seeing doctors or having tests. It was reaching the point where it was dramatically affecting her life, her day to day living I guess I should say. Anyway she ended up going to the States because she could not get, it was a CT or an MRI, whichever, in Manitoba on a timely basis, so she went to the United States and had it.

While she was down there they did the test, they interpreted it and they said, you have a brain tumour. You have to have your surgery

immediately. You are at a great deal of risk. If this ruptures, it could cost you your life.

Here you have a 20-some-year-old woman, a mother of a couple of young kids, wondering, what can I do? If I go back to Canada, I know I am not going to get that surgery in a timely fashion.

She and her husband ended up having to make a decision down there on very, very short notice about what to do. They opted for staying in the States and having the brain surgery. Because the situation had been going on so long, the surgery itself only partially corrected her eyesight. I suppose had the tumour kept growing she might have become blind, but it also might have ruptured and she might have been dead. She knew, through her experiences already with the health care system here, had she come back, she was not going to get the timely care. Now they have a debt of about \$80,000. She appealed this to Manitoba Health and she was turned down.

This is just one example. There are a number of people who have had some relationship with the health care system, have found the delays getting timely access to care. So, when they have taken things in their own hands, because of fear, a lot of them have been very fearful for their lives, whether they had cancer or whatever else their fears were for, so they have opted to go to the United States and have their surgery. For some of them it is in the tens of thousands if not over a hundred thousand dollars.

Sitting, listening to these people, you really have to start asking the question: What are we going to do about our health care system?

The minister is saying, it is a good system. It is meeting people's needs. We do not need to change medicare because people are getting what they need in Manitoba.

But they are not. There is case after case and they are not getting the timely access to care for some very, very serious issues.

Some of them, a number of them have come back to Manitoba Health, written letters and

been turned down for funding. They have taken their case to the Appeal Board and they have been turned down. For some of these people, they even indicated that some of this was not available in Canada, not even that it was experimental, it just might not be done here because there is no expertise in Canada, and they are still turned down. So something is dreadfully wrong when these kinds of things are happening. As long as the system stays the status quo, this is not going to change.

I would like to ask the minister, I am sure he must be hearing all of this, too, because all of these people are also going to him, talking to him, talking to his staff, writing letters, very, very frustrated. We are not just talking about a small handful of people. We are talking about a growing number of people. Is the minister doing anything to look into this? I know he is sticking to all of the rules hard and fast. Is he looking to see if these rules are fair and if we should be looking at making any changes to the system?

**Mr. Chomiak:** Well, the member should have seen the system in 1999 when we arrived in office. A report from CancerCare Manitoba saying lives were endangered as a result of waiting lists for radiation therapy. Not acted on.

**Mrs. Driedger:** So what are you doing?

**Mr. Chomiak:** So we brought in a program and we got criticized by members opposite for sending patients to the States to get timely care. Give me a break, Mr. Chairperson.

**Mrs. Driedger:** Never were you criticized for that.

**Mr. Chomiak:** Give me a break.

**Mrs. Driedger:** I am even on record supporting that.

\* (16:50)

**Mr. Chomiak:** I am glad the Member for Charleswood is supporting it. I hope she would talk to all of her colleagues and I am glad to hear that. I am glad the member supported that.

So, Mr. Chairperson, let me just go through. Let me just go through. I have done this before.

We are not doing the status quo and we are not doing what the Tories did, which is cut. We have been expanding, rebuilding, and innovating. I have already gone through that. If the member would like me to repeat it, I will repeat it.

The member says, why is this still happening? The member should have seen it in 1999 before we were able to improve the situation, before we were able to start training nurses, training doctors, training health care personnel, expanding bone density, expanding CT scans, expanding hip and knee surgery, expanding the number of MRIs we offer, expanding all of the surgical programs virtually, expanding our radiation therapy. We are doing more in those areas than at any other time. Plus, they are being offered in more locations.

Now, I did not see the member at the Romanow Commission talking about change, but if the member had been there, she would have seen that Manitoba outlined a plan for the Romanow Commission for not maintaining the status quo in medicare. It talked about different forms, expanding day surgeries, talked about innovation by sharing services and a whole variety of ways to help improve the system. We told that to Romanow. We said that publicly. We are going to continue to do that.

Members opposite criticize on EMS. Mr. Chairperson, 80 new ambulances, doubled, doubling of the funding from the years the Conservatives—

**An Honourable Member:** Who criticized you?

**Mr. Chomiak:** Who criticizes? The member opposite's colleagues constantly are on EMS, on ambulances, over and over and over again. But you could look at any component or any form across the health care field. We have repatriated surgeries to rural Manitoba and Northern Manitoba. I am going through information that I have already provided to the member opposite, and I do not want to take up too much time, but I am prepared to outline to the member all of the significant issues that we have dealt with and continue to deal with on a regular basis.

**Mrs. Driedger:** I was not expecting the minister to get on a rant on this particular issue, and I

think it is a fair question because we have got all of this happening right now. It is escalating right now. It is under his watch, and the status quo is failing these people.

We look at the five principles of the Canada Health Act. Comprehensiveness, accessibility, those are two huge principles compromised on a day-to-day basis and, in particular, for these people. Then you have got all the rules that have been established and have been around for years and years about what we do and do not cover. All I am asking the minister, and I did not think it was all that political, I thought it was a question that might be based on, is there some latitude and leeway in looking at some of these issues?

We have got people that are in debt \$80,000. They have no money. People are having to sell their homes. What can happen with our health care system so that it is not failing so many people and they are having to go to the States to have surgeries or tests because they cannot get it in a timely fashion here?

If the Canada Health Act is failing to meet the principle, well, maybe timeliness is not a principle of the Canada Health Act. Reasonable access to care, I suppose, is, but, where is the issue of timeliness? Is the minister looking at this area at all to see if we have any flexibility, any latitude, so that the system is not failing these people and then having them to pay such huge amounts of money in debt for years and years to come? Is he at least even looking into any of that?

**Mr. Chomiak:** Mr. Chairperson, I have already provided the member with information with respect to this issue. Can the member imagine what it must have been like to come into office and see that there were people on long radiation waiting lists and nothing was being done, and that we have been able to cut that waiting list in half. Will the member at least acknowledge? The member will not even acknowledge publicly that we have cut the list in half, despite the fact that she has been told by independent sources.

Mr. Chairperson, I do not know what I can say to the member that would satisfy the member. She does not believe what CancerCare

Manitoba puts out, she does not believe what the national resources puts out, so what can I say to the member that will satisfy her particular points. We have acted on virtually every single issue to improve the situation. We have the best out-of-province travel provisions in the country, plus we have a critical shortages fund that we provide.

The curious thing is so many of the things we provide were not provided only three short years ago when the member was the legislative assistant to the Minister of Health. I do not know what more I can say that can make a difference or satisfy the member's queries.

**Mrs. Driedger:** The minister could say that he will look into this. I could probably call a meeting with all of these people that have been affected by it, have him come to the meeting and sit down and try to hash through what would be some possible resolution to these issues.

What do you say to people when they have such huge debt because of a health care system that is failing them? It just does not seem right. It is not like there are just isolated cases. There are a lot of cases. I guess the minister asks me well what could he do to make me happy. He could certainly say that he will look into some of these hard and fast rules that prevent people from getting timely access to care in Manitoba.

**Mr. Chomiak:** I think we have demonstrated on numerous occasions that we are flexible in this area. I do not have to cite numerous examples. The other point, if we were to privatize, as some members have suggested we do, can you imagine the circumstances. That is one of the things that we are trying not to do is go to a system that does that. I can only cite the issue of a *Toronto Star* editorial that indicated Ontario's move towards privatization, and how they ought to consider Manitoba's solutions.

I have indicated, and I think it has been demonstrated, that we are flexible, there are a variety of matters in this area that we have resolved and continue to resolve. As I say, we have the most generous system with respect to out-of-province medical referrals, I am advised. We also put in place the critical shortages fund. We have also been flexible in a variety of

interpretations, and we continue to be flexible. I will leave it at that.

**Mrs. Driedger:** Mr. Chairperson, I am prepared to move on to the next line.

\* (17:00)

**Mr. Chairperson:** 21.1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$591,400-pass; (2) Other Expenditures \$111,300-pass.

1.(c) Finance and Administration (1) Salaries and Employee Benefits \$2,415,800-pass; (2) Other Expenditures \$622,700-pass.

1.(d) Human Resources (1) Salaries and Employee Benefits \$974,400-pass; (2) Other Expenditures \$126,400-pass.

1.(e) Corporate Services (1) Salaries and Employee Benefits \$2,073,300-pass; (2) Other Expenditures \$582,200-pass.

1.(f) Office of Protection for Persons in Care (1) Salaries and Employee Benefits.

**Mrs. Driedger:** I would like to ask the Minister of Health to give us an update on the number of calls that are coming to this particular office and what percentage might in the end turn out to be an actual case. I have been getting some calls from doctors that are indicating that this is a waste of time and that it is not very effective.

I wonder if the Minister could just give us a bit of an update in terms of the percentage of these calls that are coming in that are actually turning out to be substantive.

**Mr. Chomiak:** I know that there have been over a thousand calls to this office. I am very concerned with the fact that the member indicated she has talked to some doctors that think that the office is not utilized. I am advised that Alberta, who had the first office of this kind, is actually looking to the Manitoba experience because our experience has been more effective than their experience. That is what I have been advised with respect to the Office of Protection of Persons in Care. The office is obviously in its growing state and it is a new phenomenon. I am

very pleased and happy that we have it in place, because we are seeing that there is an increased awareness of the health care system and there is a need to provide a forum for more information. I do not have to go into that.

The member asked for statistics in regard to the Office of Protection of Persons in Care. There was close to a thousand intakes. Of that, close to four hundred cases were resolved; a hundred cases proceeded to investigation; approximately half of those, directives were issued to various facilities; approximately half were found not to be of foundation; and eleven cases are ongoing.

**Mr. Chairperson:** 21.1.(f) Office of Protection for Persons in Care (1) Salaries and Employee Benefits \$219,700–pass; (2) Other Expenditures \$217,400–pass.

2. Program Support Services (a) Insured Benefits Services (1) Salaries and Employee Benefits \$6,901,400–pass; (2) Other Expenditures \$3,810,900–pass.

2.(b) Financial Services (1) Salaries and Employee Benefits \$1,265,100–pass; (2) Other Expenditures \$211,100–pass.

2.(c) Information Systems (1) Salaries and Employee Benefits \$3,938,900–pass; (2) Other Expenditures \$4,932,900–pass; (3) External Agencies \$132,900–pass.

2.(d) Capital Planning (1) Salaries and Employee Benefits \$822,100–pass; (2) Other Expenditures \$246,200–pass.

2.(e) Evaluation, Monitoring and Appeals (1) Salaries and Employee Benefits \$716,800–pass; (2) Other Expenditures \$497,700–pass; (3) External Agencies \$140,100–pass.

2.(f) Health Labour Relations (1) Salaries and Employee Benefits \$1,366,200–pass; (2) Other Expenditures \$444,800–pass; (3) External Agencies \$729,800–pass.

2.(g) Grants for Evaluation and Research (1) Manitoba Centre for Health Policy \$1,850,000–pass; (2) Manitoba Health Research Council \$1,752,600–pass.

Resolution 21.2. RESOLVED that there be granted to Her Majesty a sum not exceeding \$29,759,500 for Health, Program Support Services, for the fiscal year ending 31st day of March, 2003.

**Resolution agreed to.**

**Mr. Chairperson:** 21.3. External Programs and Operations (a) Administration (1) Salaries and Employee Benefits \$162,400–pass; (2) Other Expenditures \$173,200–pass.

3.(b) Regional Support Services (1) Salaries and Employee Benefits \$2,578,200–pass; (2) Other Expenditures \$871,000–pass.

3.(c) Chief Provincial Psychiatrist (1) Salaries and Employee Benefits \$181,300–pass; (2) Other Expenditures \$47,700–pass.

3.(d) Selkirk Mental Health Centre (1) Salaries and Employee Benefits \$20,451,500–pass; (2) Other Expenditures \$3,390,200–pass.

3.(e) Emergency Health and Ambulance Service (1) Salaries and Employee Benefits \$1,045,600–pass; (2) Other Expenditures \$4,031,900–pass; (3) External Agencies \$22,500–pass.

3.(f) Public Health (1) Public Health and Epidemiology (a) Salaries and Employee Benefits \$1,824,900–pass; (b) Other Expenditures \$4,299,100–pass; (c) Vaccines \$5,710,000–pass; (d) External Agencies \$345,200–pass; (2) Cadham Provincial Laboratory Services (a) Salaries and Employee Benefits \$4,414,800–pass; (b) Other Expenditures \$3,712,800–pass.

3.(g) Medical Officers of Health (1) Salaries and Employee Benefits \$1,886,800–pass; (2) Other Expenditures \$585,700–pass.

3.(h) Health Programs (1) Salaries and Employee Benefits \$4,039,600.

\* (17:10)

**Mrs. Driedger:** I would like to ask the minister about the women's health program and ask if within Manitoba Health there still is a women's

health program. I know we had begun some work for a women's health strategy at the time. There was a beginning strategy. I guess part of it included the development of a provincial advisory group and a department that had some specific goals it had established.

Could the minister give us an update in terms of what is happening with that particular program?

**Mr. Chomiak:** We actually have a brochure in conjunction with the Minister responsible for the Status of Women (Ms. McGifford) that outlines components, goals and objectives of a women's health program, which I will forward to the member.

**Mrs. Driedger:** Can the minister tell us if a women's provincial advisory group had ever been set up?

**Mr. Chomiak:** The Minister responsible for the Status of Women has had a series of hearings across the province with respect to women's health issues and related issues. I will get back to the member on this specific point.

**Mrs. Driedger:** Can the minister tell us if any of the research, I guess, is being put actively to work in terms of looking at the delivery of health care from a gender-based perspective?

**Mr. Chomiak:** Yes, Mr. Chairperson, we have continued to sponsor additional studies in this regard with the Prairie Women's Health research institute. We have also launched within the department a gender awareness that is part of the objectives and part of the goals that are outlined in that documentation I will be providing to the member.

**Mrs. Driedger:** Can the minister tell us the status of the Aboriginal health strategy? I know at the time when we were prior to the election there was the development of an Aboriginal health strategy that had a number of different aspects to it. Could the minister give us an update in terms of a progress report on where that ended up?

**Mr. Chomiak:** The member will know that we have a branch of the department dealing with

Aboriginal matters. Of course, we continue to fund an expanded Aboriginal health clinic here in the city of Winnipeg, which was formerly a jointly funded project with the federal government that is now funded by the Province through our Healthy Communities fund, if my memory serves me correctly. In addition, we have numerous Aboriginal strategies, including strategies dealing with diabetes and other chronic diseases that have a representation from specific committees and groups with representation from the Aboriginal community, as well as issues relating to AIDS, harm reduction and related matters.

There are a number of initiatives undertaken as a result of Healthy Child dealing with First Nations and First Nations communities. There are a number of personal care home projects. The members are probably aware that there has been a decision made with respect to an Aboriginal personal care home in the city of Winnipeg. There have been several projects outside the city of Winnipeg that we have been involved with, and a good deal of activity that is underway. In addition to the ongoing negotiations concerning the mediation, concerning the 65 agreement that we are undertaking, as well as specific projects in sites across the province.

We are working with the federal government in several of the areas that were referenced earlier in terms of the primary health care fund. We are attempting to link Aboriginal health with respect to funding in that particular area. In addition, there are a number of projects that we are working at in conjunction with the federal government. I remain hopeful that we will be able to move forward several items with the federal government as it relates to our First Nations people.

**Mr. Chairperson:** Item 21.3. External Programs and Operations (h) Health Programs (1) Salaries and Employee Benefits \$4,039,600—pass; (2) Other Expenditures \$2,818,300—pass; (3) External Agencies \$4,676,400—pass.

Resolution 21.3. RESOLVED that there be granted to Her Majesty a sum not exceeding \$67,269,100 for Health, External Programs and Operations, for the fiscal year ending the 31st day of March, 2003.

**Resolution agreed to.**

**Mr. Chairperson:** Item 21.4. Health Services Insurance Fund (a) Funding to Health Authorities.

**Mrs. Driedger:** A number of questions in this area. Specifically, one of the ones I do want to find out a little bit more about is the status of the midwifery program. We have certainly heard that there are some regional health authorities, and if I recall correctly, it was Central and Marquette at the time, that indicated their programs were at risk of demise because of a lack of funding for the program. I know that the Government supposedly has allocated funding for 26 full-time midwives. I was not sure that there were actually 26 in place and whether or not 26 is actually adequate to meet the needs of the program. I know that there was real concern from those areas and a cry for help because the program was going to collapse in those areas without adequate funding to have the midwifery program. Brandon, in turn, would be affected by all of that as well.

Mr. Chairperson, the minister certainly seemed committed to the program when he was in opposition and he said that, quote, midwifery enhances the women's choice, control, and dignity, and stated his concern that governments can limit that access through budgetary cutbacks and restraint. I would like to ask him if he has got the sufficient funding in place so that there is no collapse of the midwifery program in Manitoba.

**Mr. Chomiak:** Yes.

**Mrs. Driedger:** Could the minister indicate whether or not the regions that were having difficulties have received the funding they need so that the program does not collapse in their area?

**Mr. Chomiak:** Yes.

\* (17:20)

**Mrs. Driedger:** Can the minister indicate whether there are 26 midwife positions in the province currently in existence?

**Mr. Chomiak:** Yes.

**Mrs. Driedger:** Could the minister tell us the status of the Swan River hospital? Certainly, we did spend a considerable amount of time in Estimates last year. In the election, by the way, the promise had been made to the residents of the Swan River Valley that they would have a hospital within the first two years of the NDP forming government. We are now almost three years down the road. We have had physicians actually leave the area. Two physicians left the area because that promise was not kept.

Can the minister tell us where he is at in addressing the issue of the Swan River hospital?

**Mr. Chomiak:** Mr. Chairperson, I know the member has been on this issue on several occasions, has made a number of media pronouncements with respect to this hospital. The hospital is on stream, and I can assure the member that the hospital is on stream. Unlike the Brandon redevelopment, the member can be assured that the hospital will be built.

**Mrs. Driedger:** When?

**Mr. Chomiak:** We are working with the board and with the community. It is moving along and will be built.

**Mrs. Driedger:** Perhaps the minister could pull out the Estimates from last year and we could go through this whole thing again and he could just read off his answers from last year. It does not sound like it has changed very much. Can the minister tell us exactly where in the process this is? Has he put out a tender?

**Mr. Chomiak:** Mr. Chairperson, I can assure the member that it has proceeded quite significantly since we last met in this Chamber. I also want the member to know that when we redeveloped our capital process we set certain targets and certain ways that we would announce events and announce initiatives that are undertaken. So I can assure the member that she does not have to worry about both the tender and the construction of that facility.

**Mrs. Driedger:** Mr. Chairperson, he is being evasive again with this answer. It is interesting because I am from the Swan River Valley. That is home for me. That is why I have a particular

interest in the area. I am getting calls from people there saying the NDP have not kept their promise to build the Swan River hospital. They are wondering where the minister is at in terms of the development of the Swan River hospital. Has the minister actually had the architects put together a design, and has he accepted a design?

**Mr. Chomiak:** The matter has moved along and will be developed. The member can assure anyone that is talking to her that the hospital will be built. The member does not have to be concerned about that.

**Mrs. Driedger:** Well, I am concerned about it. The minister made a commitment to the people of the Swan River Valley in the election. So shame on him for breaking that promise. Two doctors left the area, and these doctors were kind enough to find their own replacements. Otherwise, people of Swan River Valley would have been in deep trouble because they lost the physicians because this Government did not keep his promise.

Does the minister not feel any commitment to keeping his promise to the people of the Swan River Valley? I think he should be a bit more forthcoming with them about where he is at with the development of the hospital.

**Mr. Chomiak:** The hospital will be built. I do not know how many more times I have to tell the member opposite. I could say it in Ukrainian. I could say it in French. I could say it in English. The hospital will be built.

**Mrs. Driedger:** Can the minister tell us why he broke his promise to the people of Swan River Valley?

**Mr. Chomiak:** We are dealing with health issues and the member keeps getting down that political road. I will indicate that that hospital will be built, as Brandon has gone to tender, as Bounty Trails opened. I could go on and on and on. That facility is proceeding and that facility will be built.

**Mrs. Driedger:** A thought just came to my mind. It is an FOI that I had. It is about all the capital plans of this government. The Swan River hospital is not on them. So where is it, Mr.

Chairperson? I would like to ask the Minister of Health where this really is in the priorities of the Government, because in the documents that I received through FIPPA, the Swan River hospital was not on the radar screen.

I would like to ask the minister: Can he give the people of Swan River a time as to when it is going to happen, or, as my colleague from Russell says, are we going to have to wait till it is closer to the election and then he will make a commitment to the people of Swan River Valley and say, vote for us again, you will have your hospital this time? Is that what he is doing?

**Mr. Chomiak:** No, no, Mr. Chairperson.

**Mrs. Driedger:** Well, if that is the case, when is the minister going to build the hospital?

**Mr. Chomiak:** I can assure the member that there will be significant physical evidence of the hospital prior to any election. It will be prior to the election. I was going to make a joke. The Member for Russell (Mr. Derkach) suggested unless there is an election tomorrow. That is what I was going to say. Even at that, even at that, we are so much further along. The member need not worry about that particular issue, I can assure her.

**Mrs. Driedger:** I am not sure that the people of Swan River feel that he is that far along. He is, in fact, a year late in his commitment to the people of the Swan River Valley. He did promise them the hospital within the first two years of his being elected. What a way to win votes from people. Make promises and then break promises. I think they are probably very disappointed in what the NDP government has failed to deliver for them.

I will be visiting the Swan River area this fall. Perhaps the minister would like to come with me and visit the people of the Swan River Valley. Maybe he can explain to them to their faces why he broke the promise to them, broke this commitment. That is pretty significant for that particular area. That is a regional hospital that serves a lot of people. I think they deserved a little bit better than what they are getting from this NDP government.

**Mr. Chomiak:** As much as I enjoy spending time with the member here in Estimates, I have been up to Swan River. I have talked with the board. The MLA does an excellent job and is in constant contact with the board, as are departmental staff who are working on the Swan River plans. As I have indicated earlier, the member need not worry about the construction of that facility.

**Mrs. Driedger:** Well, it seems like the minister has been working on these plans for a lot of years. I take back my offer of taking him along with me when I go, because I really do not care to be around somebody who breaks his word that often. I really do not think that is somebody I want to spend a lot of time with.

I would like to ask the minister how many CT scanners we have in Manitoba.

**Mr. Chomiak:** I am really bugged because I do not have it off the top. I will get that for you. It is not on the top of my head.

\* (17:30)

**Mrs. Driedger:** If the minister wants the staff to look for it, I am prepared to continue to move on with a few other questions.

Can the minister tell us how many of the health access centres are actually up and running? He has made some announcements for the Nor'West Co-op Community Health Centre, and he has talked about similar health access centres in the River East and Transcona sectors. Can he please tell us if those facilities are actually up and functioning.

**Mr. Chomiak:** With respect to River East and Transcona, they are not up and functioning. With respect to Nor'West, of course it is already a physical entity and is in the process of enhancing its services.

**Mrs. Driedger:** The WRHA had plans and priorities set in this area. River East was determined to be the No. 1 priority, and it was slated on the books, I believe, for it might have even been 2000-2001. Why has that not happened? Why is that particular area, and even the Transcona one, why are they not moving along? It

does not seem in the order of priority in which the WRHA had initially set up. And they are definitely way out of sync.

Why is the minister dragging his heels? If he is saying he is committed to primary health care, why is he dragging his heels in developing one of the biggest opportunities for improving health care, and that is through these access centres. Why is there no priority and demand from him that these happen on the timely basis they were initially determined to be on?

**Mr. Chomiak:** Mr. Chairperson, I had the pleasure and honour of going out last year and announcing the development of these centres. They are being developed. I do not want to be critical of the Member for Charleswood, so suffice to say that I will leave it at that.

**Mrs. Driedger:** Well, Mr. Chairperson, the minister can be patronizing and say he does not want to be critical. This was in the plans that the WRHA had put forward and had approved. It was their priorities. The project, it was initiated several years ago. The minister has not put any priority to this. Why has the minister not put a priority to the moving ahead of these health access centres?

**Mr. Chomiak:** I had the honour and pleasure of announcing and budgeting for these items. Suffice to say that these projects are all at various stages of development and are not only at various stages of development—

**An Honourable Member:** Why are you dragging your heels on that?

**Mr. Chomiak:** Let me just put it this way, 11 years, the number of access centres under the Conservative government, zero. [*interjection*] Three years into our regime, we are doing work on a whole series of them. Centre de santé is not considered an access centre.

Suffice to say, I made the announcement, the money is in place, development is going on. The member can say all she wants about dragging our heels. There were not three access centres in 1999. There are three access centres developing right now. Conceptualization is one thing; actually doing it is another.

**Mr. Len Derkach (Russell):** Mr. Chair, I have run across a situation that seems to be a change in policy with regard to the placement of citizens into personal care homes. As I understand it, if a citizen of the province has a pension or means, then there is some expectation that that individual would be charged a fee, I guess it is called rent, when that individual moves into a personal care residence. Those who have greater means would be charged a greater fee, up to a maximum.

The issue has come to our attention that now, if the spouse is living, the income of not only the citizen who is moving into the personal care home is taken into account but also the salary or the income of the spouse, whether it is a common-law spouse or a married spouse, when that individual applies for and is paneled for personal care placement. Could the minister perhaps clarify that for us?

**Mr. Chomiak:** The process of the graduated income scale was put in place in the 1993-94 budget and is annually incrementally dealt with on the same basis of the cost of living index. There is a formula. It is an interesting issue because when I was critic I kept asking the Minister of Health whether exceptions would be made for particular individuals. In particular, for the cases that I kept coming across were individuals, for example younger families, where the spouse might be working and the partner had something like multiple sclerosis, for example, and had to go into a personal care home earlier. The problem was the income from both partners was taken into account, and the amount was paid.

We changed that provision to deal with the younger individuals. We changed actually the regulation, cost us resources, but we changed it for younger individuals. Across the board with older people—I will just double check here—with respect to older individuals, the policy is still the same as it was. But we did change the regulation for the situation of the individuals, particularly under 65, who were in that situation where one partner owned a house.

If the member has a particular circumstance, he should bring it to my attention because we could run it through the system. But the policy

has not changed except to the extent that we are allowing for more exceptions to the rule than was in the past.

**Mr. Derkach:** Mr. Chair, I guess I need a little more clarification. I am going to ask the question as it relates to older adults who in later life get together for companionship and perhaps for one person looking after the other individual, and then when the individual can no longer be looked after and applies for a placement, it seems that they have taken both incomes into account, even though the couple is not married, but they have been cohabiting. I do not know for how long they have been cohabiting, but it has been, I would guess, longer than three or four years. So, in this instance, the couple is not married. They have been cohabiting not so much because they are common-law, but it has been an arrangement that has been made so that one has been looking after the other. We simply look at it as companionship.

I am asking the minister whether, in those circumstances, the incomes of both is still taken into account when one of them moves into a personal care home when, in essence, their incomes have nothing to do with each other.

\* (17:40)

**Mr. Chomiak:** That is a new fact situation for me to follow up on. As far as I am aware, we have not changed the law in that regard. I do know we changed the regulations to the extent that I indicated earlier to the member. I will look into that. In theory, I am not familiar with that particular instance occurring but I will check into it with the member. I cannot recall personally a case similar. Obviously, there are, and I will look into it. I will look into the fact situation.

**Mr. Derkach:** So what the minister is telling me is that in cases where there is a married couple where there are two pensions or two incomes coming into the family, let us say there are two pensions, the income from pension purposes is still taken into account from both individuals to ascertain the level of rent that is charged when an individual goes into a personal care home. The minister is telling me that is a policy that has been in place since 19-whatever, '94. Is that correct?

**Mr. Chomiak:** That is correct.

**Mr. Derkach:** What is the case in the common-law relationships?

**Mr. Chomiak:** Mr. Chair, I will look into the common-law situation. The only policy directive I recall having implemented is the exception to that rule for younger individuals when one individual is still working, et cetera, and the other is forced to go into personal care home. In that case we waived the provision so individuals were not forced to give up the house, et cetera, which had happened, so we made that exception. That is the only exception that I recall making to those regulations since we have been in government.

Now, with respect to common-law and the fact situation the member raised, I will have to check into that.

**Mr. Derkach:** Mr. Chair, in the case I am referring to, the amount of payment for the year to the personal care home would amount to something in the neighbourhood of \$19,000-plus. I think that is fairly close to the maximum, although I am not certain. What it has done to the spouse or the partner who has been left in the home is it has curtailed the ability of that individual to maintain the home that individual is living in.

So, in essence, that person then has to start selling the home and looking for accommodation. I would suggest that she will be looking for subsidized housing in the province so that she could continue to live independently. It seems to work almost in contradiction to what we should be trying to achieve. Whereas a couple who has no income, who are perhaps on welfare, the one partner can move into a personal care home with no impact. Basically it is free accommodation and the partner can still maintain the subsidized house that partner was living in with no impact on that individual.

Mr. Chair, I am not blaming the minister for this. I am saying we have evolved into a situation where we have almost a two-tier system for people who live in personal care homes who have means and those who do not have means. I am wondering whether the minister has in his tenure as minister looked at

this to see whether or not we can get some sanity into how we approach this. Nobody minds paying some, but when we get to a level that people, in the rural areas especially, are not very wealthy, it becomes a very onerous task on that family.

**Mr. Chomiak:** First off, I should indicate to the member there is an appeal process that has, in my experience, been relatively fair and flexible. The second point, it is a difficult issue. I indicated to the member the most common occurrence I experienced and saw, both as opposition critic and when I became minister, was the case of the younger individuals encountering that, so we made that amendment. We changed the regulation to deal with that to be fairer.

There are a whole series of case scenarios that we could look at that may not be as fair as we would like. I will look at the case scenario the member outlines. There is the appeal process. In an ideal world one would hope we would not have to charge those kinds of funding, but it is a system that is in place. It is as fair as we have been able to achieve.

**Mr. Derkach:** Mr. Chair, the member from—wherever he is from.

**Mr. Chairperson:** Carman.

**Mr. Derkach:** Carman. I am sorry. I was thinking of Turtle Mountain. He says take it easy on the minister. Well, Mr. Chair, I have to tell you, I do not think the minister and I have had too many confrontational exchanges when it comes to the Estimates process, but let me just say I will appreciate him looking into that.

I have one more question I need to ask. That has to do with the Russell Personal Care Home. We have a situation there where people who are doing maintenance and care tasks are still carrying products up and down flights of stairs because there is no elevator in the facility. In addition to that, that facility was built in 1973. Even when we were in government, one of the things we had established was the size of rooms and the accommodation was very substandard to today's standards.

There was a commitment made by our government to replace that personal care home.

It was slated, I believe, second in line. When the regional health authority took over, it slipped behind the Neepawa project as the Neepawa project was seen to be more, I guess, in need because of the roof and other issues. Nevertheless, there remains an outstanding issue here with regard to this personal care home. We live in an area where there is a need to have that looked at. I am wondering whether the minister has been apprised of this by his staff who I know are pretty familiar with the facility.

\* (17:50)

**Mr. Chomiak:** I do not have the capital staff individuals here. I will get back to the member specifically on the Russell project.

**Mr. Derkach:** Mr. Chair, well, I only ask the minister to consider it because it has been outstanding. I think in fairness people in that area have been fairly patient with both governments, but we are getting to a time when I think some patience is starting to wear thin. We do need to address that in one way or another, or give them at least some indication when the capital program can be revisited for that facility.

**Mrs. Driedger:** Can the Minister of Health tell us if he has had any, I guess, reconsideration as to whether or not he would be willing to do a review of the psychiatric wards and to include in that review looking at whether there is a feasible or viable option of segregating patients for the safety of women patients?

**Mr. Chomiak:** As I indicated, both in the House and publicly, we have undertaken a review of the entire system. I recently had occasion to meet with a group of women who had been in this situation where they have been abused both within and outside of facilities by a variety of individuals including patients and staff, and we have taken their accounts into consideration in terms of our review of the system.

I do not dismiss out of hand segregated units, but I do take exception to the suggestion that that alone will solve all of the issues that we have to deal with. So those are my comments.

**Mrs. Driedger:** Well I do not know where the minister gets it that I am suggesting that that will

solve all the problems. I have never indicated that. I see it as somewhat of a solution to some of the problems but definitely realize that it is not the be all and end all but it is, perhaps, one of the solutions to deal with some of the sexual assaults that do occur in health care facilities. So that was why I was asking the minister, and where he got the idea that I felt it was the be all and end all I am not sure but that is not what I have ever indicated.

I just see it as one possible solution and would just hope the minister does not just discard the possibility of looking at it just because the suggestion came from me. I hope he sees some merit at least to having a look at it and having a very, very thorough review of the situation because women are certainly frightened of possible sexual assaults on psych wards. I am prepared to move from this line, Mr. Chairperson.

**Mr. Chairperson:** Item 21.4. Health Services Insurance Fund (a) Funding to Health Authorities: Acute Care Services \$1,178,734,100-pass; Long Term Care Services \$184,177,100-pass; Home Care Services. Community and Mental Health Services. *[interjection]* Long Term Care Services, again, \$373,072,100-pass; Home Care Services \$184,177,100-pass; Community and Mental Health Services \$101,247,900-pass; Emergency Response and Transport Services \$20,377,300-pass; Less: Third Party Recoveries (\$4,065,500)-pass; Reciprocal Recoveries (\$28,465,600)-pass; Recoverable from Urban Development Initiatives (\$2,000,000)-pass.

4.(b) Provincial Health Services: Out of Province \$18,637,800-pass; Blood Transfusion Services \$40,022,300-pass; Federal Hospitals \$1,606,700-pass; Prosthetic and Orthotic Devices \$6,452,300-pass; Healthy Communities Development \$7,000,000-pass; Nursing Recruitment and Retention Initiatives \$2,700,000-pass; Other \$213,000-pass.

4.(c) Medical: Physician Services \$518,225,800-pass; Other Professionals \$10,911,000-pass; Out of Province Physicians \$16,446,400-pass; Other \$9,574,500-pass; Less: Third Party Recoveries (\$7,048,000)-pass; Reciprocal Recoveries (\$9,840,600)-pass.

4.(d) Pharmacare \$136,658,700—pass.

Resolution 21.4. RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,574,637,300 for Health, Health Services Insurance Fund, for the fiscal year ending the 31st day of March, 2003.

**Resolution agreed to.**

\* (18:00)

**Mr. Chairperson:** 21.5. Addictions Foundation of Manitoba, Board of Governors and Executive \$204,600—pass; Finance and Personnel \$392,400—pass; Corporate Resources \$604,600—pass; Research and Quality Monitoring \$267,700—pass; Program Delivery \$11,849,400—pass; Problem Gambling Services \$1,773,400—pass; Less: Third Party Recoveries (\$1,577,100)—pass; Recoveries from the Manitoba Lotteries Corporation (\$1,773,400)—pass.

Resolution 21.5. RESOLVED that there be granted to Her Majesty a sum not exceeding \$11,741,600 for Health, Addictions Foundation of Manitoba, for the fiscal year ending the 31st day of March, 2003.

**Resolution agreed to.**

**Mr. Chairperson:** 21.6. Capital Grants (a) Acute Care (1) Principal Repayments \$35,145,400—pass; (2) Equipment Purchases and Replacements \$10,933,100—pass; (3) Other \$8,251,700—pass.

6.(b) Long Term Care (1) Principal Repayments \$16,761,300—pass; (2) Equipment Purchases and Replacements \$1,551,100—pass; (3) Other \$1,958,000—pass.

6.(c) Community and Mental Health Services (1) Principal Repayments \$1,432,500—pass; (2) Other \$312,500—pass.

6.(d) Provincial Programs (1) Principal Repayments \$27,600—pass.

Resolution 21.6. RESOLVED that there be granted to Her Majesty a sum not exceeding \$76,373,200 for Health, Capital Grants, for the fiscal year ending the 31st day of March, 2003.

**Resolution agreed to.**

**Mr. Chairperson:** 21.7. Amortization and Other Costs Related to Capital Assets (a) Desktop Services (1) Amortization Expense - Hardware and Transition \$931,000—pass; (2) Amortization Expense - Enterprise Software \$166,800—pass; (3) Enterprise Software Licenses \$224,300—pass.

7.(b) Amortization Expense \$1,170,100—pass.

7.(c) Interest Expense \$696,900—pass.

Resolution 21.7. RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,189,100 for Health, Amortization and Other Costs Related to Capital Assets, for the fiscal year ending 31st day of March, 2003.

**Resolution agreed to.**

**Mr. Chairperson:** The last item to be considered for Estimates in this department is item 21.1.(a) Minister's Salary, contained in Resolution 21.1. We excuse the staff of the department while we talk on this political item. The floor is now open to questions.

**Mrs. Driedger:** Mr. Chairperson, section 7(1) of The Balanced Budget, Debt Repayment and Taxpayer Accountability Act provides for a 20% salary reduction to each member of the Executive Council should the Government project a negative balance in the third-quarter financial report. The Minister of Finance (Mr. Selinger) provided to this Assembly a third-quarter financial report projecting a positive balance only through the illegal transfer of \$150 million from Manitoba Hydro. Not only is this transfer retroactive, it is, according to section 43(3) of The Manitoba Hydro Act, illegal, and every person who violates this provision is liable to a fine of not more than \$5000 or to imprisonment for a term not exceeding one year.

*Mr. Stan Struthers, Acting Chairperson, in the Chair*

For failing to deliver to the citizens of Manitoba a balanced budget and for illegally raiding Manitoba Hydro of \$288 million, including \$150 million to cover Budget 2001's

operating deficit, the Minister of Health (Mr. Chomiak) be subject to the penalties as prescribed under section 7(1)(a) of The Balanced Budget, Debt Repayment and Taxpayer Accountability Act.

I move, seconded by the Member for Russell (Mr. Derkach), that 21.1.(a) the Minister's Salary be reduced by \$5,680.

\* (18:10)

**The Acting Chairperson (Mr. Stan Struthers):** It has been moved by the Member for Charleswood (Mrs. Driedger) that 21.1.(a) Minister's Salary be reduced—

**An Honourable Member:** Dispense.

**The Acting Chairperson (Mr. Stan Struthers):** Is the committee ready for the question?

**An Honourable Member:** Is it in order?

**The Acting Chairperson (Mr. Stan Struthers):** The motion is in order.

#### Voice Vote

**The Acting Chairperson (Mr. Stan Struthers):** All those in favour of the motion, please say yea.

**Some Honourable Members:** Yea.

**The Acting Chairperson (Mr. Stan Struthers):** All those against the motion, please say nay.

**Some Honourable Members:** Nay.

**The Acting Chairperson (Mr. Stan Struthers):** In my opinion, the Nays have it.

**An Honourable Member:** On division, Mr. Chair.

**The Acting Chairperson (Mr. Stan Struthers):** On division.

\* \* \*

**The Acting Chairperson (Mr. Stan Struthers):** 1.(a) Minister's Salary \$28,000—pass.

Resolution 21.1. RESOLVED that there be granted to Her Majesty a sum not exceeding \$7,963,000 for Health, Administration and Finance, for the fiscal year ending the 31st day of March, 2003.

**Resolution agreed to.**

*Mr. Chairperson in the Chair*

**Mr. Chairperson:** This concludes the Estimates for the Department of Health.

The next set of Estimates that will be considered in this section of the committee is the Estimates for Transportation and Government Services.

Shall we recess briefly to allow the minister and critic opportunity to prepare for the commencement of the next set of Estimates?

**Mr. Marcel Laurendeau (Official Opposition House Leader):** Mr. Chair, I would recommend that not only do we take a recess but that we call the House back and we will recess the House for a few minutes.

**Mr. Chairperson:** We are interrupting the proceeding of this committee and we will call the Speaker back.

\* (18:20)

#### IN SESSION

#### House Business

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, I have a few announcements just to ensure everything is on the record in terms of use of committee rooms. I would like to advise the House that the Standing Committee on Industrial Relations will continue sitting after 6:30 in Room 254 to continue to sit and finish presenters. The Industrial Relations Committee will recess until Private Bills is complete.

I would also like to advise the—*[interjection]* Well, if I read them all, I will give it to you. I would also like to advise the House that the Municipal Affairs Committee will also continue to finish hearing presenters and will sit beyond 6:30 if need be.

After the Private Bills, Privileges and Elections, and Industrial Relations committees have concluded their business, the Municipal Affairs Committee will then reconvene in 254 after Industrial Relations to resume consideration of Bills 41, 49 and 39.

The Law Amendments Committee meeting scheduled for 6:30 will be delayed until the Municipal Affairs Committee completes its presenters. Thank you.

**Mr. Speaker:** It has been announced that the Standing Committee on Industrial Relations will continue sitting after 6:30 p.m. in Room 254 and continue to sit and finish presenters. The Industrial Relations Committee will recess until private bills are completed, and also to advise the House that the Municipal Affairs Committee will also continue to finish hearing presenters and will sit beyond 6:30 if need be.

After the Private Bills, Privileges and Elections and Industrial Relations committees have concluded their business, the Municipal Affairs Committee will then reconvene in Room 254 after Industrial Relations to resume consideration of Bills 41, 49 and 39.

The Law Amendments Committee meeting scheduled for 6:30 will be delayed until the Municipal Affairs Committee completes its presenters.

**Mr. Mackintosh:** Mr. Speaker, if we could go back into Committee of Supply now.

**Mr. Speaker:** As previously agreed, we will now return to Committee of Supply.

### COMMITTEE OF SUPPLY (Continued)

#### TRANSPORTATION AND GOVERNMENT SERVICES

**Mr. Chairperson (Conrad Santos):** Will the Committee of Supply please come to order. This section of the Committee of Supply will now resume consideration of the Estimates for the Department of Transportation and Government Services.

The committee had previously agreed to have a global discussion on this department. We invite the minister's staff to the Chamber now.

**Hon. Steve Ashton (Minister of Transportation and Government Services):** What I was going to suggest, while we do get staff in, that we could start. I also think, given the time constraints, I discussed with the Clerk as well, I will try to give brief answers. Where there are detailed questions the member or any member wishes to raise as an issue, if we need detailed responses or, perhaps, more lengthy responses, I will try and get back to members in writing.

**Mr. Chairperson:** Is that agreed? [*Agreed*]

The floor is now open for questions and discussions, and if information is needed, the staff is here now.

*Mr. Harry Schellenberg, Acting Chairperson, in the Chair*

**Mr. Larry Maguire (Arthur-Virden):** I appreciate the minister for his wanting to move ahead. I will not be long. I have just got a couple of quick questions.

He knows that I have been asking questions about the twinning of No. 1 highway in the Virden area from the Hargrave area to the Saskatchewan border. In the Estimates last night with Ms. Friesen and Intergovernmental Affairs, you know, we had a little chat about that. My comment was, maybe we could make it a goal to get to the Saskatchewan border before Saskatchewan does get to the Manitoba border. I just leave that with the minister.

He knows that I have been putting forth a petition here brought and spurred forward from discussions that I had, of course, during the nomination process and the election in 1999 in Arthur-Virden. The rest of the unfinished part of No. 1 Highway is all in Arthur-Virden. My predecessors built the base of the highway from Virden to just west of the 83 Highway corner just east of Hargrave. I am very familiar with it as I drive by it all the time when I am going through that area.

I did table in the House the 426-some signatures, I believe it was, that came from Ms.

Dee Robinson, and Ms. Corrine Nesbitt, Mr. Bob Nesbitt. I thanked them at the opening of the Elkhorn Fair for putting that forward, and I took it upon myself to put a proper petition forward to help move that section forward. Their major concern is the health and safety of citizens driving on that particular piece of highway. They also understand the economic impact that could be increased.

My point that I made to the Inter-governmental Affairs Minister last night, Mr. Chairman, to the minister of highways, was that if we finished that particular piece of highway, we may have enough economic activity increased that we would be able to use some of those increased funds that the Government would accrue to actually build more roads in the province of Manitoba. I know that is the minister's goal. You know, he has put forth a five-year plan of \$120 million a year, is my understanding, towards roads in Manitoba. I hope that does not end up being a freeze, that if there comes an opportunity to do more, we could. I guess I would just like to put forward to the minister that I will just state that the petition is as is read:

\* (18:30)

To the Legislative Assembly of Manitoba.

These are the reasons for this petition:

(1) 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.

(2) 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:

(1) 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 his Government;

(2) 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.

Having said that, I have been tabling this ever since that evening in the Legislature. I can assure you that I have received a number of other petitions, numbers of petitions, that I have not tabled in the House yet on this issue. It just shows even more significantly to me the importance of getting this piece of highway finished. I would just like to encourage the minister to do so. I would seek an update from him as to the process that he plans on going through to bring this to fruition.

**Mr. Ashton:** I thank the member for raising the question. I actually was intending today to respond to the question that was taken as notice by the acting minister of highways a number of weeks ago, but another issue seemed to get in the way of that. I did not want to interrupt some of the questions that were raised on that. I appreciate the member having raised this.

I want to indicate what I find encouraging is a couple of things. First of all, we do have a SHIP program which is a start. It is inadequate, but it has allowed us to fund a significant project on Highway No. 1, 16 as well. I look to other aspects of the highway system, as well, the north Perimeter and 75. That is a start.

What I find interesting, too, is what I assume is a trial balloon that is being floated by a number of Cabinet ministers, although one of them is the Minister of Transportation, on the concept of twinning the Trans-Canada from coast to coast. I will say on the record that any time we can get any federal commitment to any aspect of our transportation system, any aspect of our highway system, I think that is very significant. I will not get into a lengthy answer.

I know the member knows how little federal money has been put back into the province, less than five cents. Quite frankly, I believe the federal government has the ability within its existing taxation regime to put money back into

the highway system. We will certainly be pursuing that.

Mr. Chairperson, I can indicate to the member we have a meeting of ministers, both the national and the provincial ministers. We are hosting it this year in Manitoba. I can indicate one of the key issues that will be on the agenda will be trying to develop some sort of a plan, whether it be in terms of highway No. 1, 16, or any aspect of the national system, some long-term plan.

Mr. Chair, SHIP has been an on-again, off-again approach. It is inadequate. It was a start, but we need to do a lot more of this. The obvious reality when we are dealing with a national system again is, I believe, the cost of extending to both the Saskatchewan border and the Ontario border, because there is a similar situation on the other side; it is anywhere upwards of about \$80 million. It is a fairly significant cost factor. I am encouraged by the fact the federal government is talking about that. It was reflected at the premiers' conference as well, the premiers are saying.

I could give more details, but I think I will leave it at that and thank the member for raising the concern on behalf of his constituents.

**Mr. Maguire:** I will be much shorter, as well, in asking my question. Did the minister indicate it would cost \$80 million to finish the building of No. 1 highway? Was that his indication? The twinning of the portion.

**Mr. Ashton:** That is both to the Ontario border and the Saskatchewan border. We have done some general calculations. Obviously, if there is a serious proposal by the federal government, we want to have a clear idea of what the cost would be.

It is a fairly significant cost when you look at our current capital budget. By the way, twinning does not deal with the other challenge with Highway No. 1, which is rehabilitation, reconstruction. One of the issues we have with the federal government was, we said on No. 1, on 16 and on 75, there are sections of that highway that have outlived their normal time period. I think the member will know. We want to be very clear

with the federal government that if there is discussion of twinning, we will engage in that discussion, but there also has to be consideration for the condition of the existing four-lane and two-lane infrastructure. The member knows; I know he would drive one on a regular basis. We have tried to work within the budget itself, but there is a challenge there.

**Mr. Maguire:** I appreciate the minister's openness with those remarks. Absolutely, the highway system in Manitoba, I think I am on record in other Estimates with him as indicating my feelings on the infrastructure requirements. It is an attraction to our province for economic activity as well as the day-to-day travel we have to have as citizens of the community, of the province. So I appreciate that a good portion of highways that are already existing, not just No. 1, 16, well, perhaps 75 might be in good shape, we just rebuilt it, but other sectors that have been here since the fifties, sixties when they were initially built, certainly were not built to handle the kind of traffic and loads that are on them today. I concur with him that a good deal, a good portion of the province needs to be started from scratch and rebuilt. That is very significant.

I think before we do that, we should finish the twinning of No. 1 Highway. At least we would end up with that portion built to today's standards.

I would also ask the minister, in regard to the paving of highways, if he could give me some indication of what it costs to pave a kilometre of road today, as well as the costs of construction of a No. 1 highway. That would be about a \$2-million-per-kilometre estimate, I think, he has given me. While he is looking at some of that, just if he could give me an example of the kilometres that are left on the east side of the province, as well, to be twinned.

**Mr. Ashton:** In the interests of time, I can get that detailed information, perhaps, even if we are able to get it while we are dealing with the questions. It varies in terms of the resurfacing cost, whether you are totally reconstructing. There are various different costs involved with twinning, some cases with passing zones, et cetera. What I was going to suggest, if I could, I will provide that information, if we can at the

end of this section of Estimates, but if not, I will provide that detail to the member.

**Mr. Maguire:** I thank you for that, Mr. Chairperson. I just have a question. The Member for Portage (Mr. Faurshou), who is our critic for highways, has indicated to me today that there is a circumstance around The Noxious Weeds Act. I can assure the minister that No. 1 highway in western Manitoba today, the portion that was finished when I was seeking a government position in 1999, now has poplars on it that are two feet high and many noxious weeds that were not even mowed last year. They have not been sprayed. It is a bit of a desperate situation.

I do not think you can just go in and pave the top of that road now. You are going to have to go in and do some severe maintenance work on the base of the road before it can be paved. I think the comment I have discussed with my critic and co-member here is that The Noxious Weeds Act falls under the Department of Agriculture and it is their responsibility. Actually, charges can be laid under The Noxious Weeds Act. So, maybe, the minister could bring that to the attention of the Minister of Agriculture (Ms. Wowchuk) before some citizen does.

**Mr. Ashton:** I also appreciate that the highways critic gave me notice that he will be raising this question. It seems to be a co-ordinated strategy. I can tell the member, we certainly are aware of the concerns. The highways critic has raised it. We are responsible within the highways right of way. We do have a maintenance program in place.

\* (18:40)

One of the issues I think we find generally with highways, and it includes Highway No. 1 again, is taking limited resources and determining where you would put it in. Do you put the resources into cutting? How many times do you cut a year? That is one of the difficulties with weeds again too. You can make a couple of passes. I mow my lawn at home and I am just amazed in one week how the grass grows half an inch and the weeds grow six inches, so it is a bit of that element as well. What I would suggest, and I appreciate the concern, is if there are any particularly problematic areas, that, certainly, I

would encourage him to contact either my office or the department itself.

They are doing the best they can with the resources they have, but sometimes there may be a particular section which may have been problematic that has arisen recently. So I certainly would appreciate any assistance on that. We do try to do what we can within the budget we have.

**Mr. Maguire:** Well, I just draw to the minister's attention that it is the whole section of the road that is not finished. I know that he has put \$7 million in the Budget towards the paving of No. 1 Highway between Virden and Hargrave. I know the minister has put \$7 million towards that in the projects that he has announced. I have just a quick comment on that that might get the weeds down, the base paved and a little oil on it, but I do not think that is going to pave 12 kilometres. Can the minister confirm for me that, in fact, they do hope to finish paving that 12 kilometres with the \$7 million?

**Mr. Ashton:** That is correct, Mr. Chairperson.. That is the case. I can give the figures the member wanted in terms of resurfacing, which is the paving only. With paved shoulders, that would be approximately \$250,000 per kilometre, \$250,000, general figure. I mean, it varies, but the general figure for new construction would be a million dollars, because you have to include the cost of the roadbed itself. So we are dealing with at least \$250,000 for resurfacing per kilometre.

**Mr. Maguire:** Mr. Chair, the only other question I have is a concern from the community of Melita that was raised at the AMM western district meeting this year in regard to not twinning, but four-laning of No. 10 south of Brandon. I know there is work going on there now down past Clementi Hill, what is called Clementi Hill, in that area to the bypass around Brandon.

I just want to draw to the minister's attention that that will be coming forward as a resolution to AMM's annual meeting this fall and that these folks, these councillors of the community of Melita, you know, you might not expect Melita to be the town that is seeking this kind of support for the four-laning of No. 10 Highway

south of Brandon all the way down to the south junction of No. 2 and No. 10. So that is due to the heavy traffic in the Wawanesa, Killarney, Boissevain, Deloraine, Melita, Elgin, Hartney areas that comes in on that section, not to mention Souris that comes in on that particular highway.

All of those communities have a number of commuters that are going back and forth, particularly with a new plant being built at Souris, that the minister is very familiar about that I was asking questions on a year ago with the Maple Leaf feed mill that will be handling 10 million bushels of grain in the future. There will be an extreme increase in the flux of traffic in that area. I just bring it to his attention and want to see if the minister, just in his answer, has considered that at this point.

**Mr. Ashton:** Mr. Chairperson, the general approach on 10 is actually very similar to the approach on 16. It predates my coming in as minister when I was coming into government, and, that is, there is a huge cost when you go to four-laning. I mentioned the cost of twinning, four-laning. You know, the difference between twinning and four-laning is not all that huge, really. I mean, you are still dealing with the same surface area, but \$80 million to complete the Trans-Canada.

What we have done on 10, both south of Brandon and we have also been working on north of Brandon, because north of Brandon is also significant in terms of traffic flow, is basically similar to what we are dealing on 16. You know, you have to recognize that 16 is part of the trans-Canada Yellowhead. We are putting in passing lanes. They are less costly to construct, but they offer virtually the same benefits in terms of safety. So that is why on 10 we have moved in that direction.

I know it was difficult. The member from Minnedosa raised some concerns on behalf of his constituents in terms of access issues, land issues, et cetera, but if you are looking at anything that involves four-laning it is hugely expensive. I think the issue is going to be, once again, trying to prioritize what we need to rehabilitate our road network, where we need

additions and anything that is a four lane or new surfacing that is an addition to the system.

So I certainly respect the views of the committees in that area but, I think, well, the department has made some significant efforts in the last number of years through the construction of the passing zones, both north and south on Highway 10. So I thank the member for raising the concern and, certainly, will continue to prioritize work on 10. I mean, I received many resolutions asking for full four-laning or the type in different areas in the province, but, you know, quite frankly, we have to prioritize it, but at the same time try and be creative. I think the department in the last few years has really done a lot of good work using passing zones, which are used extensively in other jurisdictions, by the way, quite successfully. I think you will see some further work on 10 over the next number of years using MO.

**Mr. Jack Penner (Emerson):** I want to ask the minister what sort of a plan he has for Highway 201 from Letellier east, and then Highway 302 north from Vita to Steinbach. I think the minister is quite aware of the kind of development that has gone on along 302 in the La Broquerie area and the huge industrial livestock complex that has developed there and is growing, as we speak. Yet, the only access they have is an old gravel road.

I believe there is a \$65-million investment that has gone in there. I always wonder whether, if the City of Brandon or the City of Winnipeg would have the opportunity to develop a \$65-million industry, would the Province of Manitoba contribute towards a road access to accommodate that? I think there is no question that that would happen. Yet, in the southeast area, we seem to be able to somehow walk away from those kinds of investments without any real effort. So I would like to ask the minister whether he has any real plans for that area.

Mr. Acting Chairperson, 201 is a light access basin AST road. That is the only access out of that area in an east-west direction that that whole area has. All the cattle industry has to be transported down that light road. I know that the deputy minister of highways, because he has

been down there to look at it, is quite aware of the condition of that road.

But the one thing, Mr. Minister, that I would like you to take a look at is this map. It is a map of the United States. You could probably see where the dark red lines are. It demonstrates the volume of American traffic and especially the commercial traffic, truck traffic. This point here is Highway 75, I-29, 75, the Customs at Emerson. That is the heaviest line of commercial traffic in the United States, and it ends in Winnipeg. When I look at the condition that Highway 75 is in, and, believe it or not, a year ago, just a bit better than a year ago I followed a semi into Winnipeg and he lost his trailer. It unhooked crossing one of our speed bumps on 75. I know that the department is quite aware of the condition of that highway. When one considers the volume of traffic that comes into that area and our accessibility out of Winnipeg and then being the east-west distributor routes down numbers 1 and 16, those are the main traffic routes for distribution down the north corridor. It demonstrates what needs to be done.

\* (18:50)

I am asking the minister, you know, about the whole infrastructure in southern Manitoba, really, because of the tremendous growth that has gone on there. From the Winkler-Morden-Altona area to the Steinbach area, that whole loop has seen dramatic growth. Yet, during the last three years, there has been no work done, absolutely none, by highways in that whole area. I am wondering whether this NDP administration has shut down, or intends to, wants to shut down southern Manitoba by virtue of simply not reacting to the needs of the highways system in that area.

Mr. Chairperson, there are two specific areas, I think, that need to be addressed immediately. One is the bridge on the river at 201 at the Roseau Indian Reserve, and 201 highway and Highway 302 out of La Broquerie into the Vita area. I wonder if the minister could give us some indication as to what the plans are for that.

**Mr. Ashton:** I am not sure where to start, Mr. Chairperson. I certainly reject the comments from the member in terms of the area he is

talking about. He might wish to talk to the Member for Steinbach (Mr. Jim Penner), for example. Because of the increase in our construction budget this year, we approved something that has been very significant in terms of importance to that community, in terms of intersection improvements that recognize exactly what the member talked about, in terms of the growth in the community and the growth in traffic. The Winkler main street was a significant project, certainly, the first program that I had the opportunity to announce. I believe the member talked about 201. We are currently working on a functional study in terms of that. So I think that the member should look at some of the projects that have happened.

In terms of Highway 75, I want to refer him back to my comments earlier, and you have to realize I was answering comments on Highway 1 and saying that the national system is more than Highway 1. That is not to say that Highway 1 is not a priority, but there are other aspects to the system. One of the issues of concern that we had with the federal government is in terms of whether they would only fund, for example four-laning, or whether they would also fund, under SHIP, reconstruction of sections of highway. I can indicate we were able, in the end as ministers, because other ministers raised similar concerns, to ensure that the SHIP program will include, not maintenance, I am not talking about minor improvements, but reconstruction, and that is critical for us to have any ability to deal with that challenge on 75.

As a matter of fact, I mentioned earlier in response to the Member for Arthur-Virden (Mr. Maguire) that there are two challenges on the national system. One is what improvements we can add. But the second is maintaining the system. A lot of it is old pavement and the condition it is in did not happen overnight; it has developed over time, so I think it is quite important to note that.

We talk about the area of Highway 59, a very significant project, one of the most significant projects in the process which serves that area as well, the twinning that took place there. So I think the region has had a number of projects. I realize that there are always more that people would like to see. That is part of the

process, Mr. Chairperson, but I think we are responding to concerns in the area.

I can assure the member, by the way, he referenced the city of Winnipeg or the city of Brandon. If it was in the city of Winnipeg, the Department of Transportation would not be involved, period. We do not have jurisdiction inside the city of Winnipeg. It is somewhat different in Brandon because there are a number of major highways that do operate in the city of Brandon.

I have acknowledged, I have said before, one of the pleasant challenges in certain areas of the province is the degree of diversification and growth in the agricultural sector and the agriculture value-added sector, and we are attempting to deal with it. What happened in Winkler, what has happened in Steinbach, what has happened with 59 are all parts of that. Certainly, I want to, as much as I may disagree with the analysis of the member, or the political statement, I would say, basically, that, certainly, we are aware of that. It is reflected in the construction program that we have announced.

**Mr. Jack Penner:** Highway 59 is exactly the next thing that I would like to talk about. There was money allocated to Highway 59 three years ago and the design work, I believe, has all been done to upgrade 59 right to the U.S. border. That is another area that is a main route and Highway 12, of course.

I want to commend the department of highways for the quick action they took to restore that bridge on Highway 12 on the Roseau River. I think that was an exemplary example of how quickly the department can get things done if they are allowed to do it. But the minister has to designate the priorities, and it is very apparent that the minister has not paid any attention.

I find it interesting that the minister and his Government can take \$24 million out of highways to build a road and a bridge to an Indian reservation up north with very few people in it. Yet the southern region, where all the commercial traffic is, gets nothing. I think the minister really needs to re-evaluate his own direction to his department in where he wants to set the priorities, because, if we cannot transport

the goods out of the region that produces them, then the province suffers. I would daresay I believe we have the indication now of the economic downturn that is starting to happen in this province. The economic losses the province is starting to incur are relevant to the inaction that we have seen in highways. The minister has given a lot of lip-service to increased budgeting and all that sort of stuff, but the developed area of the province, certainly, has not seen any of that.

I would strongly recommend to the minister that he pay some attention for where your dollars are generated and where your revenues are coming from, because that is where you should be paying some attention to your highways budget. I think it behooves the minister to sit down with his Industry people, with the agricultural sector and try and prioritize and reorganize his direction to his department. I think his department would encourage him to do it.

**Mr. Ashton:** Mr. Chairperson, I wish the member would get his facts straight. He mentioned a \$23-million highway construction to an Indian reservation coming out of the highways budget. First of all, that is not true. The \$23 million came from Manitoba Hydro. Second of all, it is not an Indian reservation, it is South Indian Lake, a Northern Affairs community. Third of all, it was the previous government that signed an agreement in 1992 under the Northern Flood Agreement to construct the highway.

I, quite frankly, think the member's comments are insulting to the people of South Indian Lake, to suggest that because they do not have some magic threshold in terms of population they should not be entitled to a highway, in this case a gravel road, which is constructed as part of an agreement that was put forward by the previous government in 1992. It had not been honoured when we came into government, and we delivered on it. So the member opposite should not suggest that highway construction has been affected anywhere else in the province because of the construction of an all-weather road into South Indian Lake under an agreement, Hydro money, agreed to by the previous government, not out of the highways budget, period. So, if the member is trying to divide the province that way, I would suggest he stick to the facts.

Mr. Chairperson, the second point, the highways budget has varied between about \$90 million and \$110 million over the last number of years. I mentioned in committee the other day it magically seemed to go up before elections, dropped as low as \$93 million immediately after the election in 1995. This is not something that is a new idea; it is something that the industry has been talking about for quite some time. We have committed to a five-year, \$120-million program. That is a 16% increase. What is also important, we are adding additional money into the system over and above any of the money that is in from federal funding, because that is where we get the credibility, unlike 1993, where money was taken out of the highway construction budget because there was additional federal money. If you are going to have credibility, that is how you deal with it.

\* (19:00)

Now, I am quite prepared to discuss specific issues. I referenced a number of significant construction projects in the southeast. I mentioned Highway 59, the largest in the province; the work that is being done, currently, in Steinbach; that is being done in Winkler. You know, I could run through many of the other projects that are being done, but, you know, I would hope the member would stick to the facts.

*Mr. Chairperson in the Chair*

You know, if he wants to lobby for particular highways in his area, that is fine. If he wants to make political comments, that is fine. But there is not one cent that was diverted from his constituency for the South Indian Lake road. That is Manitoba Hydro. His government, when he was in it, agreed to it. I believe the member may have even been in Cabinet when it was signed. My view is that an agreement is an agreement. Manitoba Hydro lived up to its obligation. Manitoba Transportation built the highway. So I am not sure where to begin.

I mentioned some of the roads that we are dealing with. If the member wishes to deal with specific questions on roads, that is fine, but I did not want to leave that statement on the record. It is not true. I think it does a disservice, because I can tell you, for example, the 59 project was the

largest project in the province, not in a remote area, but in the southeast. When we added to the highway capital budget, which we did just recently because of the additional funding that is in place, the largest project was the highway that serves Rivers, Manitoba, in the Minnedosa constituency. I think the member will see the regional balance.

We could look at the national highway system. These are not in remote areas. The project on Highway 1, the project on 16 under the SHIP program, major, major project. I do not make any apologies about that. I think you have to have a view that looks at the entire province. Highway 16 and Highway 1 are very significant parts of that. I mentioned before that one of the areas that we focussed on with the SHIP program was ensuring that resurfacing would be eligible. That is critical in terms of dealing with some of the challenges the member dealt with in terms of 75.

He mentioned the bridge. There is a land acquisition issue there. The member mixed in some questions on specific highways. I can provide details on that. In fact, I indicated to the critic before, given the shortness of time, if there are specific highways that the member wishes an update on, in response, I can do it even in writing as well.

Being a representative of a constituency in which highways are an important issue, I always respect the right of MLAs to raise issues involving their constituency, but I hope the member would correct the record and that what he was talking about earlier had no impact on the highways budget, the South Indian Lake budget. It is not a question of South Indian Lake or southeast Manitoba. In that case, it was a question of satisfying an agreement paid for by Manitoba Hydro because that community was significantly flooded in the 1970s and 1980s. I think the previous government did the right thing in signing the agreement. I think we did the right thing in living up to that agreement.

**Mr. Jack Penner:** On another matter, I received a phone call yesterday from a Mr. Dave Reimer. He has a construction firm and a cement firm at Roseau River, Manitoba, and does a lot of his business in the United States. His cement trucks

travel back and forth into the States daily. He came back by a different route out of the States. Instead of taking 59 Highway, he came through Pembina, North Dakota, down I-29 and 75, was stopped in Emerson and three of his trucks were handed a ticket and fined \$450 each under the IFTA licensing arrangement. I wonder if the minister could explain to us why we would want to fine any of our commercial truckers trying to gain business outside of our country and outside of our province to increase the employment in our province.

I phoned your department and spoke to your assistant. He said, yes, but he did not realize the fines were that high, \$450 each. It was \$1350 for the three trucks, the fines. I am wondering if the minister could enlighten us as to, first of all, what the IFTA agreement is or what the IFTA licensing arrangements are, what the fines are, who levies them, what directions we have given to Customs people to levy these fines, and why IFTA is in place, what IFTA is. Maybe the minister could tell us that.

\* (19:10)

**Mr. Ashton:** In terms of the detail, I can get back to the member. He mentioned the agreement and various other aspects. Not knowing the specific circumstances, I cannot comment on that particular phase, nor would I want to. *[interjection]*

I can provide that information. Because of the short notice, we do not have DVL here. Marlene Zyluk would normally be here. I can provide that information to the member. I have indicated in discussions with the critic that where we cannot provide the information here, we will provide it in detail. Without commenting on the specific case, and if the members raised it with the department, we will respond in that channel. I will undertake to provide that detailed information for the member on the issues he has raised.

**Mr. Jack Penner:** The last point I want to make is the bridge at Letellier on 201. I was told, as the member of the Legislature, by highways engineers at a public meeting in Letellier that was called to give us an idea where the bridge would be built and why that bridge had to be replaced. That was some six or seven years ago.

We were told at that time that that bridge could not keep on carrying the capacity it was carrying, and that the underpinnings of the bridge were such that it was in danger of falling into the river, I think, is what the engineers at that time said to the meeting.

This is, I believe, six or seven years later now, the bridge is still there, and nothing has been done. I do not believe that we even have an agreement with the Roseau River Indian Band for property rights. I am wondering whether the minister can give us an update as to what the acquisition of properties are or right of ways are over there, whether we have bought out all the properties that would be needed to build that bridge and/or whether the underpinnings on that bridge have stabilized and that it is no longer necessary to build it.

It appears that when governments change, maybe the needs change somewhat, too, because the traffic on that bridge has increased dramatically over that same time period. I was visiting with a highways crew on the highway on the bridge when they were repairing it last spring and a gravel truck crossed, and they said, do not be too afraid, Jack. The shaking is this bad, but it gets worse when you get more than one truck crossing the bridge. I understand that it has been limited to one truck crossing at one time.

**Mr. Ashton:** Mr. Chairperson, I think the member partially answered the question early in his comments because there are some land issues, not just including the reserve. There is another land issue. I can tell the member from experience in other areas. Birdtail Sioux, for example, it took many years to get their land issues resolved.

When you are dealing with reserve land, it is a very lengthy process; it is a very difficult process to go through. What I can do is undertake, once again, to get a more detailed response on some of those issues, but, certainly, the department continues to monitor that bridge and is trying to negotiate resolution of the land issues. I will undertake also to give some specifics on where those negotiations and discussions are at.

**Mr. Jack Penner:** Just one brief comment to the minister. The band council has been approaching

me as to when we are going to get on with dealing with the acquisition over there. I understand that they are now quite willing to talk. One of the band members was in to see me two days ago about this very issue, and he said, are we ever going to build this bridge, or are we not, or has highways forgot about this bridge. I mean, that was his question.

The person I was talking to was Terry Nelson, who, at one time, was chief, who will probably be running for chief again this fall, I understand. So just so you are aware that there seems to be a willingness to move this issue along at this time.

**Mr. Ashton:** I appreciate that and that has been communicated. The issue basically was, I think, very much related to, not so much political will, but there is a whole cumbersome process. One of the frustrations of many First Nations communities is the lengthy process, which includes the Department of Indian Affairs, for land transfer. We have run into this in several other areas where it could take as many as—Birdtail Sioux, I think the previous government was working on this in the early 1990s, and we were only just able to resolve the legal issues last year, so we are continuing to work on this. I think the original open house on this was back in 1998, I believe, so I appreciate people's frustrations.

It is a frustrating process, and I, quite frankly, hope the federal government, at some point in time, rather than some of the issues that have come up on the governance side, currently focuses on a much better system. Particularly what is frustrating is where the First Nation itself is fairly supportive, where they, in some cases, are 100 percent supportive, but they are tied into this cumbersome land transfer system that really does not serve anybody's interest, when they want to see a highway improvement or bridge improvement.

**Mr. David Faurischou (Portage la Prairie):** I believe we will try and move through a number of lines. I would like to get to a point of the Minister's Salary, and, at that juncture, I do want to raise an issue with the minister at that time, but I do not believe staff is necessary because

they are not involved in the issue that I would like to raise. [*interjection*]

So, Mr. Chairperson, I turn it back to you for line by line. [*interjection*]

I understand, perhaps, the staff may have to answer a question for the honourable Member for Gimli (Mr. Helwer), so maybe I will then pose a couple of questions, because I believe there had to be a change. The honourable Member for Emerson (Mr. Jack Penner) will be taking the place of the honourable Member for Gimli (Mr. Helwer) at committee, so I expect the honourable Member for Gimli right shortly. I believe it is No. 9 that is of a concern to him. So I will pose a couple of questions, seeing we are waiting for the Member for Gimli.

The situation regarding the transfer of location home-base for 2PPCLI to CFB Shilo, the access road to Shilo is one provincial road, 340. It is a road that is narrow and winding, very much to the past standards. I do know the minister did respond to the mayor of Wawanessa that was offering a solution to the access to CFB Shilo because I do believe there is an environmental concern with the reconstruction coming down through Douglas. So I am just curious as to the minister's plans, because, I believe, both he and his staff recognize that when you are moving the number of people that will be moving to that base, the road is very, very much underrated for that type of expected travel and traffic. So I would like the minister's response as to his plans for a provincial road.

**Mr. Ashton:** I will give you a brief answer. The member is correct on the environmental issues involved, and, basically, what happened with the uncertainty in Shilo was with the German pullout. Now, of course, with PPCLI moving to Shilo, there is a new era in terms of planning, and we certainly will take into account the new developments at Shilo. I appreciate the member raising the concern. Obviously, we will do what we can to try to anticipate any of the traffic challenges.

**Mr. Faurischou:** I appreciate the minister and his understanding of the situation. I just hope that we can progress with that.

The other point that I wanted to raise with the minister is one that came back to mind when I passed through the two new facilities, or virtually new facilities at the U.S.-Canada border at Pembina and Emerson. I was aware of discussions, prior to the construction of those two Brandon facilities, that it, perhaps, could be in the mutual best interests of both nations, Canada and the United States, that the facility could have been designed in such a fashion to accommodate both Canada and U.S. Customs officials and brokerage firms all together and have been efficient, the designed and operated facility. I believe the minister is aware it was the federal government of Canada that was dragging its feet and the U.S. government had to move ahead because their facility was basically falling down around them. So they progressed and, within a year's time, we as Canadians saw the new facility going up.

Mr. Chairperson, we have a number of crossings. I now would like the minister to update the House as to seeing the signing of various agreements on mutual concern for security. If we are moving in that direction, then perhaps the redevelopment of a number of border crossings, common facilities, by both countries would be most beneficial.

**Mr. Ashton:** I thank the member for raising this. I think if you go one step further, actually, when you look at border crossings, you could look at some of the border crossings within Canada where we do not have even joint-use facilities between various provinces. In fact, I recently had a discussion with Al Mackling, former MLA and Cabinet minister, but also former chair of the Motor Transport Board and he pointed to that. So the member, I think, raises a good point.

I think, over time, keeping in mind the importance of maintaining Canadian sovereignty, it is, at the same time, important to recognize we are increasingly looking at much greater co-ordination in terms of border crossings. One only has to go to Europe to see some of the development that has taken place there in terms of border crossings, in many cases the border crossings having been eliminated. Without going to that level, I think there is a great opportunity to have that kind of sharing of resources. So I would add to it my own view the suggestion that

we might want to co-ordinate some of our provincial border facilities. They are not border crossings, but we have tourism facilities; we have weight scales. It makes a lot of sense. I think the member has raised a very good point.

**Mr. Edward Helwer (Gimli):** I just have a couple of questions on highways for the minister. One, I guess, is last year we talked about the Selkirk Corridor, Pembina Highway and the Selkirk Corridor. I think, at that time, you did say the department was working on it. They were still in the planning stages and in the land acquisition stage. I believe you said they were purchasing any property that came up for sale along the proposed Selkirk Corridor.

I want to emphasize, again, the importance of this corridor. As the city of Selkirk grows and the people of St. Andrews and West St. Paul, it seems that area of Manitoba is growing considerably. As you noticed in the last census, there certainly has been an increase in the population there, and the fact there is a very dangerous situation. Mr. Chairperson, that is where the McPhillips road comes into the Selkirk bypass. Because of it coming in on an angle like it is, it creates a very, very dangerous situation.

\* (19:20)

I think I brought this up to the minister before, but as of yet, nothing has been done. They did a bit of maintenance work on Highway No. 9, a bit of resurfacing, but very, very little. I would like to know what the minister has planned for that area, and when we can expect some improvements to that Selkirk Corridor-McPhillips Road-No. 9 Highway area.

**Mr. Ashton:** Land acquisition is continuing. If the members would like, I can probably get a written response to them in terms of that. What I have had in terms of discussion with the critic, in the shortness of time, is to tell all the members to raise as many issues as possible. I will undertake to get back to the member in writing.

**Mr. Helwer:** I am sorry. I could not hear the minister very well, but I wonder if you can outline a little better of a time line of when this is going to be improved.

**Mr. Ashton:** The member is talking about the Selkirk Corridor? What is happening there is land acquisition is proceeding. There are no immediate plans. I believe the member is aware of that. This is to preserve options down the line, but we are continuing to do the land acquisition push.

**Mr. Helwer:** Mr. Chairperson, has there been a final route mapped out, or is highways still studying the project? What is the plan there?

**Mr. Ashton:** Once again, Mr. Chairperson, I can get him the details, but there was a route that was mapped out quite some time ago. I cannot recall the year, but I can provide that information to the member.

**Mr. Helwer:** Last year, we talked about No. 9 Highway as to what improvements you had to make there to make that safer because of the fact there is no median between the four lanes of traffic. It makes a very dangerous situation. You talked about maybe widening it, cutting down, making wider shoulders and putting a median in the centre or a left turning lane in certain areas. What has been done there, on Highway No. 9, to improve the safety of that highway?

**Mr. Ashton:** One of the challenges, I think the member is aware of it, essentially, that road has become almost an extension of the urban area. There are a large number of houses along there. The difficulty is if you were to then widen the road through a median or anything on the shoulder side, you would have to have a significant expropriation of property, and you would end up with some real problems in terms of access on to the road, as well.

What we have done—when I say "we," this is the department. I think it predates, certainly, my being minister—is to attempt to keep the surface up, to maintain its surface as best as possible, because that I think recognizes the amount of traffic that is there. Once again, there are no easy fixes. If you were to start from scratch, you probably would not have the housing that is there that close to the road and you would not have all the access.

I can tell you, just from another example on Highway No. 10, there were a number of land

issues we ran into there where we put in passing lanes, a number of access issues. No. 16 is another area where we have a major project under SHIP. We are looking at more passing lanes in terms of No. 16. Even the passing lanes, it does not seem like its a huge addition, but once you are pushing over onto an access, or you are pushing over onto somebody's land, you have a major challenge. That is essentially the dilemma you are dealing with on that particular highway. First of all, it would be very expensive, but apart from the financial side, there would have to be a huge impact on some of the land owners.

I think the member is aware there really has been quite a significant difference of opinion in the area. I am sure he would hear all different sides of it in terms of those issues. It is one of the highways where there really has not been a consensus from people. Usually, in other areas, you may find some difference on approach, but there will be a clear view.

So that has been our approach, to maintain the future option by land acquisition, but, at the same time, working on the existing surface itself.

**Mr. Helwer:** Thank you, Mr. Minister. I do not think that is much of an answer, really, I realize that land is a problem there, but there was an option presented, I believe, by a delegation a number of years ago to the department of highways from along that highway whereby there is enough room to put in, move the ditches out a bit and widen the shoulders, or move the highway out to each side of it and then have a passing or a turning lane in the centre and a median. That, certainly, would improve the safety of that. You would not have to change the speed limit. The speed limit at the present time is, I think, 60, 70 or 80 in some places, but not any higher than 80 kilometres per hour. So it is not a high-speed highway at the best of times. It is a low-speed road because of the local residents.

The problem is that in the morning people are turning left across the traffic. The same thing happens in the evening when people are going home from work. So it is really creating an unsafe situation there on Highway 9. I would hope that the minister would make that a priority

whether improving Highway 9 or going ahead with the Selkirk Corridor. That would take the pressure off Highway 9 because of the main traffic going through to No. 4, which is the new bridge across the Red River.

**An Honourable Member:** Is that the bridge to nowhere?

**Mr. Helwer:** That is the bridge to nowhere. That is going on Highway 4 over to 59 highway. That road is getting busier and busier. The new bridge is taking the majority of the traffic there. I would hope the minister would make this a priority and try to get something done there in the next little while.

The other point I asked is the safety of where McPhillips road comes into the Selkirk bypass. What can we do, or has highways engineering looked at trying to make that a safer corner? There have been a lot of accidents there, where McPhillips road comes into the Selkirk bypass. It is about a mile west of Highway 9.

**Mr. Ashton:** Yes, we are certainly aware, we are monitoring. I can indicate we are doing a fair amount of work in a number of intersections elsewhere which are very problematic. I think the member mentioned the bridge north of Selkirk. I think that option was actually taken off the table by the previous government. Essentially, our position here is unchanged from the position of the previous government. There were no easy solutions back in 1988 to 1999. I am dealing with the issues the member has raised. There are no easier solutions in the year 2002.

\* (19:30)

**Mr. Helwer:** I want to move on to another road. That is Highway No. 8 at the Gimli cutoff, No. 231. I know you have had a letter from the rural municipality there. I have written you a letter because of the recent accidents. There has been another fatality there, I believe, just in the last month or so. There have been about three accidents at least there this past summer. That is highways 8 and 231. That is where the road goes out to the Gimli airport. I know that the rural municipality has asked for lights. I have written you and asked for lights or something there to make that intersection safer. Can you give me

any indication at all as to when or what can be done to improve that intersection?

**Mr. Ashton:** There are a couple of dimensions in the member's question. One was in terms of traffic signals. We have a warrant system which looks at factors including traffic flows. Up until now, it has not met that, but we certainly can monitor in terms of that and in terms of if there are other potential improvements. We can certainly look at that as well. It is hard when you have a series of accidents necessarily to point to what specifically can be done, but we will certainly monitor. I appreciate the member raising it. I know it is an issue that we have received correspondence from the member and the R.M.s, I think, raising it.

**Mr. Helwer:** I know that the letters were sent some time, probably two months ago at least from the reeve of the Rural Municipality of Gimli. He said he had not had a reply to that effect yet. I sent a letter shortly after theirs. There was an item in the *Interlake Journal* that was talked about, and I do not believe we have got any kind of reply back from the department of highways or the minister's office. When can we expect some sort of reply?

**Mr. Ashton:** I hope the member realizes that whenever any issue is raised, technical issues, we do take the time to look at the specific concerns that are raised. I could send out a letter very quickly that would not say that much, would not respond to the specific questions. I can indicate that if there is any delay in responding, it is because they are trying to give it the kind of attention it deserves, the kind of concerns that have been raised.

Generally, I think the member will know from other correspondence, that has been something that the Department of Transportation takes very seriously in the sense that, if concerns are raised, we do not just give a form letter back. We try and deal with the very specific circumstances, trying to get input from our regional people, as well, who will be aware of the specific circumstances in this intersection. We will respond. If there has been any delay, generally, it is because we are trying to get a detailed response that deals with the specific

concerns raised, either by the R.M. or by the member.

**Mr. Helwer:** My next question would be on Highway 222, which is north of Gimli to the Camp Morton corner. Prior to 1999, the Government had purchased the land there, had gone through the land acquisition stage, had gone through the planning and design stage. The next stage was to go to tender process. Up until this date, in the last three years, there has been nothing done whatsoever there. That is a very dangerous highway because of the fact that it is narrow. There are absolutely no shoulders on there whatsoever and this creates a dangerous situation.

There is also a business there, Misty Lake Lodge, that was headquarters for the Pan Am Games back in '99. They are, again, the headquarters for an event taking place in Gimli. The world yacht events that are taking place in the next couple of weeks are going to be using Misty Lake Lodge again as their headquarters. They will have a number of buses going back and forth there. At this time, that highway still has had nothing done. When can we expect that project to be moved ahead?

**Mr. Ashton:** The stage we are at is in terms of an environmental assessment survey and design which we will be looking at in terms of upcoming programming. I believe the portion the member is talking about is the 8.4-kilometre portion. That would be the next step, and we would look at it in terms of upcoming highways budgets. The significant step would be the next element.

**Mr. Helwer:** So what you are saying is it will be in next year's capital program and will be going to tender at that time? Am I correct in assuming that?

**Mr. Ashton:** Mr. Chairperson, the member has pushed the answer a little bit further than what I said. I cannot see; I do not have a crystal ball; I cannot indicate the specific program requirements and the budgeting for next year. Anything that involves upcoming budget years, we will take under consideration.

It is something that has been identified in a project sense by the department. It is not con-

ceptual. It is something that is at the stage of, if we are able to fund it, to move to the environmental assessment survey and design stage.

**Mr. Helwer:** I want to thank the minister for his reply. I certainly hope that we can look forward to that project getting under way in the next year or so.

I will defer now to my colleague from Russell. He has some questions, I believe.

**Mr. Leonard Derkach (Russell):** Mr. Chair, I have not participated in the debate in Estimates on the minister of highways' department, but, certainly, I want to ask him a few questions as they relate to the major highway in our province that carries a very significant amount of truck traffic, and that is Highway 16.

There has not been any work done of any substantial nature on Highway 16, now, for three years. There was a little bit of resurfacing that went on, but that resurfacing was very sub-standard. I expressed to the minister last year the concern about the shoulders of the road, which make it very dangerous for any slow moving traffic to get off because there is a sub-shoulder there that really causes vehicles to weave. I have expressed that to the department.

I understand budget constraints, Mr. Chair, so I know that we have kind of cut back on the standards that were used on Highway 16 when we were in government in terms of the resurfacing, and I guess I need to know from the minister what his capital program is for Highway 16. Well, I do not see anything on the calendar for this year, but for the next fiscal year.

**Mr. Ashton:** I can indicate, in terms of the 2002-2003 program, just in the general area of the member's constituency, there are a number of projects that are under way, but I do want to, in particular since we are talking about 16, generally indicate that we had a very significant announcement with the SHIP program that involves Highway 16. I think it is very important to note some comments on the record earlier that we have always indicated that in terms of the National Highway Program, certainly, Highway 1 is part of that, but the trans-Canada

Yellowhead is part of the national highway system.

\* (19:40)

I indicated earlier, too, that one of the issues we were concerned in our dealings with the federal government was the eligibility of reconstruction, because we are at the point now with sections of the national system, including Highway 16, where that is a priority. That was important, and if there was a requirement we only four-lane, for example, and not have that ability to have that level of construction, that, certainly, would have a negative impact, particularly on 16, where we are looking essentially at rehabilitation, plus some passing lanes, which I referenced earlier in the debate. So there has been, I think, a very significant development.

Actually, Mr. Chairperson, I think, the local Yellowhead Association, at one time, had put a set figure on what amount should go the Yellowhead. In my response, I indicated some surprise that they would limit it to the figure they had chosen. I am sure the announcement of that project—it was a very, very significant project, was very important. You know, I realize that serves a bit further out from the member's constituency, but recognizing it as one route, I think, it is quite significant.

I can give some details, too, in terms of some projects in the general area, and they vary, some of them in the preparatory stage, survey and design, from 83 to 21; primal assessment survey and design, junction of—these are all 16—at the junction of 21; south junction 83 to 21, acquisition of right of way. We also have junction of PTH 21, acquisition of right of way for intersection improvements. Some improvements in terms of paved shoulders, fairly minor, but, still, nonetheless, important from the Saskatchewan boundary east; environmental assessment survey and design for a stretch between No. 359 and the junction of No. 83; on No. 16, environmental assessment, survey and design No. 45 to No. 41. There is some grade widening of shoulder work on No. 16; in the No. 45 to No. 478 area, survey design from 0.7 kilometres west of PTH No. 83 to 1.6 kilometres south of No. 45—It goes directly through Russell; acquisition of right of way from No. 478 and No. 359; utility revisions also on that stretch; some

pavement work between No. 250 and No. 270. There is also some slope stabilization in the vicinity of Harrowby.

Those are some ongoing projects. I can give details. The member may already probably know a lot of the background in terms of that. I think the key element here now is with the renegotiated SHIP program. We are seeing some significant investment on No. 16. I think, also, what is going to be important is, when I hear the federal government talking about twinning the Trans-Canada, what we need is not just something that picks one element of the national system, even though, obviously, there is going to be some significant merit to that, but something that is also going to provide ongoing funding to all aspects of the system.

Mr. Chairperson, I have had the opportunity to speak to the Yellowhead Association this year, the second opportunity I have had since I became minister. I can tell you the fact is the federal government has played virtually no role, no ongoing role, certainly, in terms of the national highway system. So I think the fact we are actually getting something is a good start, but we need a lot more. I think the key challenge for No. 16 over the next number of years is going to be to rehabilitate sections of No. 16 that have, over time, shown their age. We have done a lot of patching work, a lot of thin surfacing, resurfacing, but in many areas now, and the stretch we announced under the SHIP program, we had to make the argument to the federal government. We said this is not maintenance. This is not just a thin layer of resurfacing. This is taking a road you can only term as totally depreciated over the years and it needs to be rebuilt.

Mr. Chairperson, I was very pleased they were agreeable to that. This was an issue with the Yellowhead Association. They indicated very clearly that had to be a part of the ability of the SHIP program, to allow for complete reconstruction of sections of No. 16. I am hoping now that we will see some more development.

**An Honourable Member:** Which section, I am sorry?

**Mr. Ashton:** The current section is Neepawa to Minnedosa. It is \$18 million. That is passing

improvements; resurfacing, like major reconstruction, and passing lanes from Neepawa to Minnedosa. I realize that is a bit outside of the member's area, but I think the member knows the condition of No. 16 in that area. So it is an issue.

**Mr. Derkach:** Mr. Chair, I drive No. 16 a minimum of two times a week, sometimes as much as five times or six times a week. I am almost a regular with the truckers on the highway. I can tell you I do not have any argument about having to rebuild the section between Neepawa and Minnedosa. That section of highway is very much in need of reconstruction.

There is one stretch of that highway, I think, that is even in worse condition. That is the section between the junction of Highway No. 45 and No. 16 to, well, it is to Binscarth really. It would be No. 478, I guess. That stretch of highway, or is it No. 278? I am not sure now. It is Binscarth, anyway. Which is it? *[interjection]* Number 478. That stretch of highway, the shoulders were redone in 1998-99, I believe. Since that time, there has been no work done on it. I mean, there is some patching. There is the regular maintenance work of bringing it up to a passable state. I am not an engineer and I am not a road builder, so you may think I am talking through my hat, but when you talk to people who are in the trucking business who drive that stretch from Winnipeg all the way to the West Coast, there are not too many who are not going to tell you that the worst stretch of the entire Yellowhead route lies between Russell and actually Foxwarren. They will name it every time. All you have to do is sit at one of the stop points where these truckers congregate and they will give you that message every time. We know it from the amount of grain that has to move along that stretch. As the minister knows, we have Harrowby at the west end of the province, of No. 16, in Manitoba, and we have then the major elevators along No. 16, south of Russell. So there is a massive amount of grain that has to be moved, unfortunately now by truck.

I agree with the minister when he says that this has been neglected by the federal government. I am onside with the minister in that regard. I speak on behalf of not only my constituents but of people who use Highway No. 16.

I am happy to hear that the minister is talking about passing lanes. I know it is probably not a practical way to start looking at twinning that highway at this point in time, although I think that, with Saskatchewan and Alberta, Alberta is primarily done, Saskatchewan has started the twinning of No. 16. A small portion of it is twinned.

Mr. Chairperson, I know that our resources are not substantial enough to be able to do that, so I am not going to be so naive as to think we can start that program right now, but what happened between the Saskatchewan border and Russell in terms of the highway reconstruction is the type of reconstruction that is needed on Highway No. 16. I think that stretch of highway seems to be holding up very well under that excessive amount of heavy traffic that stretch takes. I think that is the kind of reconstruction we need to have that highway last 20 years.

I can tell you, back in 1986 or '87, whenever that stretch between Neepawa and Minnedosa was resurfaced, it was not very long before it all started to fall apart again. If you drive on No. 16 now, after a good summer's use of traffic on it, you almost do not have to steer your car anymore. You just leave it in the ruts of the tracks that have been made by these heavy trucks and you can carry on.

\* (19:50)

There is a need there, Mr. Minister. I encourage you to do what you can with your limited resources to upgrade that stretch of highway, but I really have to stress the importance of paving that road from shoulder to shoulder. Last year they patched that section from, I think it was Neepawa to Minnedosa, if I am not mistaken. There was a section of it that was repaved, but instead of running the pavement right out to the shoulders as it was, they narrowed that shoulder strip down to whatever it is, a metre or a metre and a half, or two metres. That road has become dangerous. You will not see too many heavy loads pull off to the side to let the swifter moving traffic go by because it is unsafe.

I think if there is any reconstruction there, the engineering department needs to look at the safety element, even if you have to do two miles

less, but to widen those shoulders right out to allow for traffic that is slower moving to be able to move over and let the faster moving traffic by.

I do not know what the statistics the minister has say with regard to the accidents on Highway No. 16, but I can relate from personal experience. I have come across some horrible accidents on Highway No. 16. I guess accidents will always happen, but it seems that Highway No. 16 has become a very accident-prone highway, to the point where some of us who have a choice will drive to Highway No. 21 on No. 1 and then go north if we have to, just to try to avoid some of that stretch of Highway No. 16. That is the major area of concern for me, not just in my constituency, Mr. Minister, but the whole stretch of Highway No. 16.

Highway No. 21 north of Hamiota is something that was started. I do not know what the program on that is. I do not see a lot. It is the highway stretch that needs to be completed from, I think it is, six miles north of Hamiota to Shoal Lake. Again, it is a grain road, but it is also important because Hamiota lost its elevators. Now, the only elevators that exist in the area are either at Quadra, which is south of Hamiota, or at Shoal Lake. There is a lot of grain traffic that has to move through that area as well.

We are an agricultural area, but, in addition to that, when you look at Highway 16, it is our second trans-Canada highway. It seems that truckers are preferring this route because they do not have to haul their loads over the steeper parts of the mountains. It is a faster route and so they are choosing this route. There is an exponential increase in truck traffic on that highway. I have noticed it since I have been driving it and I notice it increasing from year to year.

If we can dedicate some federal dollars in excess of what its share is, and I know the minister has to look at what portion we dedicate here and there, but, I think, because of the lack of federal money coming to the province, this has been a neglected stretch over years. I am pointing fingers at the federal government. It is one that we have to address.

I know everybody makes a pitch for their highway, but I am talking about a trans-Canada

highway here. I am not even mentioning the little highways that we have that need a touchup here and there. I am talking about major reconstruction. I am happy that the minister has decided that passing lanes are a way to go there.

**Mr. Ashton:** I appreciate the comments from the member. I can tell you that, in terms of 16, 16 is a priority for this Government. It is a priority in terms of being a significant part of our national system. In our discussions with the federal government, we have made it very clear that we want to ensure that the criteria do allow for us to meet the needs of the trans-Canada Yellowhead every bit as much as the Trans-Canada No. 1. The member pointed to the fact that they both are significant parts of the national system.

I want to put on the record in the context of the federal discussion right now in terms of twinning Highway 1, and recognizing that twinning Highway 16, as the member pointed out, would be very costly. Just to give a ballpark figure, it would probably be \$200 million within Manitoba alone, and it would not deal with the real need, which is what the member talked about, the condition of the pavement, some of the traffic issues. The member pointed to one section that did fail prematurely. It is a problem.

The real need on 16, to my mind, is what we are dealing with in the announcement taking place within SHIP. We need more of these SHIP projects. This project is an \$18-million project, which is a huge project. It will be the largest single project in the province, larger even than the work we did on 59 as it is rolled out. The fact is, that is only one portion of 16 within Manitoba, let alone the rest of the country.

Mr. Chairperson, the member referenced the situation around Foxwarren and Binscarth. We are aware of the concerns that have been raised in that area. In looking ahead to future SHIP projects, we would certainly look very closely at that area in terms of eligibility. Not that we will not continue with some of the items we are dealing with, I mentioned earlier that we have ongoing activities, but we need a heck of a lot more federal money so that we can do what needs to be done. As much as I am pleased to see the announcement we were able to make

jointly with the federal government, it is nowhere near enough.

Mr. Chairperson, the member also raised 21. I can give him the current situation in terms of what is in the program, currently. From Hamiota to Shoal Lake, we are doing an environmental assessment survey and design, Hamiota to north of 355, acquisition of right of way. Also in the program is Hamiota to north of 355, base and bituminous pavement, including spot widening which the member has referenced. There are a couple of other minor projects but the member has identified two areas we are aware of in the department of highways, obviously 16, but also 21. We do have a number of elements of the next step in terms of 21. The member is quite correct in terms of the pressures in that area. It is a highway we are quite aware of in terms of the department. There is a significant pressure on because of what is happening in the local economy.

**Mr. Derkach:** There is one other area that I want to touch on. That is Highway 83; Highway 83 is in bad shape no matter where you go. I mean, if you want to go south of Birtle on Highway 83, it is not a very nice road to drive on. Parts of it in the extreme south were done, but 83 is not in very good condition. It is another one of those roads that need some attention.

More specifically, there are two small projects that were looked at to be done under an infrastructure program when we were still in government. I do not think that money was ever spent on them. It is the turning lanes and stacking lanes at the junction of highways 83 and 482.

Because of the ski hill, there is some work that is required on that turning lane or turning junction there. I believe the RCMP have addressed this issue with the department of highways, indicating the potential dangers that exist there because of the summer and winter traffic that keeps turning on that. That is not a big project, but, at one time, the area wanted a new road built to the ski hill, but that is a lot of extra cost, whereas if we improved the junction of that intersection I think we could accomplish the objectives there. Also, I think posting some

signage that indicates, I do not know what the signage could be, but indicating that this is a turnoff to a recreation area and cautioning motorists, I think that would help.

\* (20:00)

There have been a number of near calls on that intersection. I cannot recall—there was one accident there, but I do not think it was severe at all. In the other one, on that same stretch there is a hay plant, a compressed hay plant that has been established about two miles north of Russell on Highway 83. I know the operators have called for some assistance from highways to put turning and stacking lanes into that industrial complex. Again, it is heavy loads of hay that are coming in and compressed hay going out. There are constant trucks turning in and turning out. Again, it is not a big project. I mean, every time you talk about a project like this it is a half a million dollars, I know that, but it is one that is significant to safety.

That road does not have an RTAC on it right now, but we are going to have to wait until that bridge near Russell is replaced with a cement culvert or whatever it is going to be replaced with. I think then that stretch of road is eligible for RTAC, but right now, it is not. I am not pressing for that. We can live with that, but I think that we need to really look at the issue of turning lanes in those two areas, because those are significant safety factors on that stretch of highway.

**Mr. Ashton:** On 482, the old PTH83 in the ski hill area, that has been programmed for environmental assessment survey and design. The concerns the member has raised are concerns that are shared by the department. It is currently in the program for that stage.

**Mr. Derkach:** What about the hay plant? I was asking the minister about the hay plant just north of Russell and whether or not there has been any consideration given to turning and stacking lanes at that site?

**Mr. Ashton:** Yes, there is some work being done in terms of turning counts. There is work being done by the department in terms of assessing it, but, yes, it is not at the stage of the ski hill accesses.

**Mr. Derkach:** Can I just ask the minister, rather than us go back and forth here, if he could undertake to send me perhaps a detailed memo on what is happening on those two junctions, because people are asking me. They are asking me to take it to the minister. It would help me and help the minister, I think, if I could give them a response. Perhaps the minister could craft one, and I would be happy to share it with the people back home.

**Mr. Ashton:** I will. I just want to emphasize again that the ski hill portion is programmed for environmental survey and design. So if the member wants to pass that on in the meantime, we will get a written response.

**Mr. Helwer:** I just have one question. This is related to Government Services, Mr. Minister. *[interjection]* That is right. I notice he is resting there, but we will have a question. That is fine.

I understand there is a new body shop services that was built by Fleet Vehicles that provides full body shop services. Fleet Vehicles is purchasing vehicles, I think Autopac write-offs, from MPIC, taking them to this body shop and redoing them. I do not know what they are doing with them afterwards, but they have been coming in to Fleet Vehicles.

It appears this body shop is competing with private enterprise. I understand this is a new body shop. It is a state-of-the-art facility that has state-of-the-art paint facilities apparently. I guess there is no line for the cost of this because it is part of the special operating agency which is Fleet Vehicles. What is the plan here for Fleet Vehicles? What are they going to do with this?

*Mr. Jim Rondeau, Acting Chairperson, in the Chair*

**Mr. Ashton:** I am advised actually that Fleet has had this kind of facility for many years. I think what the member is referring to is them buying a new paint booth.

I know we have been criticized for being too entrepreneurial with the Golden Boy, but that is another issue.

This is nothing new. The previous government had a facility in place. The only thing that

has happened is for many years there was a body shop in place, now there is just a new paint booth.

Mr. Chairperson, if the member could provide any further information. He also referenced buying write-offs. I can follow-up on that, but we are not getting into a new line of business here. We are just re-outfitting it.

**An Honourable Member:** Is it making money?

**Mr. Ashton:** Well, Fleet is making money. It provides a great service to Government. Once again, in this case, it was set up as an agency by the previous government. I was never one that criticized everything the previous government did.

**Mr. Helwer:** Just on that same issue, on the Fleet Vehicles there, they are operating a 3400-square-foot parts department. I understand that is fairly new. They have a new ad that is called "Fleet's full service repair and maintenance facility, mechanical repair services, installation" and everything. I really believe this is competing with private enterprise here in Winnipeg and in Manitoba. I do not think it is something the Government should be doing necessarily. To work on their own cars is fine, but here they are, they have a complete repair facility. They are "Complete leasing & fleet management solutions." That is what their ad says.

**An Honourable Member:** What does it say?

**Mr. Helwer:** Complete leasing and fleet management service solutions.

**An Honourable Member:** So can I go there?

**Mr. Helwer:** I do not know whether we can, whether any MLAs can go and use the wash base or some of the facilities there. Can the minister provide to me what they are trying to do there, and what this is costing the Province of Manitoba?

\* (20:10)

**Mr. Ashton:** Issues were raised, but there has been a parts department for many years, similar to the body shop side. Fleet has been in

operation for a number of years, provides the fleet option to government departments and government-funded agencies and is a very well-run organization.

This predates us as government. We may be cutting new paths in terms of the Golden Boy, the entrepreneurial NDP, showing the way, but this was actually something the Conservative government did, and something I agreed with at the time, actually. So I am not quite sure. Maybe the member is getting some reaction from certain parts of the private sector who maybe were not aware this is nothing new.

I just want to say on the record, especially with you, Mr. Acting Chairperson, being in the Chair, that if we are being accused of being too entrepreneurial in providing efficient services to government departments, then we are guilty. We aim to provide an efficient, effective service that saves the taxpayers money, and we are doing it. So, if that is what we are being accused of, we are guilty, but, I suspect, that maybe there is some confusion.

**Mr. Derkach:** I am looking at the advertisement here. It looks like it is on a Web page. I want to ask the minister. It says it provides maintenance, repair, body work; also provided is a shuttle service and pool vehicle service for customers whose vehicles are undergoing service.

I want to know, since now Fleet Vehicles has got into this type of business, whether it is possible for me, as a lowly MLA, to be able to go to Fleet Vehicles and lease a vehicle from Fleet Vehicles and then have them maintain my vehicle, as is done for civil servants and for other government personnel, including ministers.

**Mr. Ashton:** In my many years on LAMC, this item came up for discussion at LAMC. I can indicate the issue was raised, not just in terms of LAMC, but by members, of the fact that we, as MLAs, are in a somewhat unique circumstance for two reasons. One is, we are not part of government, generally; we are a separate entity, but also that our allowances were set by the commission last time, either through LAMC or through any review.

One of the options that was proposed at the time was basically to allow MLAs to access the

Fleet Vehicle side. That is really an issue that could be raised, I think, through LAMC in a review of that. The issue for MLAs in terms of travel is more to do with the actual allowance per se. I think the concern of some MLAs has always been that the car travel allowance does not provide the kind of funding members have to put in place, especially if they, in this case, are using a private vehicle, but that is an issue that was raised at LAMC.

Once again, if there was a decision down the line, that would be an option that would be available to, not really MLAs on an individual basis, but basically to MLAs collectively under the Legislative Assembly Management Commission. There were various items. The member may not have been on LAMC at the time, but I recall a number of members suggesting this be an option. It is not something I have any control over on the Government Services side, but I think it is a reasonable concern.

I will put on the record, this is not as Minister of Government Services because that has nothing to do with Government Services. We provide a service, but I have always felt over the years we have had some improvements in terms of travel allowance to reflect actual real conditions.

When I first got elected there was no travel allowance when you were out of session, which was an absurdity. I remember when I got a free bus pass from Grey Goose, that was my travel allowance, donated by Grey Goose, by the way—

**An Honourable Member:** Not by government.

**Mr. Ashton:** Not by the Government. That was changed over the years—

**An Honourable Member:** Those were the days.

**Mr. Ashton:** Oh, yes, those were the days, says the Member for Brandon East (Mr. Caldwell). I mean, the independent commission really did not significantly change the travel allowances, but that could be an option.

Certainly, from Fleet's side, we provide service, both to, first of all, government

departments and, also, government agencies. According to the system that was set up by the previous government, there is a competitive situation. There is an option of going outside of Fleet Vehicles. What we have found is that Fleet Vehicles can provide a very efficient, effective service.

So I appreciate the member's concern. I have tried to impart a bit of history on this, a bit of background, but, essentially, if there was a decision through whatever process that there would be an option with whatever funding was set up to access Fleet Vehicles, from the Fleet Vehicles perspective, we are more than willing with any government department or agency, because we do not compete with the private sector, to look at it.

I know they referenced the shuffle service. That is a standard thing. When the vehicle is being maintained and the pool vehicles, I know the member would know that refers to outside of those who have designated vehicles. There are government employees who travel on government business and it is available. It has been in place for many years.

I appreciate the member's great interest in Fleet Vehicles.

**Mr. Derkach:** Mr. Chair, I am not shy about it. My great interest lies in the fact that I put over 100 000 kilometres a year on my vehicle. Government does have to pay for that. It would make much more sense for MLAs to be able to lease or to have an arrangement with Fleet Vehicles to use a vehicle where it is going to cost Government somewhat less money than it is costing today.

This Web page, it appears as though anybody from the public can go to Fleet Vehicles and get mechanical repair services done, get the installation of such things as air seats, remote starter, security system, cages and screen partitions, electric brakes, tow hooks, emergency lights, cellular phone equipment, et cetera, et cetera. Is that, in fact, the case? If it is just for government personnel, why do we have to advertise this if, in fact, Fleet Vehicles is in charge of all vehicles for Government? Therefore, this ad does not make any sense, unless we are advertising to the outside public.

**Mr. Ashton:** Well, Mr. Chairperson, the reason for the advertising is because under the system that was set up by the previous government which remains in place, departments have a choice. Departments have a choice of whether they lease from Fleet Vehicles or they lease outside of Government. That is one of the elements with special operating agencies which is effective, because what you end up with is government agencies, basically. Special operating agencies have to parallel what you would do in the private sector, which is, you have to be competitive; you have to be consumer-oriented; you have to be effective and efficient. It is very important to note there is no change in this.

Mr. Chairperson, the previous government had the same situation, that government departments, not individuals—because this is government departments or government-funded agency. I mentioned that earlier. They do have the option of going outside of Fleet Vehicles. Quite frankly, I think what the member is quoting is what Fleet Vehicles should be doing. It should be emphasizing the customer service side, emphasizing the advantages of using Fleet Vehicles, because that is what you would do if you were in the private sector. I believe that the reason that the members opposite put in place that system is one that I think is a very reasonable argument, and that is, quite frankly, governments, where it provides a service, should do it where it is more efficient to do so, but it should do it in a way that is consistent with what a private sector organization will do.

I would say to the member I have some significant sympathy for his concern in terms of travel, having been there, done that, and having seen some significant improvements, certainly, that have affected my ability to serve my constituents. I think there are MLAs, such as the member and others, that, while they are using private vehicles, go through a significant amount of kilometres every year, some of which is covered, some of which is not. It puts a lot of wear and tear on your vehicle. I know I have talked to other MLAs in the past, some who are still sitting and some who are not, who will say that one of the issues, again, is the reliability of vehicles after a certain period of time. So you are faced with some real dilemmas as to when you turn in a vehicle. So I have some sympathy, but

that is not something that I can solve as Government Services Minister other than to say that, if through whatever process we were to look at Fleet Vehicles, that service being available to LAMC or MLAs through that, that is a separate process, but we would have no difficulty in providing that service as Fleet Vehicles.

\* (20:20)

**Mr. Derkach:** Just one last question, can the minister tell me what rate is paid for mileage for private vehicles that are run by government personnel, whether they be half-ton trucks or SUVs or cars? I know the rates are the same. Can the minister give me the range? For example, what do employees who drive their own vehicles for the Department of Natural Resources get, and what do people who drive for Manitoba Hydro get, for mileage if they are driving their own vehicles on a per kilometre basis?

**Mr. Ashton:** It is actually outside of the Government Services side. First of all, Hydro, I could not provide that answer, but Civil Service Commission, basically, could provide that information. These are Civil Service Commission rates. They are part of the collective agreement. I assume the member is talking about where you use your own vehicle, but the rate that the member can claim under the travel allowance as MLA is the civil service rate.

**Mr. Derkach:** I am not talking about that. I am talking about, for example, if an individual who works for the department of highways or the department of natural resources drives his or her own vehicles, and that vehicles happens to be a SUV or a half-ton truck, is the rate paid for mileage the same as it is for the car? My understanding is that it is not. I would like to know what the rate is.

**Mr. Ashton:** Once again, it is not a Fleet Vehicle issue, but my understanding is that it is the same. Over the years, I have had everything from K-cars through to somewhat larger cars, and you claimed the same rate. *[interjection]* If I had a million dollars. I was just responding to the member from Brandon East. Mind you, I guess, any minister, when they look at their budgets, could use that theme song: "If I Had a

Million Dollars." In the case of highways, it would be multiples.

Basically, Mr. Chairperson, it is one standard rate, as far as I know, and the rates are 34.6 cents a kilometre. The theory behind that, I assume, is that you will make your own decision on what kind of vehicle you travel with. It is a set rate. Now, obviously, first of all, Fleet Vehicles and the actual cost to departments of different vehicles will vary because there we are not charging a flat rate. We will obviously have a significant difference between a half-ton or sort of a service car, just a car that is used for limited travel.

So that is the case, but, as I said earlier, I would certainly encourage the member to pursue the other concerns he raised, which were a bit outside of the department, within LAMC. I think the member raises some very legitimate concerns.

**Mr. Faurshou:** I would, though, like to emphasize the need for vehicles that are better adapted to the jobs that we ask our civil service to perform. Natural resources, you are not going to take a K-car down some of the roads that were required for patrol. That is going to be definitely in need of a pickup truck. So I think there is a differential, at least through our Crown corporations, between a pickup truck and SUV car, but that is premised on the need for the requirement of that individual for an adequate vehicle.

Before we get into line by line, there is just area of observation regarding signage. Traveling on the Trans-Canada today, I noted that, just recently, there were signs erected that are showing a school bus. School buses in this province, when their lights are flashing—it is prohibited to pass those vehicles. However, when the highways are divided, my understanding was that traffic on the lane that is not occupied by the school bus, traffic was unimpeded. But the Trans-Canada Highway can have separations an eighth of a mile or even more in some sections, and these signs now depict in very bold print, both directions must stop.

It is going to add confusion to the traveling public that may not be familiar with our driver's

handbook. I think the erection of these signs is an error. I believe in areas such as when the highways come together at Headingley or, say, Virden that that is most appropriately to be signed in that fashion, but to post a sign on the stretch of highway between Portage and Winnipeg, I think, is only asking for confusion.

**Mr. Ashton:** If we can get the location, we will follow up on that and deal with it. The member does raise a correct point in terms of the legislative framework. That it is a very different situation with a divided highway. *[interjection]*

**The Acting Chairperson (Mr. Jim Rondeau):** Just excuse me. Go through the Chair.

**Mr. Ashton:** I would certainly appreciate more information on this. I should indicate too that one of the challenges that we face, quite frankly, is not just official signage, but the many unofficial signs that are put up, most for advertising purposes, often for political purposes, and I am not going to get into that. We will determine if it is a highways sign or whether it has been put up by some other entity or individual.

**Mr. Faurschou:** Just for the minister's knowledge, the sign that I am referring to is just east of Portage la Prairie on the eastbound lane near to the east end Shell. I am looking for a landmark there.

Mr. Chairperson, I would like to move to line by line, please.

**The Acting Chairperson (Mr. Jim Rondeau):** Is it the will to move to line by line? *[Agreed]*

15.1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$796,900-pass; (2) Other Expenditures \$125,300-pass.

1.(c) Administrative Services (1) Salaries and Employee Benefits \$548,900-pass; (2) Other Expenditures \$227,500-pass.

1.(d) Financial Services (1) Salaries and Employee Benefits \$1,322,200-pass; (2) Other Expenditures \$383,600-pass.

1.(e) Human Resource Services (1) Salaries and Employee Benefits \$1,678,300-pass; (2) Other Expenditures \$348,600-pass.

1.(f) Information Technology Services (1) Salaries and Employee Benefits \$2,617,300-pass; (2) Other Expenditures \$775,900-pass.

1.(g) Occupational Safety, Health and Risk Management (1) Salaries and Employee Benefits \$224,500-pass; (2) Other Expenditures \$62,600-pass.

1.(h) Lieutenant Governor's Office (1) Salaries and Employee Benefits \$148,500-pass; (2) Other Expenditures \$106,200-pass.

1.(j) Land Value Appraisal Commission \$27,400-pass.

2. Highways and Transportation Programs (a) Management Services (1) Salaries and Employee Benefits \$648,600-pass; (2) Other Expenditures \$75,100-pass.

2.(b) Operations and Contracts (1) Salaries and Employee Benefits \$2,422,500-pass; (b) Other Expenditures \$567,800-pass.

2.(c) Bridges and Structures (1) Salaries and Employee Benefits \$2,354,800-pass.

\* (20:30)

**Mr. Jack Penner:** Well, this Bridges and Structures, two and a third million dollars, I think, really tells the whole story about highways. We have a tremendous need for structures and bridges in this province, as the minister knows. For his Government to appropriate \$2.5 million towards bridges and structures is a slight to the transportation sector in this province.

I think it just demonstrates what I was trying to raise with the minister before, the bridge at Letellier. I mean, that bridge will probably be a \$10-million hit in itself, and we have numerous bridges in this province that need replacement. The minister has, from time to time, voiced the accolades of his own accomplishments in this Government by increasing the budget while most of the budgetary increases have either come from the federal government or from transfers out of other departments. Yet his own budget, the actual money that the province has appropriated to highways has not risen hardly any at all.

Mr. Chairperson, I think the minister needs to acknowledge that once and for all. I think this

line is a glaring example of how mismanaged by his office this department is. I think this minister needs to reflect on many of the things that he used to say when he was critic, and how critical he was. Now, when you look at his appropriations and you look at the number of projects that have been done in the most progressive areas in the province, which is absolutely zero, I think the minister should do one thing. That is, first of all, he should apologize to the people of southern Manitoba, and, secondly he should tender his resignation because of these kinds of things. That, I think, would demonstrate that the Government might, in fact, move more progressively in the whole capital construction area of highways.

**Mr. Ashton:** Mr. Chairperson, what nonsense, what complete and absolute nonsense. The member grabs at a line item, does not understand the construction budget, which includes significant work in terms of bridges in the construction budget, a \$120-million construction budget, first of all. Second of all, the member is dead wrong. We have \$120 million in this year. There is an increase, not just in terms of federal money, but also of provincial money. Third, he is dead wrong, you know, he talked about the most progressive part of the province, southern Manitoba. I take great offence to that, because, first of all, we can see the member's agenda here.

Earlier on, he made a totally inaccurate statement about South Indian Lake, did not even mention the community, saying it was \$23 million, which it was, but it was not from highways, it was from Hydro, because he wants to be able to go around southern Manitoba and say, ah, the NDP is spending money on a reserve. It is not a reserve; it is a Northern Affairs community, and it is money that should have gone into southern Manitoba. It was not from the highways budget. I said it last year. The member either did not listen or has forgotten.

It came from Manitoba Hydro, and his Government signed it. I do not know whether the member was part of the Government. Maybe he was not paying attention at the time, but for him to get up as he did earlier today and make those kinds of statements is unacceptable. In terms of our priorities, For example, let us talk about southern Manitoba and Highway 59. I do not

know how many times that was offered up. Pre-election surveys were done. Stakes were put in place. Promises were made. The twinning of 59 did not happen until we came into government. Now, which area of the province is it in? Southern Manitoba. It was the largest project in the list.

I mentioned earlier in terms of Highway 16 because--

### Point of Order

**Mr. Jack Penner:** The minister is being less than forthright in this committee. He knows full well that the construction on Highway 59 and the building of the bridges that led towards to where they are now and the planning of that was in a position where he could not even have changed it if he would have tried, because all the appropriations of 59, the project that was created, everything was all done, and he knows it. I find it very interesting. I think that is a demonstration of the insecurity that the minister has in his office. That is what leads to the unfortunate situation.

*Mr. Chairperson in the Chair*

As far as the South Indian Lake, I have made it very clear, Mr. Chairman, that the money for the construction of that road, the \$23 million, was coming out of Hydro, not out of highways. It was coming out of Hydro. We are raising the Hydro rates. Watch. We will raise the Hydro rates to raise the money to build roads, to pick up deficits, \$288 million in deficits. Now, we are building \$23 million in roads using whose money, the ratepayers of Manitoba Hydro, to do these kinds of things.

**Mr. Chairperson:** Order, please. I cannot tolerate any longer debates, which are not points of order. If we want to get out of this place, we have to be civilized.

**An Honourable Member:** Who says we want to get out?

**Mr. Chairperson:** I do not want to get out yet.

**An Honourable Member:** Mr. Chairperson, I was trying to make the case that the minister was

out of order in indicating I had said the South Indian Lake appropriation was coming out of the highways budget. It was not. He was not listening, and I think the minister should be called to order on that.

**Mr. Chairperson:** A point of order is a breach of the rules of the House. A rule has to be cited which has been breached. In the absence of that, there is no point of order.

\* \* \*

**Mr. Chairperson:** I will give the honourable minister his chance.

**Mr. Ashton:** Well, Mr. Chairperson, the member now has changed his tune. I am glad to see that, but even again he did not recognize the previous government signed the agreement. They did not deliver on it. We have delivered on it.

Mr. Chairperson, the most pathetic part of the member's answer was talking about Highway 59, that it was manifest destiny that it was being built. They were in government for 11 years. They continuously before elections promised on No. 59. They did not deliver.

I want to indicate the member talked about bridges again. He does not understand the highways budget. I do not expect him to be an expert on that. We are not all experts in various parts of the department, but for him to come in here and then turn it into some rant involving the minister, the No. 1 rule is do your homework first, raise legitimate issues, I would say. Quite frankly, the member, I think, does a disservice to his own caucus, because I do not hear other members across the way trying to get into that divisive type of politics.

Mr. Chairperson, I have listed major projects, No. 59, southern Manitoba. I listed major projects—

**Mr. Chairperson:** Order, please. When the sound system is off, there is no point blasting out.

**An Honourable Member:** There is no sound system.

**Mr. Chairperson:** We are advised the sound system is not working, so we will take a short recess, a cooling-off period.

**An Honourable Member:** Steve, run out to make sure that was all on the record. Steve, can you let Jack ask the question again because he was not on the record either?

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

**Mr. Ashton:** I will give the *Readers' Digest* summary, Mr. Chairperson.

**Mr. Chairperson:** The Member for Emerson, the question.

\* (20:40)

**Mr. Jack Penner:** Right. My question to the minister is: When will the minister realize that he has not appropriately accounted in his budget for the significant increase in development that has occurred in southern Manitoba, and why will he not appropriate sufficient funds to build an infrastructure, a highway system, that can actually be utilized where trucks will not lose their trailers when they come into the city of Winnipeg from southern Manitoba, as they do now from time to time on No. 75 highway?

Mr. Chairperson, the speed bumps that have developed there are so significant that trailers are popping off the axles. I would suggest to the minister that the bridge on 201 at the Red River at Letellier will fall into the river one day. Then I do not know who will be liable. I would suggest to him that he should do the proper appropriations into the highways budget to make sure he and his department keep pace with the developmental increases that are occurring in southern Manitoba.

He only needs to look at the map where virtually all the growth has happened in Manitoba, yet he is ignoring those communities in their entirety. It is time that southeast Manitoba, the Vitas of the world, which is becoming the cattle capital of Manitoba, they have nowhere to take their products out of that area in the spring of the year. There are restrictions applied to the highways when you cannot even take an empty truck down the highway, as was the case this

spring. Those people who have to get their livestock to market, whether it is their calves, whether it is their feeders, or whether it is hogs or chickens, they cannot get their feed into their barns, nor can they legally get their product out of their barns. I would suggest to the minister it is high time he gave the town of Vita and that area access out of there that they will be able to travel in a non-restricted manner.

**Mr. Chairperson:** The question has been put.

**Mr. Ashton:** I do not know where the member was for 11 years or where he was earlier in terms of Estimates. Now he mentioned a bridge on No. 201. We discussed that earlier, the land acquisition problems. I do not know if the member was listening or not. We talked about Highway No. 75. Highway No. 75 did not get in the condition it was starting in 1999, that is an ongoing issue, but I will tell you what we have done.

I take great resentment at this member talking about southern Manitoba. The Member for La Verendrye (Mr. Lemieux) actually just walked in. He will tell the member opposite of the number of times people were told, well, it is coming, it is coming. For the member to say, oh, it was going to happen anyway. The Tories were in for 11 years, it did not happen anyway. Time and time again it was delayed. We made our No. 1 project in terms of financial commitment Highway 59.

It is interesting, nothing has happened in southern Manitoba, according to the member. I do not know if he has gone to Winkler recently and checked the work we did. It was an NDP government that paved the main street in Winkler, for goodness' sake. Talk about crass politics. So the member is dead wrong.

Steinbach, when we added the—*[interjection]*—in fact, lights, but we have added also funding for the intersections. We could talk about No. 210, which was ignored totally by the previous government. You talk to the residents there, oh, you know, the members, they were going to get around to it. It is amazing; for 11 years, they were going to get around to it; they just never did. They never did.

For the member to get up, I know he has a habit of wandering into debates and making the

most outrageous statements he can make and then moving on, sort of an unguided missile approach to politics. We have put in \$120 million for five years, \$600 million. The previous government had between \$90 million and \$110 million. That is more money for the whole province. It is more money for the North, more money for the south, more money period.

We have negotiated agreements, the SHIP agreement. We have negotiated the Prairie Grain Roads Program, which brings in federal money. I can tell you the previous government, the last several years they were in government, the last three years, in fact, more than that, the last four years, did not have a single cent of federal money coming into the system. So we have done that.

I mentioned earlier, maybe the member missed this part of it, but we have now the largest single construction project in the province that is going to be coming up where? Where? Between Neepawa and Minnedosa on Highway No. 16; \$18 million under the SHIP program, which we have prioritized in terms of our provincial priorities.

When we announced additional funding this year, I will tell you where it went. What was the largest single project in Manitoba? I will tell you the project because I went out personally. I have met with the community and I went out personally to announce it: Highway No. 25 which accesses into Rivers, \$7 million. That was not even on the radar screen when the Tories were in office. It took an NDP government to go into Minnedosa constituency and announce that we were moving on this, the largest construction project in the province. The Member for Brandon West (Mr. Smith) accompanied me.

I could get into a much longer debate about this, but I would suggest to the member opposite I am proud as minister and we are proud as government that what we do not do is, we do not ignore parts of the province.

Now, I can go back to the 1990s when the North received 4 percent of the construction budget, 4 percent, Mr. Chairperson. I can tell you, we have projects throughout the province, including in southern Manitoba. For the sake of

the member opposite, I take great offence when he talks about Manitoba as if there is only one region that is adding to the economy. Northern Manitoba adds a significant amount to the economy, our mines, our forestry, our hydro-electric; Westman adds a significant amount to our economy, the southeast. You could take any region, the Interlake.

I would suggest to the member opposite, here, that what we need in this province is some recognition that we are all in it together. I have gone out of my way as minister, we have gone out of our way as a government to bring regional balance. I say to the member opposite, if he wants to go and make statements like that, that is his prerogative, but I think he does a disservice to a discussion of real issues. I gave straightforward answers earlier in terms of the specific issues in his constituency. I respect the right of MLAs to lobby for their constituency, but, quite frankly, in this particular case, to say that this Government has done anything other than have a regionally balanced approach is inaccurate.

I could run through dozens of more projects. I can tell you I take very seriously as minister the responsibility to do what is best for the province as a whole. I mentioned 59, I mentioned Steinbach, I mentioned Winkler. I could run through many other projects where that has been the prime consideration: 433 in Lac du Bonnet; the work that is going on in the Interlake, not the Interlake constituency strictly, but major work that is being done, 68 for example; the work that has been done in the Gimli area.

The facts speak for themselves. If the member wants to go on another rant, I mean, I know that is his right as an MLA, but let us not get into that kind of politics, because the facts speak differently. This Government has shown a concern for all areas of the province. It is fair enough for the member to argue he wants more. I heard it today from members, you know, everybody wanting more highways, 1, 16. We always have a limited budget, but we have got a bigger budget now than we have ever had in history. It is a real increase provincially. It is a five-year commitment. That means it will not go down after the election like it did in 1976 and 1977. It will be set for five years at \$120 million.

By the way, you know, I am not going to take entire credit for this. I mean, we did get a 16% increase in capital funding here, but the Heavy Construction Association lobbied for it. The AMM lobbied for it, many of the stakeholders out there lobbied for it, and we delivered, we listened. So this is not something that is strictly an NDP government, but I am more than glad to debate any time, anywhere, in terms of our highways priorities.

In fact, I mentioned in my opening statement that we have Vision 2020, which is going to travel the province, something that was on the drawing boards, yes, when they were in government. They never did quite get around to doing it, but, according to the member, I am sure they were going to do that too, something that the AMM has been pushing for, the Heavy Construction Association has been pushing for, Manitoba Chamber of Commerce has been pushing for.

Because we need a plan, I will tell you what the plan was when the Tories were in office. They had a two-year time frame. That is the current plan in terms of the capital budget. We have extended that to five years. Obviously, we are developing the plan. Now, there was not a five-year plan before, but we are doing it—this is a novel idea—we are doing it by consulting with the public. We are going to go throughout the province and get them to be part of the system. You know, the previous government was cited by the auditor for not having a plan, not having a plan that included the public, not having a long-term plan in 1998. We are taking those responsibilities seriously.

\* (20:50)

You know, no minister, no department, no government is perfect, but the facts speak a lot louder than any of the words the member put on the record. I would suggest he can make whatever arguments he wants, but let us not get into the kind of regional division that the member is talking about, because I can tell you, and I will say this to the member, one area I am really proud of, by the way, is that we are a government that represents all areas of the province. You know what? In our actions, it is not just in terms of who our MLAs have been. We have

worked with people regardless of the constituency, you know, sort of NDP hotbeds, because I know the sort of underlying sort of hint of the member opposite. Like what? Like Steinbach, like Winkler.

We did not say we are not going to deal with the issues in Steinbach because it is in southern Manitoba. You know, we are not like the previous Minister of Northern Affairs and the previous government that said that certain people do not know how to vote right. The Member for Steinbach (Mr. Jim Penner) raised this last time around. We have approved in this capital budget for the intersection challenges facing Steinbach. We did the Winkler main street. We did 433.

I could run through where we have moved in virtually every corner of this province: you know, 5 and 23, where we had to reorient last spring and put a significant investment into dealing with the challenge we faced in terms of 5 and 23 in the Turtle Mountain constituency; of the work that is ongoing on Highway 10; the work in the Russell area into Hamiota and the extension that we talked about earlier.

You can check the facts. You can check where the money is being spent. I can tell you, regional fairness is what we are doing as a government. The member may disagree, may lobby for projects back and forth, but that is exactly where we stand. I would suggest to the member that it really does not, I think, do us good as a province if the member is putting statements on the record that just are not supported by the facts. We have shown a real concern for every area of the province, including southern Manitoba. I think I have proved that by putting on the record some of the significant things we have done.

**Mr. Jack Penner:** Could the minister then tell me how many projects he has done in the constituency of Emerson?

**Mr. Ashton:** I can get a detailed list in terms of that. I know—

**An Honourable Member:** No, I want the answer. You have all the answers. Now give us the answer.

**Mr. Ashton:** Well, Mr. Chairperson, the member asked me a question, and then halfway through—but I can certainly provide that as well.

It is interesting. Now he is switching into his constituency. I assume that La Verendrye does not count; Steinbach does not count; Morden, Pembina constituency do not count. I do not know if he just only wants his constituency, but I can refer to the Emerson constituency as well.

The member starts off trying to divide whole regions. That is fine. If he is asking for information, I can provide that information. I want it put on the record that by agreement with the critic, we had agreed to have the staff leave. That is why I will undertake to provide detailed information in writing, as I did earlier, when we did not have the information that was available.

Indeed, we have ongoing activities in every constituency in this province with the possible exception, by the way, of Rupertsland. I cannot speak for Rupertsland because, essentially, they have no roads outside a couple of small areas in the southern end. Most of the money there would be in terms of winter roads, but there is highways activity all throughout this province, both in terms of capital and in terms of maintenance.

**Mr. Jack Penner:** The reason the minister cannot identify is because he knows full well there is not one project, not one project in the whole constituency of Emerson. The constituency of Emerson is 138 miles long along the U.S. border on the south side from Plum Coulee right from Winkler to the Ontario border. Then it stretches from the Ontario border almost eight miles south of No. 1 to the La Broquerie area. There is not one highway project in that whole region. It is the most intensive livestock area in all of the country. It has some of the best and the largest manufacturing in the whole of the province, the largest book manufacturer in all of Canada right in that region. CanAmera Foods, the largest oilseed crusher in western Canada, is situated in Altona. Yet there is not one highway project in all of the constituency of Emerson.

The previous government had put in place the funding to do 59 highway south of St. Malo to the U.S. border, but that was all cancelled by this NDP government. The previous government

was trying to build a new bridge across the river on 201 at Letellier, but that has since been put on hold by the minister because he does not have the money.

I would like to ask the minister: How much federal money is included in this year's Budget? By the way, before he gets on his rant again about how he has served the province of Manitoba, I would like to remind the minister that 59 highway north, the bridges across the floodway were built by the previous administration. The land acquisition to where the highway is now being constructed was all done by the previous administration. The engineering, it was all done by the previous administration. It would have been very difficult for this minister not to proceed with that project, as he has done in some other areas, not proceeding.

I would suggest to the minister that if he is sincere about providing infrastructure for the developing industries in southeast and southern Manitoba, the huge potential that exists there and the 16% growth we have seen in that region, if he wants to demonstrate a sincerity by his Government in supporting that growth, that industry and the huge amounts of revenues that are raised for the Province in that sector, I would suggest he do at least just one project in the Emerson constituency. The people might, in fact, say, hey, there is a government. Now, they are saying there is no government, not for southeast and southern Manitoba. There is no government because they have no desire to do anything in that area.

I would like to encourage the minister, first of all, to tell us how much federal infrastructure money is included in his budget this year.

**Mr. Ashton:** I do not know which Member for Emerson is speaking here, because the Member for Emerson speaking now, obviously, was not the Member for Emerson who asked about the bridge over No. 201 earlier. It has got to the point with this member—I really wonder what grasp this member has when he asks a question and gets an answer and then comes in and makes a statement afterwards that the issue involving the bridge over No. 201 is a lack-of-money issue. I do not know which Member for Emerson was here. About an hour ago, we talked about

the problems in terms of land acquisition. I do not know which Member for Emerson was here, because in terms of No. 201, he knows the design work has been done. He talked about a meeting having taken place six years ago, I believe it was 1998.

Mr. Chairperson, I am getting to the point where, quite frankly, I wonder if it is worth even putting any information on the record because I am not sure which Member for Emerson is speaking, the one who got the answer an hour ago or the one that comes in now and puts totally inaccurate information on the record. If he is saying there is no project in the Emerson constituency, I will get the details in terms of it. I expect an apology when he, once again, is proven wrong, because we are working on a number of development projects. I do not know which Member for Emerson this one is now.

I must admit I do not know if the Member for Emerson ever talks to critics when they are in and the concept we had before. He now asks detailed questions after we are at the point where my understanding is we were finished in terms of the detailed questions from discussions with the critics, but I can provide the detailed information the member wants.

You know what, I will make a prediction, Mr. Chairperson. If it is anything like the rather abusive display we have seen today, which is not unusual for this member. I will tell you one thing, I will answer questions and I will take the flack, but I find the fact that this member comes in and asks a question on No. 201, and, then, an hour later, gets up and puts a statement on the record that does not reflect the question or the answer or any sense of facts—

\* (21:00)

I cannot use certain language in this House. It would be considered unparliamentary, but he does a disservice to any of the process we have in place. When you ask a question, you get an answer and you know that is the answer, do not get up an hour later and go on a series of comments that are not true. The member knows in terms of the bridge what the situation is. I think we should have some degree of integrity in this House. You ask a question, you get an answer.

Whether you like it or not, do not get up an hour later and pretend you were not the same person who asked the question. It may not fit in with the kind of twisted political view this member seems to have.

I do not think he does any service to his constituents at all because what he does when he asks a question and he gets an answer that is a correct answer provided here with the department here, he, then, an hour later, pretends he did not get the answer at all. I cannot stop the member from saying whatever he wants to in this House or whatever he wants to in his constituency, but when there is a member who obviously does not have any concern for the facts, I think the comments speak for themselves.

As for the detailed question, I will provide that information, as I have done with every other member. If the officials were here, I could have given an exact figure, but, based on the fact we were moving to the Minister's Salary, it was my understanding that staff was no longer needed. I will provide the detailed information to the member.

**Mr. Jack Penner:** I am actually quite amazed at the minister's response. I simply asked the question on the bridge at No. 201 at Letellier. Why did you take the money out of the system instead of proceeding in a sincere manner? He knows full well he has instructed the department to put that bridge on hold. He knows that full well and he is embarrassed.

That is his business. He is the minister. We all respect that. He is the minister, but I will never forget his tactics he used and the misinformation he has put on the record, even during this session. We can go to the Lotteries and the problems he has had with Lotteries and the change in position he has demonstrated in this House almost every day.

Mr. Chairperson, we are seeing the same thing in highways now, in his response to highways. He was lauding his efforts in southern Manitoba. He identified one Main Street in the town of Winkler. We applaud that. Then he talked about what he has done in Steinbach. You know what he did, actually? He put a traffic light

in Steinbach. That is the extent of work in southern Manitoba. In the most progressive area in all of Manitoba, he has done that amount of work. That is a real accomplishment.

I want to say this, the credit he is trying to take for Highway No. 59, it was started by the previous administration. He knows that. The bridges were built. Most of the money that has been expended was expended by the previous administration. All the budgeting and the money application was done by the previous government. The engineering was all done. The land acquisition was all done on a project he is now finishing. We applaud the current government for finishing at least that part of the project that was engineered and designed by the previous administration.

I think it is imperative that this minister answer some simple questions. How much federal money is in his budget this year? That is the question I asked. How much federal money is in your budget this year? How many federal dollars? How many?

**Mr. Ashton:** I do not know if the member was listening or whether the member has the memory span of a gnat, but I just, two minutes ago, said we had agreed staff could leave. I could get the detailed number. One thing I do when it comes to information, I make sure I get the complete accurate information. The member heard me answer that.

By the way, Mr. Chairperson, he then got into saying his question was about No. 201. Then he remembered at the end he actually was asking about the federal funding. I do not know if the member was here two minutes ago. I answered the question. I do not know if he deliberately forgets what questions he asked and what answer he got, but I gave an answer two minutes ago. Perhaps he may want to read Hansard in about a week when it comes out, or in a couple of days when it comes out. He will see his question. He will see his answer. I think the member got maybe a little bit carried away with his comments.

By the way, I am really disturbed with his comments belittling the work in terms of Steinbach. He talked about traffic lights, indeed,

there are traffic lights, but we have added \$500,000 in terms of intersection improvements in Steinbach. That was an issue raised by his colleague the Member for Steinbach (Mr. Jim Penner), and it is in the program. It was announced by this Government. I think the member belittles it. I would suggest he may want to correct on the record that is a very significant issue in Steinbach. The Member for Steinbach raised this, I believe, last year in Estimates and we have responded. The department of highways has responded. It is not just traffic lights. I said, indeed, that it is intersection improvements. Even then, even when we respond to him, even a colleague of his, I do not know if he listens to his colleagues, but that was very important to the people in Steinbach. I can tell you it is a very important party for the community, and it gets to the fact that there were safety concerns because of traffic flows, and we have responded.

You know, the problem is, when you go on a lengthy, rambling series of random issues that you raise, it is very difficult for anybody to respond, but what is even more difficult is when you respond and the member does not even recall what I said two minutes ago. I said, two minutes ago, in terms of the specific dollars on the federal side: I will provide that detailed information. In fact, if the staff were still here, I could have provided that detailed information, currently, and, indeed, I can provide the information in terms of the SHIP program, the Prairie Grain Roads Program and in terms of other cost-shared programs because, indeed, we are glad we have more federal money into the system, but it is still less. Our increase this year, on stand-alone provincial dollars, we have increased the highways capital program, and, unlike the previous government in 1993, we did not say thank you to the federal government, but we are taking it out of our capital program. So I can provide the exact breakdown in terms of the federal funding that is there. I said the same thing two minutes ago; I assume the member was not listening.

**Mr. Jack Penner:** I actually sit here in a bewildered state, because the minister is, I guess, a bit perturbed. That is his business; I mean, if he wants to lose his cool, that is fine.

The interesting thing, though, is that he talks about the many projects. The R.M. of La

Broquerie has approached him every year since he has been the minister about improvements needed on 302 because of the large number of hog barns built right on 302. That is the only service road that industry has. I believe there is some \$65 million worth of construction that has taken place along that route. The R.M. of La Broquerie has approached him time and time again, and he has made, sort of, verbal overtones that he will move on that highway. I simply ask the question; that is my constituency. Why is not at least one project being done in my constituency? Highway No. 302 would be a good one to start at.

The other one is a simple one to finish, that the R.M. of Piney has asked for for a long time, and that is the finishing of 210. That is simply a basin AST. The base is all there; it just needs the asphalt put over top of it from Woodridge to No. 12 Highway. That would finish off 210. I mean, either one of those projects I would accept. I would accept the improvements on 201; I would accept the completion of 59 south of St. Malo; I would accept the completion of 332. Any one of those, but everything has been put on hold since this NDP government was elected.

I am sorry, Mr. Minister, that that offends you, but that is your responsibility. You are the only one that can fix that. I thought, because the federal government put a significant amount of money into your department, I would suspect that if we take that federal money out of your budget, you are actually spending less than the previous Tory administration spent in the each of the last five years that they were in government.

I will let you go to line by line.

**An Honourable Member:** Line by line.

**Mr. Chairperson:** Item number—line by line.

\* (21:10)

**Mr. Ashton:** I do not know if the member wants an answer, not that he would necessarily listen to it, but I will put on the record in terms of the member talked about 302. The member is aware of the acquisition of right of way and the utility provisions ongoing in terms of that. I am not sure of the exact section he is talking about, but, certainly, from 12 to 303.

The member did mention Highway 210, and the member and I have discussed this before. You know, it did not meet any of the known criteria of the department; it appeared in the Budget; I have discussed it with the community. It is nowhere near any of the traffic counts that are normally required in terms of surfacing.

So, Mr. Chairperson, I am not sure what the member is referring to. In terms of No. 59, in terms of No. 201 at St. Malo, I assume that is the section he is talking about. That is in the program. I am not sure if he is asking in terms of what is in the program or not. I said earlier I can provide him in terms of what information and what is in the program. I mentioned earlier in terms of the bridge that there are land issues. The member knows that. He indicated that before. I will be more than glad to follow-up in terms of that.

The member is dead wrong in terms of the highway spending. In fact, the previous government, its range was between \$90 million and \$110 million; ours is 120 million. In fact, from last year to this year, that is not at all only from any federal money. I indicated all the federal monies could be added to the system. Indeed, we have additional provincial money into the system over what existed last year. The member can get the facts. I have the facts. Between \$90 million and \$110 million under the previous government, guaranteed minimum 120 million for five years under the NDP government, period.

**Mr. Chairperson:** 15.2. Highways and Transportation Programs (c) Bridges and Structures (1) Salaries and Employee Benefits \$2,354,800-pass; (2) Other Expenditures \$328,400-pass.

2.(d) Transportation Safety and Regulatory Services (1) Salaries and Employee Benefits \$3,400,100-pass; (2) Other Expenditures \$853,500-pass.

2.(e) Regional Offices (1) Eastern Region Office (a) Salaries and Employee Benefits \$2,590,200-pass; (b) Other Expenditures \$568,500-pass.

2.(e)(2) South Central Region Office (a) Salaries and Employee Benefits \$2,442,200-pass; (b) Other Expenditures \$645,800-pass.

2.(e)(3) South Western Region Office (a) Salaries and Employee Benefits \$2,663,900. Shall the item pass?

**Mr. Faurshou:** Mr. Chairperson, I know it is imperative that we move along in an expeditious fashion here, but you clearly misstated the figure. It was \$2,363,900. I want you to read clearly the numbers for the record. I know we want to expedite the process.

**Mr. Chairperson:** We will do it again.

**Mr. Faurshou:** But we want it accurate.

\* (21:20)

**Mr. Chairperson:** 15.2.(e)(3) South Western Region Office (a) Salaries and Employee Benefits \$2,363,900-pass; (b) Other Expenditures \$543,000-pass.

2.(e)(4) West Central Region Office (a) Salaries and Employee Benefits \$1,911,000-pass; (b) Other Expenditures \$457,800-pass.

2.(e)(5) Northern Region Office (a) Salaries and Employee Benefits \$1,788,200-pass; (b) Other Expenditures \$536,900-pass.

2.(f) Other Jurisdictions (1) Gross Expenditures \$2,257,400-pass; (2) Less: Recoverable from other appropriations (\$1,000,000).

2.(g) Planning and Design (1) Salaries and Employee Benefits \$1,648,400-pass; (2) Other Expenditures \$433,500-pass.

2.(h) Northern Airports and Marine Services (1) Salaries and Employee Benefits \$3,877,700-pass; (2) Other Expenditures \$2,619,800-pass.

2.(j) Materials and Research (1) Salaries and Employee Benefits \$1,941,900-pass; (2) Other Expenditures \$583,500-pass; (3) Less: Recoverable from other appropriations (\$1,121,500).

2.(k) Traffic Engineering (1) Salaries and Employee Benefits \$875,200-pass; (2) Other Expenditures \$235,700-pass.

2.(m) Policy, Planning and Development (1) Salaries and Employee Benefits \$1,803,400-pass; (2) Other Expenditures \$657,500-pass.

2.(n) Driver and Vehicle Licensing (1) Salaries and Employee Benefits \$13,076,100–pass; (2) Other Expenditures \$6,401,500–pass; (3) Manitoba Public Insurance Cost-Sharing Agreement \$4,592,000–pass.

2.(p) Boards and Committees (1) Motor Transport and Highway Traffic Boards (a) Salaries and Employee Benefits \$365,700–pass; (b) Other Expenditures \$193,900–pass.

2.(p)(2) License Suspension Appeal Board and Medical Review Committee (a) Salaries and Employee Benefits \$263,300–pass; (b) Other Expenditures \$83,800–pass.

2.(p)(3) Taxicab Board (a) Salaries and Employee Benefits \$393,800–pass; (b) Other Expenditures \$94,300–pass.

2.(p)(4) Port of Churchill Advisory Board \$25,000–pass.

Resolution 15.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$64,800,200 for Transportation and Government Services, Highways and Transportation Programs, for the fiscal year ending the 31st day of March, 2003.

**Resolution agreed to.**

**Mr. Chairperson:** 15.3. Accommodation Development and Property Management (a) Accommodation Development (1) Salaries and Employee Benefits \$1,598,100–pass; (2) Other Expenditures \$4,120,300–pass; (3) Less: Recoverable from other appropriations (\$3,870,700).

3.(b) Workshop/Renovations (1) Salaries, Wages and Employee Benefits \$2,186,200–pass; (2) Other Expenditures \$296,600–pass; (3) Workshop Projects \$4,575,000–pass; (4) Less: Recoverable from other appropriations (\$7,057,800).

3.(c) Physical Plant (1) Salaries and Employee Benefits \$15,660,700–pass; (2) Other Expenditures \$32,662,000–pass; (3) Less: Recoverable from other appropriations (\$440,000).

3.(d) Leased Properties \$21,675,500–pass.

3.(e) Property Services (1) Salaries and Employee Benefits \$603,200–pass; (2) Other Expenditures \$283,400–pass; (3) Less: Recoverable from other appropriations (\$216,400).

3.(f) Security and Parking (1) Salaries and Employee Benefits \$3,688,000–pass; (2) Other Expenditures \$723,100–pass; (3) Less: Recoverable from other appropriations (\$2,082,200).

3.(g) Accommodation Cost Recovery (\$44,455,900)–pass.

3.(h) Minor Capital Projects \$2,916,600–pass.

Resolution 15.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$32,865,700 for Transportation and Government Services, Accommodation Development and Property Management, for the fiscal year ending the 31st day of March, 2003.

**Resolution agreed to.**

**Mr. Chairperson:** 15.4. Supply and Services (a) Procurement Services (1) Salaries and Employee Benefits \$1,754,500–pass; (2) Other Expenditures \$358,800–pass.

4.(b) Government Air Services (1) Salaries and Employee Benefits \$5,263,000–pass; (2) Other Expenditures \$5,438,400–pass; (3) Less: Recoverable from other appropriations (\$10,701,400).

4.(c) Desktop, Telecommunication and Network Services (1) Salaries and Employee Benefits \$2,093,500–pass; (2) Other Expenditures \$13,127,400–pass; (3) Less: Recoverable from other appropriations (\$10,300,000).

4.(d) Mail Management Agency–nil; (e) Materials Distribution Agency–nil; (f) Land Management Services–nil; (g) Fleet Vehicles Agency–nil.

Resolution 15.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$7,034,200 for Transportation and Government Services, Supply and Services, for the fiscal year ending the 31st day of March, 2003.

**Resolution agreed to.**

\* (21:30)

**Mr. Chairperson:** 15.5. Emergency Measures Organization (a) Salaries and Employee Benefits \$1,059,500—pass; (b) Other Expenditures \$513,400—pass.

Resolution 15.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,572,900 for Transportation and Government Services, Emergency Measures Organization, for the fiscal year ending the 31st day of March, 2003.

**Resolution agreed to.**

**Mr. Chairperson:** 15.6. Infrastructure Works (a) Maintenance Program \$65,548,100—pass.

6.(b) Mechanical Equipment Services (1) Salaries and Employee Benefits \$7,669,800—pass; (2) Other Expenditures \$19,463,000—pass; (3) Less: Recoverable from other appropriations, (\$27,132,800)—pass.

6.(c) Construction and Upgrading of Provincial Trunk Highways, Provincial Roads and Related Projects \$120,000,000—pass.

6.(d) Grant Assistance to Local Governments \$1,600,000—pass.

6.(e) Work in Municipalities, Local Government Districts and Unorganized Territory \$3,212,100—pass.

6.(f) Other Projects \$3,605,800—pass.

6.(g) Winter Roads \$4,756,000—pass.

Resolution 15.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$198,722,000 for Transportation and Government Services, Infrastructure Works, for the fiscal year ending the 31st day of March, 2003.

**Resolution agreed to.**

**Mr. Chairperson:** 15.7. Amortization and Other Costs Related to Capital Assets (a) Desktop Management Initiative (1) Government-wide

Desktop Costs \$12,783,600—pass; (2) Less: Recoverable from other appropriations, (\$12,783,600)—pass.

7.(b) Air Services (1) Amortization Expense \$2,185,700—pass; (2) Less: Recoverable from other appropriations, (\$2,046,100)—pass.

7.(c) Desktop Services (1) Amortization Expense - Hardware and Transition \$877,900—pass; (2) Amortization Expense - Enterprise Software \$157,200—pass; (3) Enterprise Software Licenses \$381,400—pass.

7.(d) Amortization Expense \$11,990,700—pass.

7.(e) Interest Expense \$13,192,900—pass.

Resolution 15.7: RESOLVED that there be granted to Her Majesty a sum not exceeding \$26,739,700 for Transportation and Government Services, Amortization and Other Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2003.

**Resolution agreed to.**

**Mr. Chairperson:** The last item to be considered for the Estimates for this department is item 15.1. Administration and Finance (a) Minister's Salary contained in Resolution 15.1.

Line item 15.1 Administration and Finance (a) Minister's Salary \$28,400—

**Some Honourable Members:** Pass.

**Some Honourable Members:** No.

**Mr. Chairperson:** Discussion. Questions.

**Mr. Faurschou:** Regrettably, I move, seconded by the honourable Member for Kirkfield Park (Mr. Murray), that

WHEREAS section 7(1) of The Balanced Budget, Debt Repayment and Taxpayer Accountability Act provides for a 20% salary reduction to each member of the Executive Council, should the Government project a negative balance in the third-quarter financial report; and

WHEREAS the Minister of Finance provided to this Assembly a third-quarter financial report projecting a positive balance only through the illegal transfer of \$150 million from Manitoba Hydro; and

WHEREAS not only is this transfer retroactive, it is, according to section 43(3) of The Manitoba Hydro Act, illegal. Every person who violates this provision is liable to a fine of not more than \$5,000 or to imprisonment for a term not exceeding one year.

THAT for failing to deliver to the citizens of Manitoba a balanced budget, and for illegally raiding Manitoba Hydro of \$288 million, including \$150 million to cover Budget 2001's operating deficit, the Minister of Transportation and Government Services be subjected to the penalties as prescribed under section 7(1)(a) of The Balanced Budget, Debt Repayment and Taxpayer Accountability Act and that, as a result of section 7(1)(a), Minister's Salary be reduced by \$5,680.

\* (21:40)

Therefore, I move that, as a result of section 7(1)(a), Minister's Salary be reduced by \$5,680.

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

**Mr. Speaker:** Order, please. The motion before the committee is that, as a result of section 7(1)(a), Minister's Salary be reduced by \$5,680.

The motion is in order and is debatable. Debates.

**Mr. Ashton:** In light of the rather lengthy exchange between myself and the Member for Emerson (Mr. Jack Penner), I will just take whatever I said and answer the questions from the Member for Emerson for what I would have said on this particular motion.

The only thing I want to say on the record is there are days where I even ask myself, especially when I am dealing with the Golden Boy, I actually say to myself, and I get paid for this. So I throw myself on the mercy of the Legislature here. I will abide by their decision.

**Mr. Faurschou:** This is a motion that has been moved. It has not been moved by myself and the

honourable Member for Kirkfield Park (Mr. Murray), it has been moved in a very serious manner.

We have seen many things transpire through this session that concern me greatly. However, nothing has been more disturbing to myself than what I witnessed this afternoon. In the minister's own words, I believe he did a disservice to this House. We witnessed in the Question Period this afternoon an identification of a support staff member of our caucus team. In this House, we are all considered honourable members. I think the minister did a disservice and I do believe he tainted the honourable stature we all are privileged to have in this House, as we all recognize we are supported by very dedicated individuals who do as we request of them. They are there to assist us in work that we believe is essential to represent those who have provided us with the privilege of service in this House through a democratic process. The identification of an individual who was carrying out the duties, respectful of the members of this Legislative Assembly, who does that, as I have stated by our request. To identify those individuals by name in this Legislative Assembly is, indeed, in my opinion, a significant disservice to all of us who serve this Legislative Assembly.

Mr. Chairperson, I respectfully request the minister consider the actions taken by himself earlier today in identifying a member of the Progressive Conservative caucus staff in this Legislative Assembly as being in error. Therefore, I would like, at this time, the honourable member of this Legislative Assembly representing the government Executive Council for the responsibility of Transportation and Government Services to take this opportunity to apologize to the House, to the individual named this afternoon, and ask that he recognize it is something that, perhaps, was done in the heat of discussion. However, it is still inexcusable.

We all have to recognize that this House is one that is an honourable House. To cite an individual who is only doing what we ask of them, that individual should not be named in this House and bearing the brunt, by being named, of some of the dialogue that transpired in regard to the topic discussed in Question Period this afternoon.

I think the minister recognizes that individual should not have been named as he was acting by request. I provide the floor now to the minister in this regard.

**An Honourable Member:** Question.

**Mr. Chairperson:** The question being put, the honourable Minister of Transportation.

**Mr. Ashton:** Mr. Chairperson, I tabled the letter and they were referenced by members opposite as well to the researcher. This often happens. Information requests go to staff members. I did not make any critical comments about the researcher involved.

Given the nature of the issue, I think if I had tabled a letter that had a blanked-out portion on the top, it might have led to some discussion of, I think the term was "cover-up." I have never heard of a similar concern before, but if the member thought in some way I was impacting on that researcher, I may have words that we may express in terms of members of the Legislature, but I do not even recall making any negative comment about that individual.

If the member took offence to that or if the researcher took offence to that, Mr. Chairperson, not that I have seen this issue raised of concern before, but there was no criticism intended. I basically tabled the letter as it was received.

Somehow, I do not think that is going to impact on the motion, so I am prepared for the question. I did want to make it clear because I do take very seriously what happens, especially to people outside of this House. Sometimes comments are made in the House that do impact. I do not recall saying anything that impacted on the researcher. They, obviously, were doing their job, as our researchers do. So, if the member took it that way or the researcher did, I do not believe I said that, but it certainly was not the intent.

**An Honourable Member:** Question.

\* (21:50)

**Mr. Faurshou:** Mr. Chairperson, the researcher named this afternoon in the text and dialogue of the discussion was, in fact, impacted by being named. It may not, as the minister

stated, have been directed to the individual. However, being named to the correspondence and the subsequent discussion that was related to that document was distressful.

The individual named did not request an apology. I am requesting an apology on the basis that we work with individuals each and every day who respond to our requests and should not be subjected, even by association, to concerns and text of dialogue that is less than complimentary. It does not matter which side of the House. In fact, I would be doing it for any individual who serves this House, because I do not believe they should be entered into the official record of this Assembly and, by association, criticized. Therefore, I request of the minister a very clear and concise recognition that this was perhaps inadvertent and that he regrets that this incident took place, and I think we can move on.

**Mr. Marcel Laurendeau (St. Norbert):** Mr. Chairperson, I think this goes, actually, a little further than this, because a while back, in this House, I took a shot at one of the staff from the opposition, but I did not use that person's name. I clearly did that on purpose, to leave it out, because I do not think that the names should be brought forth.

I wonder how this minister would feel today if I was to bring forward the name of a staffperson that worked in his department who leaked us the information that this minister wanted us leaked on Dakota Tipi, so that those questions that we are asking today in this House are being asked. The leak came from him, from this minister and his staff, who wanted it because he was having trouble at the Cabinet table. He was having trouble at the Cabinet table with the issue, and he made sure that it was leaked to us, and it was clear.

Mr. Chairperson, maybe he would like that staffperson named in this House the way he did it today, and I am prepared, if this minister is not going to apologize to our staff, to name that member tonight. So I ask you now, apologize to my staff, or be ready to have your staff named, who is bringing us information on Dakota Tipi to save you when you are going to work and not

having representation properly heard by your caucus members in Cabinet.

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

**Mr. Chairperson:** Order, please. The honourable Minister of Family Services is next. The member is not in his seat, so I cannot recognize him.

**An Honourable Member:** Not in his seat during Estimates? He was not in his seat when he moved a motion.

**Mr. Chairperson:** I was told that you should be in your seat.

**An Honourable Member:** He just finished speaking.

**Mr. Chairperson:** Okay, fair is fair.

**Hon. Tim Sale (Minister of Family Services and Housing):** I think, Mr. Chairperson, we should all take a deep breath and just recall a couple of things. First of all, when somebody, regardless of who it is, requests information in writing from a government department, the department responds to them in writing, and, in order to do that, they have to use a name.

Now, the names of all staff in this building, political and otherwise, are known, and there is no negative association by virtue of the fact that staff request information on behalf of the people they work for. Our staff did that hundreds and hundreds of times during the time we were in government, and letters were written; letters were received by members of the Government with staff names on them. These are not unusual things to have happened.

Just before the members get too far into the rhetoric, I want to just relate a little personal story for the benefit of the Member for Portage (Mr. Faurichou) who was not around here in the mid-eighties. In the mid-1980s, I was a civil servant with the Department of Finance, and I was with Federal-Provincial Relations and Research in which my job was working on the issue of health and post-secondary education and social service funding. So I just would like the

member to listen to the story so that he has some sense of perspective here.

The honourable members of the opposition at that time, who were the Conservatives, took it on themselves during the Budget to move a motion—this is not a letter, this is to move a motion with my name in it—moving that my salary and my office and me be deleted from the Department of Finance. Now, that might have been a good idea. I mean, you know, I will not argue the value or the virtue of that motion, but I simply just want people to have a sense of perspective here, that sometimes people do things which, perhaps, may seem inappropriate at the moment without some historical perspective, but I do not recall at that time members of the then-Pawley government demanding that people apologize. They indicated that they thought it was perhaps not the best motion on the books and they defeated it, which I was grateful for, because I had young children and I did not really want to lose my job quite at that point, but I do think it is appropriate at ten o'clock at night on a night when we are all trying to work very hard on behalf of Manitobans, that we just have a little bit of historical perspective about how large or small this issue is. I sit here as a member who was named by the previous government, then the opposition, not just in a letter, but in a motion, personally seeking to remove me from the annals of government. So I just kind of think we need a little perspective here on who is doing what to whom, and how serious the writing of a letter to someone who requested information is. Tabling of a letter is a pretty routine issue.

**Mr. Derkach:** Mr. Chair, I am not wanting to enter the fray here except to respond to comments that have been made by the Minister of Family Services (Mr. Sale) and also to reflect on what my colleagues, the member from Portage and our Opposition House Leader, have said and also to somewhat remind the minister as to what went on this afternoon.

Mr. Chair, we as MLAs, whether we are ministers or just MLAs in this House, get into some fairly heated debates from time to time. The issues before us in the last few days have caused us, as MLAs on both sides of the House, to become somewhat emotional in our responses.

Mr. Chair, I recall the incident that our House leader had mentioned the position in this House, and there was a significant umbrage taken of those comments by the government of the day, and, of course, the individual in the background is innocent because he does not have the ability to come into this Chamber to debate, to defend himself or even to, in any way, do that outside this Chamber. They are simply servants of us who work very hard and do their jobs.

You know, I have been watching these people in the last few years, since I have had a little more time since we have lost government, and I have gained a new respect for the people that work for us on both sides of the House. I have to say that in the last year or so, I have had a little more to do with staff of the opposition. I have to say that I have gained significant respect for them as individuals who are working for us as MLAs on either side of the House. So I take it very seriously when a staff who cannot represent himself or herself in the House is named. It is quite an affront to them because they are not there to be named. They are not working there to be named, and, yes, the Minister of Family Services, when he was a civil servant, and I have to say this in his defence, his name did come into this Chamber, as a matter of fact, and he should have felt somewhat, I guess, offended by that. I am sure he did. He had the right to feel that way, as do the individuals who are named in the Chamber who cannot defend themselves.

Now, this afternoon, there was a name on the letter that was blanked out. The reason it was blanked out is because that letter was sent to a staffperson. That staffperson has no wish to be named in this House, for his name to be going into the records of this House as someone who has done something for us as MLAs, whether it is positive or negative, because that name stays on the record forever and a day. That person's future is long, and that person's future is going to have some impacts on it as he goes through life, whether he applies for a job somewhere else—that can always be pulled from the records of the Legislature, Mr. Chairman. It is not something that can be erased.

\* (22:00)

That is why we need to be very careful when we mention names in this House, Mr. Chairman.

That is why we have to make sure that people who work for us, regardless of which side of the House, are respected and are, indeed, dealt with with courtesy. I would have to say that, from time to time, we have to reflect on those issues and make sure that we do not do that.

Now, there have been some words exchanged here this evening. I do not know whether we want to get into them in any depth, but I think it would be far better if we could simply acknowledge the fact that things of this nature should not happen, that we should withdraw any reflection on a member who is outside the Chamber, a staff member, and we should leave it at that, because I believe that as MLAs we want to ensure that we can continue to attract to this Assembly young people who can work for us without having to have fingers pointed at them. Mr. Chair, I know, any minister's office is a place of learning, any MLA's office is a place of learning for young people who can learn the democratic process, who have to put up with a significant amount of turmoil from time to time, and who, in fact, help us and guide us through issues as we go through them from day to day.

Mr. Chair, mistakes have been made in the past. Yes, my colleague the Opposition House Leader (Mr. Laurendeau) did stand in his place in an honourable way, did apologize for the comments he put on the record, and went out into the hallway and apologized to the individual on a one-to-one basis. That is probably the easiest form of taking the right approach in dealing with this manner.

So I ask the minister of highways, the Minister responsible for Gaming in this province, and I know he has been under some stress in the last few days, if he would, in fact, reconsider his statements, reconsider the fact that he did make the allegation, and would withdraw his statement that he made in regards to the individual that he named. I think, then, we can call it a day.

**Mr. Ashton:** Mr. Chairperson, I made some comments earlier. I am somewhat confused with what members are raising here. I did not criticize the research. I will put on the record, quite frankly, that the researcher was obviously doing

their job. Regardless of what our view may be of the issue, they were doing their job. I am trying to recall what came up in Question Period. I think, actually, it was the member himself who mentioned when the researcher phoned and the response that the researcher got during Question Period. Well, I mean, the issue here—I am not sure if it is assumed criticism. What the member said in terms of criticism, I put on the record. I did not criticize the researcher whatsoever. I do not know how that was taken that way. I want to make it very clear to the researcher that the bottom line is that there was no intended criticism whatsoever.

The difficulty I had, I mean, when you receive correspondence, I ask members opposite to recognize that if I was to blank something out in the middle of—I think the word cover-up had been used, even, in Question Period—you are faced with a difficult decision. In fact, I think, in addition to tabling the letter, Mr. Chair, I may have mentioned the researcher's name once. I did not mean it in terms of any criticism. If that is the concern, I can appreciate it. The difficulty, and I think members realize when you are tabling public documents, if you remove that, you run into difficulty, but I think I have also tabled before, and I will put this on the record. That is why I am surprised at the offence to this. FIPPA applications do go to researchers and, I believe, I tabled a FIPPA request when the Member for Turtle Mountain (Mr. Tweed) raised it. That would have had the researcher's name on it.

I assume the concern may have come from the use of the name in Question Period, so if that is the concern, I am trying to get some clarification because I can tell you, and I will say to the researcher directly that I did not want to drag the researcher in if the researcher had any distress from that, quite the opposite. The researcher was doing their job, and, quite frankly, probably the best thing would have been, outside of the letter itself where, I think, you do have to have some indication of who the letter is sent to, perhaps I should not have used the researcher's name. Perhaps we should not have gotten into a discussion about that afterwards.

But really I am surprised by this. I did not mean any offence. If the concern is using the

researcher's name in Question Period, and if the researcher took any offence to that, no criticism was intended. I do not think it is a question of apology. I think saying to the individual that, in terms of that, I regret any offence it may have created. That was not the intent whatsoever. Not only that, I will go further. If there is anything in Hansard that came across in that way, I will make a further statement. I am surprised at this. I did not mean any offence. I remember, I know it was a heated Question Period and we may have said things, Mr. Chairperson, back and forth, but I did not intend in any way, shape or form to be critical of this. So, if that explains it to the member and if the member could pass it on to the staffer—I would rather do it personally, quite frankly, rather than have this on the floor of the Legislature. I think what the Opposition House Leader did is fine. I will talk to the researcher. If they took this seriously, they should not have, because there was no criticism intended. It would have probably been better not to use the name in Question Period, outside of tabling the letter, which I consider really a routine thing.

**Mr. Chairperson:** The motion before this committee is this: That, as a result of section 7(1)(a)–

**An Honourable Member:** Dispense.

*line 1.(a) Minister's Salary be reduced by \$5,680.*

**Mr. Chairperson:** Shall the motion pass?

**Some Honourable Members:** Pass.

**Some Honourable Members:** No.

#### Voice Vote

**Mr. Chairperson:** Those in favour of the motion, say yea.

**Some Honourable Members:** Yea.

**Mr. Chairperson:** Those opposed to the motion, say nay.

**Some Honourable Members:** Nay.

**Mr. Chairperson:** The Nays have it.

**An Honourable Member:** On division, Mr. Chair.

**Mr. Chairperson:** On division.

\* \* \*

**Mr. Chairperson:** 15.1. Administration and Finance (a) Minister's Salary \$28,400—pass.

Resolution 15.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$9,422,100 for Transportation and Government Services, Administration and Finance, for the fiscal year ending the 31st day of March, 2003.

*Resolution agreed to.*

**Mr. Chairperson:** This concludes the Estimates for the Department of Transportation and Government Services.

The next set of Estimates that will be considered by this section of the committee is the Estimates for the Legislative Assembly.

Shall we recess briefly to allow the Speaker and the critic the opportunity to prepare for the commencement of the next set of Estimates? *[interjection]* No.

## LEGISLATIVE ASSEMBLY

\* (22:10)

**Mr. Chairperson (Conrad Santos):** Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates for the Legislative Assembly. Does the Speaker have an opening statement?

**Hon. George Hickes (Speaker of the Manitoba Legislative Assembly):** Yes, I do, Mr. Chair. This evening, I will be defending the Estimates of the Legislative Assembly. This is the third time that the Speaker of the Legislative Assembly will be answering questions about the Legislative Assembly Estimates. Last year I appeared before the Committee of Supply to defend the Estimates as part of a two-year trial period. Traditionally, the Government House Leader has been the defender of the Assembly

Estimates, but under a two-year trial period agreed to by the Legislative Assembly Management Commission, it is the Speaker of the Assembly who will be defending the Estimates.

I look forward to any comments or questions that members may have.

**Mr. Chairperson:** Does the representative of the Official Opposition have any opening comments?

**Mr. Marcel Laurendeau (Official Opposition House Leader):** I will be very brief. We have enjoyed having the Speaker, in his independent role, as the minister responsible for this. We also enjoy his role at LAMC. We have no further questions at this time.

**Mr. Chairperson:** At this time, we invite the Assembly staff to join us in the Chamber. We ask the Speaker to introduce the staff in attendance.

**Mr. Hickes:** I have in attendance, advising me today, Ms. Patricia Chaychuk, who is the Clerk of the Legislative Assembly, and Ms. Susan Scott, who is the Director of Member Services.

**Mr. Chairperson:** 1. Indemnities (Statutory) (a) Members \$3,648 100—pass; (b) Additional Indemnities \$113,300—pass.

2. Retirement Provisions (Statutory) (a) Pensions and Refund \$1,623,600—pass; (b) Registered Retirement Savings Plan \$293,600. Shall the item pass?

**An Honourable Member:** Question.

**Mr. Leonard Derkach (Russell):** Mr. Chair, I do not know where it would be appropriate to ask questions of the Speaker, because this is a new experience for us. I am not a member of the LAMC from our party.

LAMC was actually set up to deal with matters that relate directly to members of the Legislative Assembly. Since then, it has grown into something more than that, and I am really not sure how that has happened, but it seems like the LAMC, whose function is to look after issues as they relate to members of the Assembly, has

taken a back seat to other issues. This is not a reflection on the Speaker who chairs and who is the head of LAMC, it is more of the system and how it has evolved over time. It is not this Speaker who has done it, it is just a matter of how it has evolved.

We have always struggled in Manitoba on the issue of compensation for MLAs, and on how we deal with compensation matters. We have gone, as a province, from members of the Legislative Assembly being compensated on a semi-annual basis to being compensated on a biweekly basis. We have also gone from a situation where members of the Legislative Assembly once were privileged to a pension, and, then, through a process that I very well remember, and every member in this House probably does, we somehow said that MLAs should not have a pension. I can honestly tell you that every citizen in Manitoba that I talked to thinks that MLAs have a pension. When you tell them that we do not, they kind of blink and wonder why it is that you do not anymore.

I tried to tell them that it was the Wally Fox-Decent commission that, in its wisdom, which was, I think, very short-sighted, decided that we should not have pensions. When the Fox-Decent commission reported to us, what happened was that—

**An Honourable Member:** We lost our pensions.

**Mr. Derkach:** Well, not only that. There was a new set of rules that was established, and how we would arrive at the issue of compensation for MLAs. I think there was a suggestion in the commission's report that asked for a review of benefits for MLAs periodically.

I am not sure whose purview that falls under. Now I know the sensitivity of any government in terms of dealing with this issue. I think it is unfair to have the Government House Leader or the Government have to deal with the issue because of its sensitivity. Yet, if we do not deal with it on a regular basis, what happens is that we get so far out of step with other provinces and what happens in the rest of the world, so to speak, then the catch-up becomes a real issue. That is what is reported in the media many

times, rather than having a process which can review the issues of compensation and also of remuneration for such things as running a constituency office.

I know, Mr. Chairperson, through the Chair to you, Mr. Speaker, that every MLA in this Legislative Assembly finds it more and more challenging to live within that budget in representing their constituents. Our constituency boundaries have changed. They have become larger. The issues that we are dealing with have become more complex, and yet our citizenry does demand of us that we do the job in a respectful way.

So we go through a charade of trying to deal with this issue periodically. What happens at the end of the day is the issue is not dealt with very effectively. I want to ask the Speaker of the House whether or not LAMC has taken a look at how other jurisdictions deal with this issue, so we can, in Manitoba, perhaps, take what is the best approach to dealing with this issue, and deal with it in a very up front and public way, so the public is aware of what is happening. But it is a process that is fair to every individual in this Chamber and future members who come to this Chamber, because I want to say one other thing.

\* (22:20)

I do not have an opportunity to talk about this issue often, and I know there is some discomfort with it. I want to say that it is important for us as a province to attract the best possible people into the Legislative Assembly that we can from our society. That means those people who are attracted to this are not doing it by having to put their hand in their own pocket to compensate for what they do for the people of the province, because when that happens, you will only attract the people who have the means to be able to afford to sit in the Chamber of this province.

We should be able to attract people from the very poor in our province to the people who have means in our province. This Assembly should reflect the cross section of this province. The only way we are going to do that is to ensure that people, who are going to put their names forward for the positions for MLAs for

either party, can do that, understanding they will be compensated fairly for the work that they do and that it is a profession that can be respected in a way that would put it at a level where we can attract people, whether they are lawyers; whether they are accountants, or whether they are people who come from other occupations that may not, perhaps, be reflective of what we have in the Chamber today.

So, to that end, Mr. Speaker, my question to you, and perhaps to your staff through you, is whether or not the LAMC has looked at what is happening in other jurisdictions across the country, and perhaps beyond, to find a process that would be able to be adopted in the province of Manitoba as an acceptable and respected process for the remuneration of people who put their names forward to serve as members of this Legislative Assembly.

**Mr. Hickes:** I would just like to voice my agreement to what the honourable member was saying about the cross section of members in this Chamber. We all look forward to being represented by the true make-up of Manitoba, which, I think, is very important.

Going back to the commission that struck our retirement benefits, that is our RRSPs now, which was the Wally Fox-Decent commission, which was struck, and the report was released in '94. In it were recommendations, not orders, but recommendations that, after five years, a commission could be struck to review the process and our retirement pension plan that we have today. Also, there was a recommendation in there that, six months after an election, a commission could be struck and the pension plans could be addressed.

That was a recommendation. But, as all members in this Chamber know, LAMC is struck by members of official parties in this House, and LAMC could request, if they choose, to put forward a commission to look at the pension plans in Manitoba and make recommendations to the Assembly, through LAMC if they choose. So the doors are open. If the member wanted to pursue it, either through his caucus members or through LAMC, and if that is what LAMC chose to do, then that is what we would do. The doors are wide open to do

whatever the management of LAMC wishes the Assembly to do, because they represent their caucuses. So the doors are wide open if you want to look at other pension plans or strike a commission to review our process, like our RSP system now compared to annual pension. I leave it at that.

**Mr. Derkach:** Just one very quick and final question, Mr. Chairperson. So LAMC has not looked at other processes across the country, or other approaches across the country, to see how we would compare or how we would perhaps benefit from the approaches that are taken by other jurisdictions in Canada or beyond.

**Mr. Hickes:** I just wanted to follow up with that. No, LAMC has not looked at it. It has not been addressed, but there is nothing to preclude that. If LAMC met tomorrow, and said we want to look at it and strike a commission and it is agreed to by the House, well, then that is what could happen. There is nothing stopping it.

**Mr. Chairperson:** 3. Members' Expenses (Statutory) (a) Constituency Expenses \$2,264,700. Shall this item pass? This is statutory. Technically, we cannot have any say on this one. This is mandated by law. I will just call it anyway to afford the members opportunity for questions.

3.(b) Temporary Residence and Living Expenses \$320,900.

3.(c) Commuting Expenses \$22,800.

3.(d) Travel Expenses \$499,300.

3.(e) Special Supplies and Operating Payments \$128,800.

3.(f) Printing and Franking \$266,000.

3.(g) Committee Expenses \$5,000.

4. Election Financing (Statutory) (a) Election Act Expenses \$656,900.

4.(b) Election Finance Act Expenses \$153,700.

\* (22:30)

1.1 5. Other Assembly Expenditures (a) Office of the Leader of the Official Opposition (1) Leader of the Official Opposition's Salary \$28,400--pass; (2) Other Salaries and Employee Benefits \$143,700--pass; (3) Other Expenditures \$32,500--pass.

5.(b) Salaries and Employee Benefits \$3,546,700--pass.

5.(c) Other Expenditures \$1,262,000--pass.

Resolution 1.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,013,300 for the Legislative Assembly, Other Assembly Expenditures, for the fiscal year ending the 31st day of March, 2003.

**Resolution agreed to.**

**Mr. Chairperson:** 1.2 6. Office of the Provincial Auditor (a) Salaries and Employee Benefits \$3,163,700--pass; (b) Other Expenditures \$950,100--pass.

Resolution 1.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,113,800 for Legislative Assembly, Office of the Provincial Auditor, for the fiscal year ending the 31st day of March, 2003.

**Resolution agreed to.**

**Mr. Chairperson:** 1.3 7. Office of the Ombudsman (a) Salaries and Employee Benefits \$1,648,300--pass; (b) Other Expenditures \$420,900--pass.

Resolution 1.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,069,200 for Legislative Assembly, Office of the Ombudsman, for the fiscal year ending the 31st day of March, 2003.

**Resolution agreed to.**

**Mr. Chairperson:** 1.4 8. Office of the Chief Electoral Officer (a) Salaries and Employee Benefits \$674,200--pass; (b) Other Expenditures \$198,100--pass.

Resolution 1.4: RESOLVED that there be granted to Her Majesty a sum not exceeding

\$872,300 for Legislative Assembly, Office of the Chief Electoral Officer, for the fiscal year ending the 31st day of March, 2003.

**Resolution agreed to.**

**Mr. Chairperson:** 1.5 9. Office of the Children's Advocate (a) Salaries and Employee Benefits \$420,700--pass; (b) Other Expenditures \$146,200--pass.

Resolution 1.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$566,900 for Legislative Assembly, Office of the Children's Advocate, for the fiscal year ending the 31st day of March, 2003.

**Resolution agreed to.**

**Mr. Chairperson:** 1.6 10. Amortization and Other Costs Related to Capital Assets (a) Desktop Services (1) Amortization Expense - Hardware and Transition \$54,000--pass; (2) Amortization Expense - Enterprise Software \$9,700--pass; (3) Enterprise Software Licenses \$21,600--pass.

10.(b) Amortization Expense \$81,900--pass.

10.(c) Interest Expense \$7,700--pass.

Resolution 1.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$174,900 for Legislative Assembly, Amortization and Other Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2003.

**Resolution agreed to.**

**Mr. Hickes:** Before we move on, I just want to take this opportunity to thank all the Legislative Assembly staff and the pages who have been so dedicated and worked so hard on all our behalf during the year. I want to take this opportunity to thank them, on behalf of all of us, for extremely hard work.

**Mr. Chairperson:** This concludes the Estimates for the department of the Legislative Assembly.

The next set of Estimates will be considered by the section of committee of Estimates for Intergovernmental Affairs.

Shall we recess briefly to allow the minister and critic the opportunity to prepare for the commencement of the next set of Estimates?

**An Honourable Member:** Keep going.

**Mr. Chairperson:** Keep going. Just a minute.

*Mr. Cris Aglugub, Acting Chairperson, in the Chair*

### INTERGOVERNMENTAL AFFAIRS

\* (22:40)

**The Acting Chairperson (Mr. Cris Aglugub):** Will the Committee of Supply please come to order? This section of the Committee of Supply will be considering the Estimates of the Department of Intergovernmental Affairs. It was previously agreed to have global discussions in all areas and then proceed with line by line consideration. We invite the minister's staff to join us in the Chamber.

The floor is now open for questions.

**Hon. Jean Friesen (Minister of Intergovernmental Affairs):** Mr. Chairperson, given the lateness of the hour, my staff are not here, but we could certainly move ahead with any questions, line by line, that the members wish to take.

*Mr. Chairperson in the Chair*

**Mr. Larry Maguire (Arthur-Virden):** In light of the minister, she has indicated that, of course, the hour is almost 24 hours since we met last in this Chamber to deal with the Estimates of Intergovernmental Affairs. I know that we were going down the trail of a number of groups that are set up in the rural part of Manitoba last evening. I do not have that note in front of me anymore but, I think, off the top of my head, we have town councils, R.M. councils and the minister will remember we have conservation districts, we have watershed management districts that she and I agreed on a number of those areas. There was a considerable amount of disagreement in the speed with which infrastructure was being developed in Manitoba for rural areas. I acknowledged a number of areas where I felt there were shortfalls in this Government's approach to rural areas in Manitoba.

But I guess, given the light of some of the discussion we had about the difference between voluntary and compulsory, and the number of groups that there are in rural Manitoba today; given that there are, you know, the minister, apart from conservation districts and watershed management areas, as well as planning districts that she has espoused on as well, and feels quite strongly about, and there is a good role to play for some of those planning districts in Manitoba as well.

The minister, I think, acknowledged last night that, you know, this involves a lot of people in rural areas. We have seen the depopulation statistics across most of Manitoba in regard to depopulation in our rural areas and, of course, we went through all of the things that might have caused that last night with the Crow change and a number of other things.

But, I guess my question to the minister is: With all of these areas, and all of these various levels, would the minister be looking at following other ministers' leads in their departments and calling for forced amalgamation of rural municipalities in the province of Manitoba?

**Ms. Friesen:** This is an issue that is raised regularly at the Association of Manitoba Municipalities meetings, usually at the annual meetings. It is obviously a matter of great debate amongst municipalities themselves. There are always municipalities of small numbers—small populations—at one end of the scale, and municipalities that are very large at the other end of the scale. Sometimes they are adjacent to each other, and there are obvious strategies that might appear to be beneficial for people in the area.

What I have said, Mr. Chairperson, is that this is something that is of great concern to the members of the AMM. I believe they have a task force. I do not know if it is actually called a task force, but they certainly have a group of people who are working on looking at amalgamation issues. They have had resolutions passed at their conventions regularly now for a number of years. Those resolutions have had varying degrees of support in different years.

So, Mr. Chairman, we have a number of amalgamations that are happening across rural

Manitoba and they are happening in different ways. Some of them are amalgamations for tax sharing purposes, such as we see in the Russell area, such as we see in the two Portages, the R.M. of Portage and the city of Portage; and as we are seeing in a couple of other areas, where they are almost close to agreements for those tax sharing possibilities. That is one form of coming together, one form of creating common pools of interest and sharing equally in the benefits of new developments, such as we are seeing at Splot in rural Manitoba in the Portage area.

There are, equally, formal amalgamations of municipalities which are happening. One of the ones that the member might be interested in is one in the village of Garson and the R.M. of Brokenhead. That is certainly an issue that has been of concern in that area for some time. We have an R.M., we have the towns of Beausejour and Lac du Bonnet, and we have some very small communities with a great, in many cases, some outstanding issues of infrastructure that need to be settled. In Garson, for example, there were boil water orders and a great need for some serious infrastructure for—

**An Honourable Member:** Do you want to pass these now?

**Ms. Friesen:** I am ready any time. Nobody seemed to be listening. I just thought I would have a good—*[interjection]* It certainly was a lot of gibber. I am good for another half hour on rural amalgamations, if you would like that. It is a very interesting subject. We could talk about, Mr. Chair, the two Gimlis. Now that has been a very interesting one, and it is one that the Municipal Board heard recently. I think certainly people in Gimli are looking forward to—*[interjection]*

**Mr. Chairperson:** 13.1. Administrative and Finance (b) Executive Support (1) Salaries and Employee Benefits \$508,800—pass; (2) Other Expenditures \$83,000—pass.

**Mr. Maguire:** Are you in the supplementary book, Mr. Chairman, or the main Estimates Book?

**Mr. Chairperson:** No, I am in the main Estimates, page 108.

**An Honourable Member:** What are you doing on 108? *[interjection]* Okay.

**Mr. Chairperson:** 13.1.(c) Brandon Office (1) Salaries and Employee Benefits \$151,900—pass; (2) Other Expenditures \$55,000—pass.

1.(d) Human Resource Management (1) Salaries and Employee Benefits \$140,200—pass; (2) Other Expenditures \$27,200—pass.

1.(e) Financial and Administrative Services (1) Salaries and Employee Benefits \$423,800—pass; (2) Other Expenditures \$193,700—pass.

1.(f) Municipal Board (1) Salaries and Employee Benefits \$696,000—pass; (2) Other Expenditures \$273,600—pass.

13.2. Community and Land Use Planning Services (a) Executive Administration (1) Salaries and Employee Benefits \$143,200—pass; (2) Other Expenditures \$30,600—pass.

2.(b) Provincial Planning Services (1) Salaries and Employee Benefits \$420,300—pass; (2) Other Expenditures \$335,100—pass; (3) Less: Recoverable from Urban and Rural Economic Development Initiatives (\$311,400)—pass.

2.(c) Community Planning Services (1) Salaries and Employee Benefits \$2,569,900—pass; (2) Other Expenditures \$941,500—pass; (3) Less: Recoverable from Rural Economic Development Initiatives (\$534,700)—pass.

Resolution 13.2. RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,594,500 for Intergovernmental Affairs, Community and Land Use Planning Services, for the fiscal year ending the 31st day of March, 2003.

\* (22:50)

**Resolution agreed to.**

**Mr. Chairperson:** 3. Provincial-Municipal Support Services (a) Executive Administration (1) Salaries and Employee Benefits \$130,800—pass; (2) Other Expenditures \$30,600—pass.

3.(b) Assessment Services (1) Salaries and Employee Benefits \$6,350,900—pass; (2) Other Expenditures \$1,638,000—pass; (3) Less: Recoverable from Education, Training and Youth (\$1,997,200)—pass.

3.(c) Municipal Finance and Advisory Services (1) Salaries and Employee Benefits \$1,145,300—pass; (2) Other Expenditures \$371,700—pass; (3) Less: Recoverable from Urban Development Initiative (\$109,700)—pass.

3.(d) Information Systems (1) Salaries and Employee Benefits \$845,000—pass; (2) Other Expenditures \$1,434,500—pass; (3) Less: Recoverable from Education, Training and Youth (\$427,600)—pass.

Resolution 13.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$9,412,300 for Intergovernmental Affairs, Provincial-Municipal Support Services, for the fiscal year ending the 31st of March, 2003.

**Resolution agreed to.**

**Mr. Chairperson:** 4. Rural and Northern Community Economic Development Services (a) Executive Administration (1) Salaries and Employee Benefits \$112,900—pass; (2) Other Expenditures \$30,600—pass.

4.(b) Manitoba Water Services Board (1) Salaries and Employee Benefits \$1,579,400—pass; (2) Other Expenditures \$357,600—pass.

4.(c) Community and Regional Development Initiatives (1) Salaries and Employee Benefits \$943,700—pass; (2) Other Expenditures \$224,700—pass.

4.(d) Economic Development Initiatives (1) Salaries and Employee Benefits \$730,500—pass; (2) Other Expenditures \$460,900—pass; (3) Grants \$545,000—pass.

4.(e) Less: Recoverable from Rural Economic Development Initiatives (\$1,870,000)—pass.

4.(f) Rural Economic Development Initiatives (1) Programs-Operating \$11,467,500—pass; (2) Programs-Capital Grants \$4,757,500—pass.

Resolution 13.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$19,340,300 for Intergovernmental Affairs, Rural and Northern Community Economic

Development Services, for the fiscal year ending the 31st day of March, 2003.

**Resolution agreed to.**

**Mr. Chairperson:** 13.5. Financial Assistance to Municipalities (a) Financial Assistance for the City of Winnipeg (1) Operating Assistance to the City of Winnipeg, Unconditional Current Programs Grant \$19,887,500—pass; Unconditional Current Programs Grant \$16,854,000—pass; Unconditional Transit Operating Grant \$7,939,000—pass; General Support Grant \$900,000—pass; Dutch Elm Disease Control Program Grant—

**An Honourable Member:** Mr. Chair, we had better back up.

**Mr. Chairperson:** Back up. General Support Grant \$7 million—[interjection] There is a question here.

**Mr. Maguire:** Mr. Chair, I think that there has been some confusion with the lining across since we began section 13.5.(a)(1). Operating Assistance to the City of Winnipeg, Unconditional Current Programs Grant should have been \$19,887,500; Unconditional Transit Operating Grant, \$16,854,000; General Support Grant, 7—and if you could just delete—

**Mr. Chairperson:** We will do it again.

**Mr. Maguire:** If we could just delete and start over at 13.5.(a).

**Mr. Chairperson:** 13.5. Financial Assistance to Municipalities (a) Financial Assistance for the City of Winnipeg (1) Operating Assistance to the City of Winnipeg, Unconditional Current Programs Grant—[interjection] There are two lines there [interjection]—

**An Honourable Member:** I think, Mr. Chair, Operating Assistance to the City of Winnipeg is line 5.(a)(1). Underneath the City of Winnipeg there is Unconditional Current Programs Grants, Unconditional Transit Operating Grants, and I think if they are read as that it will be proper.

**Mr. Chairperson:** The two lines under one seem to be one amount, so it is Operating Assistance, but it is Unconditional Grant.

13.5.(a)(1) Unconditional Transit Operating Grant \$16,854,000—pass; General Support Grant \$7,939,000—pass; Dutch Elm Disease Control Program Grant \$900,000—pass; Unconditional Grant - Urban Community Development \$7,560,000—pass; Less: Adjustment to reflect program transfers from the City of Winnipeg (\$23,500,000).

\* (23:00)

5.(a)(2) Capital Assistance (a) Capital Financial Assistance to the City of Winnipeg \$20,850,000—pass; (b) Red River Floodway Control Structure \$500,000—pass.

5.(b) Financial Assistance to Other Municipalities (1) Operating Assistance (a) Transit Grants \$1,604,300—pass; (b) General Support Grants \$1,040,100—pass; (c) Unconditional Grants - Rural Community Development \$6,490,000—pass.

5.(b)(2) Capital Assistance (a) Transit Bus Purchases \$140,000—pass; (b) Sewer and Water Programs \$11,250,000—pass; (c) Conservation Districts \$3,097,000—pass; (d) Infrastructure Development \$3,150,000—pass.

5.(c) Grants to Municipalities in Lieu of Taxes (1) Grants \$14,081,200—pass; (2) Less: Recoverable from other appropriations (\$13,911,300).

5.(d) Less: Recoverable from Urban and Rural Economic Development Initiatives (\$5,772,500).

Resolution 13.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$72,159,300 for Intergovernmental Affairs, Financial Assistance to Municipalities, for the fiscal year ending the 31st day of March, 2003.

**Resolution agreed to.**

**Mr. Chairperson:** 6. Canada-Manitoba Agreements (a) Infrastructure Program \$10,352,300—pass.

6.(b) Economic Development Partnership Agreement \$2,250,000—pass.

6.(c) Winnipeg Development Agreement (1) Programs - Operating—nil; (2) Programs - Capital Grants—nil.

Resolution 13.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$12,602,300 for Intergovernmental Affairs, Canada-Manitoba Agreements, for the fiscal year ending the 31st day of March, 2003.

**Resolution agreed to.**

**Mr. Chairperson:** Item 13.7. Urban Strategic Initiatives (a) Neighbourhoods Alive! (1) Salaries and Employee Benefits \$178,100—pass; (2) Other Expenditures \$94,800—pass; (3) Neighbourhood Support \$3,392,100—pass; (4) Less: Recoverable from Urban and Rural Economic Development Initiatives \$(1,160,000)—pass.

**Mr. Maguire:** Just to clarify that, Mr. Chair, that the bracketed term is still \$1,160,000?

**Mr. Chairperson:** It is a negative, \$1,160,000.

7.(b) Neighbourhood Programs (1) Salaries and Employee Benefits \$277,100—pass; (2) Other Expenditures \$54,000—pass.

7.(c) Urban Community Economic Development (1) Salaries and Employee Benefits \$242,600—pass; (2) Other Expenditures \$57,700—pass; (3) Less: Recoverable from Urban Development Initiatives \$(230,000)—pass

7.(d) Urban Development Initiatives \$18,900,000—pass.

Resolution 13.7: RESOLVED that there be granted to Her Majesty a sum not exceeding \$21,806,100 for Intergovernmental Affairs, Urban Strategic Initiatives, for the fiscal year ending the 31st day of March, 2003.

**Resolution agreed to.**

**Mr. Chairperson:** Item 13.8. Amortization and Other Costs Related to Capital Assets (a) Desktop Services (1) Amortization Expense - Hardware and Transition \$197,300—pass; (2) Amortization Expense - Enterprise Software \$35,300—pass; (3) Enterprise Software Licenses \$95,500—pass.

8.(b) Amortization Expense \$101,000—pass.

8.(c) Interest Expense \$200—pass.

Resolution 13.8: RESOLVED that there be granted to Her Majesty a sum not exceeding \$429,300 for Intergovernmental Affairs, Amortization and Other Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2003.

*Resolution agreed to.*

**Mr. Chairperson:** The final item to be considered is item 13.1. Administration and Finance (a) Minister's Salary \$28,400—pass.

\* (23:10)

Resolution 13.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,581,600 for Intergovernmental Affairs, Administration and Finance, for the fiscal year ending the 31st day of March, 2003.

*Resolution agreed to.*

**Mr. Chairperson:** That concludes the consideration of the Estimates for the Department of Intergovernmental Affairs. We have finished the book. Consumatum est.

**Hon. Gord Mackintosh (Government House Leader):** I thought we might just get some advice from the Chair. Are there any outstanding resolutions for the Estimates that were referred to Committee of Supply following the presentation of the Budget?

**Mr. Chairperson:** As far as the Chair is aware, there are no other outstanding resolutions.

Committee rise. Call in the Speaker.

## IN SESSION

### Committee Report

**Mr. Conrad Santos (Chairperson):** Mr. Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same and asks leave to sit again.

I move, seconded by the honourable Member for St. Vital (Ms. Allan), that the report of the committee be received.

*Motion agreed to.*

### House Business

**Hon. Gord Mackintosh (Government House Leader):** On a couple of matters of House business, first, I would like to announce that the Standing Committee on Law Amendments will again meet in Room 255 in about five minutes' time.

With the agreement of the House, Bill 41, The Manitoba Hydro Amendment Act, and Bill 49, The Purchase of Winnipeg Hydro Act, will be transferred from the Standing Committee on Municipal Affairs to the Standing Committee on Law Amendments to complete consideration of those two bills.

**Mr. Speaker:** It has been announced that the Standing Committee on Law Amendments will meet in Room 255 in five minutes' time and, with agreement of the House, Bill 41, The Manitoba Hydro Amendment Act, and Bill 49, The Purchase of Winnipeg Hydro Act, will be transferred from the Standing Committee on Municipal Affairs to the Standing Committee on Law Amendments to complete consideration of those bills. Agreed? [*Agreed*]

**Mr. Mackintosh:** Mr. Speaker, further to the tabling of some proposed rule changes earlier today, I have one further proposed rule change regarding the application for private bills. I will table copies for the House.

I move, seconded by the Member for St. Norbert (Mr. Laurendeau), that the House resolve into Committee of the Whole to consider and report: (a) on the recommendations of rules and procedures pertaining to the functioning of the Public Accounts Committee; and (b) on the adoption of these recommendations to be included in the *Rules, Orders and Forms of Proceeding of the Legislative Assembly*; and (c) on the proposed subrule 120.(1) dealing with the notice of application for private bills; and (d) that the staff of the Clerk's Office be authorized to renumber and reprint the revised rules incorporating all amendments, additions and deletions.

**Mr. Speaker:** It has been moved by the honourable Government House Leader (Mr. Mackintosh), seconded by the honourable Member for St. Norbert (Mr. Laurendeau), that the House resolve into Committee of the Whole to consider and report: (a) on the recommendations of rules and procedures—

**An Honourable Member:** Dispense.

**Mr. Speaker:** Dispense.

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

### COMMITTEE OF THE WHOLE

**Mr. Chairperson (Conrad Santos):** Good evening. Will the Committee of the Whole House please come to order. This evening, the Committee of the Whole will be considering a package of changes to the rules and procedures for the operation of the Public Accounts Committee, as well as an item regarding the advertising process for petitions for private bills.

Is it the will of the committee to deal with the Public Accounts material first? *[Agreed]*

Does the representative from the Government have an opening statement to make with regard to Public Accounts proposed changes?

**Hon. Gord Mackintosh (Government House Leader):** Well, just for the record, there has been full discussion on the proposed rules line by line in the Public Accounts Committee.

As I recall, the Public Accounts Committee had directed that there be some redrawing of some aspects of it and that it then be referred to the Rules Committee, the Committee of the Whole substituting for the Rules Committee here tonight.

This has been a work that has been ongoing between the three parties in the House. So I think now we are just down to a line-by-line consideration of the rules.

Then on the issue of the private bills, I understand there was a minor change on the publication with respect to private bills.

So I just wanted that on the record, so that anyone looking at the history of this will know that the Public Accounts Committee is the public record of review of this proposal.

**Mr. Chairperson:** We thank the honourable Government House Leader. Does the representative from the Official Opposition have an opening statement to make with regard to Public Accounts proposed changes?

**Mr. Marcel Laurendeau (Official Opposition House Leader):** Mr. Chairperson, I do believe the Government House Leader (Mr. Mackintosh) has put an accurate discussion on the record. We have already had the discussions, and we are prepared to move ahead with these recommendations.

**Mr. Chairperson:** We thank the honourable member.

Is it the will of the committee to hear the Member for River Heights and the Leader of the Liberal Party (Mr. Gerrard)? Is that agreed? *[Agreed]*

**Hon. Jon Gerrard (River Heights):** I would just like to say that I have participated in these discussions. I think that we are making some changes which are in the direction of what the provincial auditor, now the Auditor General, had recommended.

Clearly, there are some ways to go to achieve the full recommendations of the Auditor General. I believe that this issue will need to be revisited at another time to complete the job that we have started today.

\* (23:20)

**Mr. Chairperson:** We thank the honourable member.

In order to consider the package, is it the agreement of the committee that its items be called for comments or questions? Is it item by item? *[interjection]* If there are any comments or questions, then I will pause and I will hear the question.

Are there any comments or questions on the package?

**An Honourable Member:** None.

**An Honourable Member:** Not from us.

**Mr. Chairperson:** Is it the will of the committee that the package be reported back to the House? *[Agreed]*

Concerning the item regarding the private petition advertising process, the proposed amendment to subrule 120.(1), does the representative from the Government wish to make some opening comments?

**An Honourable Member:** No.

**Mr. Chairperson:** We thank the honourable member. Does the representative from the Official Opposition wish to make an opening statement?

**An Honourable Member:** No.

**Mr. Chairperson:** We thank the honourable member. Are there any comments or questions from members of the committee?

**Some Honourable Members:** No.

**Mr. Chairperson:** We thank the members of the committee.

Is it the agreement of the committee to adopt the proposed subrule? *[Agreed]*

Is it the will of the committee to report the proposed subrule to the House? *[Agreed]*

Is it agreed by the committee that the Clerk's Office be authorized to renumber and reprint revised rules incorporating all amendments, additions and deletions? Is that agreed? *[Agreed]*

Committee rise. Call in the Speaker.

## IN SESSION

### Committee Report

**The Acting Speaker (Mr. Jim Rondeau):** The House is back in session.

**Mr. Conrad Santos (Chairperson):** The Committee of the Whole has considered rule

changes for the Public Accounts Committee and changes to subrule 120.(1) and has agreed to report the same without amendments.

I move, seconded by the honourable Member for St. Vital (Ms. Allan), that the report of the committee be received.

*Motion agreed to.*

## REPORT STAGE

**Hon. Gord Mackintosh (Government House Leader):** Mr. Acting Speaker, I move, seconded by the Member for St. Norbert (Mr. Laurendeau), that the recommendations of rules and procedures pertaining to the functioning of the Public Accounts Committee and the adoption of these recommendations to be included in the *Rules, Orders and Forms of Proceeding of the Legislative Assembly* and the proposed subrule 120.(1) dealing with the notice of application for private bills and that the staff at the Clerk's Office be authorized to renumber and reprint the revised rules incorporating all amendments, additions and deletions, as reported from the Committee of the Whole, be concurred in.

*Motion agreed to.*

**Mr. Mackintosh:** I move, seconded by the Minister of Transportation and Government Services (Mr. Ashton), that the House resolve into Committee of Supply, and, for the information of the House, it is dealing with the Capital Supply bill, by leave.

**The Acting Speaker (Mr. Jim Rondeau):** Is there leave of the House to move the motion? *[Agreed]*

*Motion agreed to.*

\* (23:30)

## COMMITTEE OF SUPPLY

### Capital Supply

**Mr. Chairperson (Conrad Santos):** Committee of Supply, come to order, please. We have before us for our consideration the resolution respecting Capital Supply. The resolution reads as follows:

RESOLVED that there be granted to Her Majesty a sum not exceeding \$863,860,000 for

Capital Supply for the fiscal year ending the 31st day of March, 2003.

***Resolution agreed to.***

**Concurrence Motion**

**Hon. Gord Mackintosh (Government House Leader):** Mr. Chairperson, I move that the Committee of Supply concur on all Supply resolutions relating to the Estimates of Expenditure for the fiscal year ending March 31, 2003, which have been adopted at this session by the three sections of the Committee of Supply sitting separately and by the full committee.

***Motion presented.***

**Mr. Chairperson:** Any debate on this concurrence resolution?

**Mrs. Joy Smith (Fort Garry):** This question is to the Minister of Justice. A few days ago I asked a question in Question Period. It had to do with a tragic accident of a young girl around the Shoal Lake area. Her mother was driving down the road at one in the afternoon and another gentleman who is a Crown attorney, Mr. Russell Ridd, was driving down the other side of the highway. The fact of the matter is that his car left the road, crashed head-on into Mrs. Jenny Choy's car. As a result of that, there were some injuries on both cars, but the fact of the matter is that after approximately six weeks, Mrs. Choy's child passed away of her injuries.

Now, I met with Mrs. Choy last week, both Mr. and Mrs. Choy, and you could see the pain in their eyes and you could hear the pain in their voice because to recover from the death of a child is very, very hard. She also said to me, she drew me a picture of what happened in the accident, and she said in the report that Mr. Russell Ridd had claimed that he was trying to pass a motor home and did not see her and he veered off and crashed into her car.

As it turns out, Mrs. Choy, at one point in the afternoon, was frantically explaining to me and I describe it as frantically because her arms were raised, there were tears coming down her cheeks. She says, you know, Mrs. Smith, she said it is all a big lie. She said the motor home passed me and was a way down the road and she

said the car was headed for me and I could not get out of its way. It went in a straight line as if he had either been drinking or as if he had fallen asleep, and she said I went on the shoulder and I just could not, just could not get out of his way. Mrs. Choy speaks very, very broken English. It is somewhat hard to understand Jenny when she is talking. Her husband, Henry, was there and he, too, had tears in his eyes.

What was bothering them was what they felt was a very unjust thing that happened because approximately two weeks ago this case came to trial in Minnedosa and Mr. Russell Ridd was found guilty. He pled guilty and he was fined \$600. So, for \$600, Mrs. Choy said, that is the cost of my daughter's life. Mrs. Choy actually phoned me again today just to say thank you for listening to me, but, you know, the pain is still there because there are some unanswered questions.

In Question Period, if you will recall, Mr. Minister, you said I had asked you in my question to look at the case and see if it was worthy of an appeal, look back because this is a case that has a lot of questions in it. Often, in this Legislature, you have spoken about wanting to pay attention to victims of crime or victims of accidents and wanting to make sure that lives are restored or try to help restore them when that happens.

So I am telling you here today, in this Legislature, at this late hour, that I brought you into concurrence today, and I am very grateful that you were able to make it. I thank you for that, but I am coming here because we need to look into what happened in that accident.

*Mr. Stan Struthers, Acting Chairperson, in the Chair*

There needs to be some answers as to why this Crown attorney got a fine of \$600 when he was found guilty. We need to know why. We need to know what that report looks like, what the car accident report looks like, what happened that day, because Mrs. Choy would like to testify what happened. She is puzzled. She is hurt. If you knew Mrs. Choy, I have come to know her over the phone and meeting her in person, Mrs. Choy is a very quiet, humble, beautiful person and, in my opinion, very fragile right now.

I can relate to the pain she is going through because I know, years ago, in our family, I lost my oldest brother to a drowning when he was very young. I can remember my mother sitting in a chair years later, and she would start crying. My dad would say, you know, leave her alone. She needs a little time. He would explain to me. When I met Mrs. Choy, I could tell that her spirit was weak. Her whole life had been changed. I think it is important, when we want to make sure that justice occurs here in the province of Manitoba, that these questions are not ignored. So, for me, the case is not closed. It cannot be until these questions are answered.

Here, today, I know there has not been enough time since I asked that question in Question Period for you to come back with an answer yet. I am quite aware that session is ending tonight. Maybe we might feel like it is not, but I understand this is going to happen in some wee hours of the morning.

Having said that, I need to know a time line. I need to be able to tell Mrs. Choy that here in the province of Manitoba we care enough to take a second look and give her an explanation why the person who caused the death of her child got a \$600 fine and why her story was not told when she swears this is what happened. Could you please give me some answers?

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** I have been provided with some preliminary information that I will share with the committee, with the member. This is just such a tragic occurrence, and it just must be extremely difficult for, in particular, Mrs. Choy, but the families involved. The information I have is not complete but is what was, I guess, available to senior officials on a short turnaround after the question was asked.

We have now formalized and expanded a policy—it is called the Independent Prosecutor Policy—so that when justice officials, including police or prosecutors, are the subject of a criminal charge, there is an outside prosecutor brought in to avoid any appearance of bias. It is not a reflection on the quality or the independent minds of the prosecutors, but it is to assure, hopefully, people like Mrs. Choy and the public that a prosecution will proceed without any apprehension of bias.

So Crown attorney, Mr. Jonathan Hak, from the Alberta Crown was retained, I am advised, to provide advice on the charges, and he then subsequently prosecuted the matter. My understanding was that there was a guilty plea on a charge. I have not checked The HTA on this, but it appears to be driving on the left without regard for safety. I have no view at this point or information on what the available evidence was.

\* (23:40)

The maximum fine is \$500 under The HTA for that offence. I understand that a fine total was imposed of \$600 which was actually a \$400 fine plus \$140 in court costs plus a \$60 victim fine surcharge—that appears to be the information I have—for a total of \$600.

Now, we have a circumstance, another terribly tragic circumstance in the city of Brandon not long ago of a conviction on careless driving where there was a fine imposed of and this was just a report to me—I do not have first-hand knowledge—of \$200, which was the maximum amount under The HTA.

So we are very pleased that legislation, hopefully to be passed tonight, will significantly increase the amount of the fines under The HTA. Those fine amounts have been fossilized. They have not been changed since I think it is the seventies. For example, on the careless driving one, which is not relevant, but I know the fine is increasing from \$200 to, I think, a maximum of \$2,000; in any case, increasing tenfold, as I recall.

This particular fine, I understand, is also increasing to a maximum of \$2,000. Is that justice? Well, we can debate that because money does not substitute for lost life. Those are always arbitrary figures, so they are by necessity then always debatable in terms of their appropriateness. But there have been comparisons across the country by the Department of Transportation and Government Services. So I think that there is some greater justice being introduced by way of these amendments that are currently before the House.

Just before I complete my remarks on this one, it is very important that Mrs. Choy not have unanswered questions, and I will be requesting

the department to do whatever is the best way to have those questions answered, whether it is from the independent prosecutor or whether through crime victim workers. I mean, I would like to see what options are suggested. Perhaps, if the member has some options, I could refer those to the department for consideration.

This has to happen because this is a relatively recent disposition, so it is important to move quickly because this must be very, very difficult, the whole issue. If there is to be closure and if there is to be satisfaction in terms of a sense of justice and explanations, then that should be moved on. So I will endeavour to have that done.

I think the best line of communication would be from the senior officials in the department to the member perhaps. I know we are scheduled to try to get some family time, but the department will have this information on their desk tomorrow, if the member is available. But, if there is another place to call, perhaps even to Mrs. Choy herself, I would appreciate that advice.

I will just advise the member that this issue and the options will be left with the executive assistant to the deputy, Ms. Humphrey, Mary Humphrey, just so the member knows that that is the person whom I will ask to co-ordinate the answering of outstanding questions. If the member has any other advice in terms of how the department can deal with this, I would be pleased to hear that, or perhaps I would invite her to have a discussion with Ms. Humphrey as well.

I do not know what else to say at this point. I think in terms of what the charges were, issues of stays, issues of evidence, maybe if Mrs. Choy does not have that information, that that would be important information for her to have. So I will do everything in my power to facilitate that kind of information coming to her from the appropriate person.

**Mrs. Smith:** I know the Member for Russell (Mr. Derkach) is here today, and the two of us have been discussing this particular issue because Mrs. Choy lives in the Member for Russell's constituency. Having said that, I think this information should be given to the Member

for Russell. I know if it was someone in my constituency, I would like that to happen.

I have talked to Mrs. Choy, and she has a lot of confidence in her MLA. The reason why it came to my office is because I am the Justice critic and because there was another Crown attorney who had referred the case to me because they were very puzzled about it as well.

Having said that, though, when she came in and I realized that the Member for Russell was her MLA, that was when we got together and started to talk, and he was very familiar with the case. It is a very delicate situation because I do not think it is wise to have a lot of people call Mrs. Choy. I think maybe everything being done through the Member for Russell, with your approval Len, that is okay then? *[interjection]* Yes. I think everything done through him because he is right in the district, and we will certainly keep each other apprised of what is going on. I think perhaps that is probably the best way to do it.

I know a lot of people have not talked to Mrs. Choy just until this past week because she was so hurt. She was not even able to go revisit the accident scene until this week. She told me she found glass still broken there. She has friends here in Winnipeg and they went with her. But what she wants, the unanswered question is, she said, why did he aim his car at me. She said her children were praying the car would not hit. They were just screaming. So this is the unanswered thing.

If you talk to her or senior officials talk to her or the Member for Russell (Mr. Derkach) now, because I know the Member for Russell was reluctant. You just do not call someone who has had a bad car accident. You let them have some time. Personally, I did not call her until a third party had talked to her and requested that I call, that she wanted to talk to me. So it was delicate and she is fragile. But she just so wants the answers. She believes very strongly that this is a big lie, that the motor home was way down the road and indeed he was not passing any motor home at all. This is the issue. So she said, why did this happen. She has been doubly hurt in that regard, and I think that is the whole issue.

How to approach it now, I think, should be done in collaboration with the Member for Russell because I know, as I say, it is his constituent. He is very aware of what happened. Because of the circumstance of it coming to my attention, the member from Russell and myself have certainly been in consultation about it. We both have a very strong concern for Mr. Choy. The Member for Russell knows the family very personally, so it is even more so with him, but I would appreciate very much the Justice Minister (Mr. Mackintosh) giving me these words tonight because I will phone her and pass them on to her. As I said, I would do whatever needs to be done in consultation with the member from Russell. It is the best way to do it. Thank you.

\* (23:50)

**Mr. Leonard Derkach (Russell):** Mr. Chair, I have some questions for the Minister responsible for the Gaming Commission. *[interjection]* Go ahead. Finish yours.

**Mrs. Smith:** My apologies, they told me you could not come, so I was busy on that.

I have one question for the Labour Minister. In my constituency, I have a gentleman whose name is Mr. Rowat, and Mr. Rowat is a truck driver. He drove down to the U.S. He got a pain in his leg, and he pulled over to a truck stop. It got so bad he was taken to the emergency of a hospital. I believe it was in Texas. I am not sure. He named a whole bunch of states because he is, you know, he drives one of these huge vehicles. They took him in, and, within hours, his leg was amputated up to his hip. There was a blood clot in it, and it was an emergency situation. His other leg, they discovered, had a blood clot as well. Apparently, if you are a truck driver and you sit with your legs over the chair, over a number of years, this often happens.

I do have a letter here that I have written to you, which I will table here today so you have a copy of it. My concern with Mr. Rowat is, Mr. Rowat is a wonderfully humble man, a very independent man, but you know what happens, Madam Minister, in the States. The health bills are just excruciating. So, after having gone through this operation, and the other part of this story is his wife, Mrs. Rowat, is currently undergoing chemotherapy as well. So Mrs.

Rowat herself took a plane down to the States to be with her husband when he went through the ordeal of having his leg amputated. This happened within the last couple of months. It is very recent. They are currently back home now in Winnipeg, and he is looking, I believe, next week, if I am correct, at another operation on his other leg which has to do with the other blood clot that has formed.

I have all the documentation here. I can give you copies of all this, and maybe I should table this documentation as well. This is the file. The other side of it is they have paid, if I am correct, close to \$122,000 in medical bills from down in the States. Now, it was his understanding that he was covered under Workers Compensation because he was on the job and he was working for a company that is documented in the letters I have given you.

I wanted to meet with you, talk with you and see what could be done to assist Mr. Rowat because Mr. Rowat got a letter from Workers Compensation just saying, well, we cannot do anything for you. We are both puzzled. I do not know what is going on because in my view he deserves to be compensated for those medical bills. Could you help me with that?

**Hon. Becky Barrett (Minister charged with the administration of The Workers Compensation Act):** Thank you very much for sharing with me the story of your constituent.

There is a woman who does Workers Compensation casework who works out of my office. I will be very glad to give you her direct line when I get it, I will have to find it, or give you the number of the general office and have you call her. She knows The Workers Compensation Act and she links with the Workers Compensation Board staff. I believe she would be the most appropriate person to meet with you or to talk with you about this situation. So I will get that information. I will give it to her. Well, I will give you my office number and then if you want to call and perhaps ask her when would be an appropriate time for you to get together with her to deal with this.

**Mrs. Smith:** What is her name?

**Ms. Barrett:** Her name is Melissa Churchill.

**Mrs. Smith:** Is she available now? She is not away on vacation?

**Ms. Barrett:** She is not available at this moment; it is late night. She is working. She is not on vacation, so she will be available, which is why I suggested you let her know what your time is because you may have more calls on your time than she does.

**Mrs. Smith:** Well, definitely, if you do not mind telling her, I will be calling her tomorrow morning because I would like to be able to take the worry off of the Rowat family. They have been through enough. They are hardworking, honest, wonderful people, and I hate to see in a household where they have gone through this trauma, plus, as I said, his wife going through cancer. I think having the stress off their household in this regard would help them physically and mentally a great deal. I thank you for consideration in that matter.

Could I also ask, if I do not get the answers I need, would you be willing to see me and talk with me about it, if I have further questions on it?

**Ms. Barrett:** As minister, I do not become involved in individual cases with Workers Comp, which is why several governments have had a caseworker who does this. For a couple of reasons, it is a good idea: one is it keeps the distance between the Workers Compensation and the minister, the day-to-day running, and certainly an individual case; but the second, and I think equally important, reason is that the executive assistant who is working in this area knows who to contact, is the expert. So I think it would be most effective and time effective to phone Melissa tomorrow. I will let her know you will be calling her. I will make sure she has the material. Then I think you can work with her very effectively.

**Mrs. Smith:** Thank you very much for that consideration, and the Rowat family thanks you for it, too, because this would certainly be a start at helping them out. In fact, it would be great if this could be resolved. Thank you.

\* (24:00)

**Mr. Derkach:** I have a few questions for the Minister of Transportation and Government

Services (Mr. Ashton) and responsible for the Gaming Commission. Over the course of the last few days we have had some interesting debate during Question Period on just what has happened at the Dakota Tipi Indian Reserve at Portage la Prairie.

I guess it all began with the second reading, or the committee stage, of a bill which was considering the implementation of on-reserve police. At that meeting we saw some individuals come forward to tell their story in terms of what was going on at Dakota Tipi. Part of that story was linked to the gaming going on at Dakota Tipi, specifically the proceeds from the gaming and where those proceeds were supposed to go vis-à-vis where they were going.

We began asking questions in the House, and as the questions rolled out more information kept coming to us, which we then incorporated into the questions to get to the bottom of the issue and see whether or not the Government would take some action. Of course, central to the whole issue is the fact that the federal government, the federal minister, has made it very clear that he will be invoking section 74 of the Indian Act which, in essence, removes the present chief and puts forward a process for selecting a new chief.

In essence, what Mr. Nault said was that Mr. Pashe, the chief, would no longer be recognized as the chief and an election would be held in November and that a third party, or third parties, would be put in place to manage the administrative affairs of the Indian band.

As we began to ask questions of the minister, the minister I think was not quite aware of where things were at. I do not blame him for that, he has many things on his plate, but when we began asking the questions about compliance with the Gaming Commission agreement, we were told on July 16 that Dakota Tipi was, in fact, in compliance with the gaming regulations and the gaming agreement.

*Mr. Chairperson in the Chair*

On July 23, the minister stated again that Dakota Tipi was in compliance and were in the process of providing this year's financial information which is anticipated by the end of the

summer. Once again the minister stated that they were in compliance and said that they had met with the Gaming Commission as recently as the week previous. As the situation began to unravel, the minister, I think, through his briefings was made aware that the First Nations community was not in compliance. After more questions, the minister said they were working with Dakota Tipi to bring them into compliance, but that they were not in compliance at the time.

So on July 24 the minister said, and I quote, we have been working very hard over the last period of time we have been in office to bring that committee into compliance. Later the minister did acknowledge that, in fact, Dakota Tipi was not in compliance.

Now, we can get somewhat technical about that and we could point fingers at previous administrations and say that even during the period of time from 1994 to 2000 the Dakota Tipi commission was not in compliance. And that is probably true, as were most Indian bands who had signed agreements with the Province, but let us remember one thing, this was a new approach for a lot of Indian bands across the country. We should not think nothing was being done or worked on to try to bring these bands into compliance. It is a significant learning curve when you have Indian bands who had never operated gaming institutions now operating them and having them voluntarily, if you like, work their way to compliance.

Just like the minister said in his comments when he said we are working with Dakota Tipi to bring them into compliance. I think that was, in essence, what was happening on all fronts, but that takes time. We were not indicating in any way any fault that could be attributed to the minister for them not being in compliance. We were just asking the question whether or not they were in compliance.

I have to give the Government its due. They did, in fact, work with the Indian bands to try to bring them into compliance, because one of the criteria for establishing a casino anywhere in the province on an Indian reserve was that Indian reserve, that Indian band, had to be in compliance with the gaming agreement. There was considerable work being done by the department and the Gaming Commission to try to bring all

of the bands into compliance. For that I give the Government their due.

What happened after that was we received information that the Gaming Commission at Dakota Tipi had entered into an agreement with Soaring Eagle, whose principals were Grant Hayton and David Doer, to provide the audit for 2001 and 2002. We thought this was rather strange because these were the same individuals who were later hired as third-party managers of the health area at Dakota Tipi. What came to light later by a letter coming to us and a copy of an agreement was that Soaring Eagle had also entered into a contract with the Dakota Tipi Gaming Commission to become the managers of the Gaming Commission, that is, to become the Gaming Commission. The remuneration for undertaking that responsibility was 15 percent of all gaming revenues from the VLTs.

At this point in time we thought there was definitely a conflict here because you cannot have the manager or basically Gaming Commission be one and the same person who is doing the audit for the gaming. We began to ask questions of the minister with regard to the ethical correctness of having someone do an audit who is the manager of the entity that is being audited.

What came to our attention later was an affidavit sworn in Queen's Bench court on the 26th of May where an Arden Pashe, who was a councillor with the Dakota Tipi First Nation, swore in Court of Queen's Bench under oath that Soaring Eagle and David Doer had entered into an agreement with the Manitoba Gaming Commission to do the audit.

What that did was it confirmed for us that there was a conflict here, a conflict where the individual who was the managing the Gaming Commission, in other words, being the Gaming Commission, taking 15 percent of revenue from all VLTs, was now going to be doing the audit for the Manitoba Gaming Commission.

We asked the minister to curtail the gaming agreement with Dakota Tipi. The minister told us that he could not do that because the agreement was signed back in 1994 and there was no provision there for terminating the agreement overnight. As a matter of fact, he had to

give a 90-day notice for the agreement to be terminated. We asked the minister whether he had given notice for terminating the agreement and he resisted and said time and again there was no way he could end the agreement because it was a 90-day agreement.

We also pointed out to the minister that the 15 percent that Mr. Doer was taking was actually against the siteholder agreement, was in contravention of the siteholder agreement. The minister, after having read the agreement, came back to the House, acknowledged the fact that, yes, this was a contravention of the siteholder agreement and then a day later brought to the House the information that he had shut down or cancelled the agreement with Dakota Tipi First Nation, even though days previous he said there was no way he could do that.

\* (00:10)

Although this was a positive move, Mr. Chair, what was left on the minds of many Manitobans, people from Dakota Tipi First Nation and ourselves was the fact that we have an individual who is related to the Premier (Mr. Doer) where a perception has been created that there is a conflict, not only between the fact that this is the Premier's brother but, more importantly, that this is an individual who is taking 15 percent of VLT revenues and is at the same time responsible for auditing the books of the Gaming Commission.

I give the minister his dues for shutting down the operations because that is what should have happened. I was asked by the media what I thought should happen, this was early or late July. I told the media I thought the Government needed to call in the provincial auditor to ascertain where the money was going from the gaming.

One of the biggest concerns, Mr. Chair, for us was the fact that money was not going to the intended purpose. The money from gaming was supposed to go to charitable projects and to churches. None of this money was finding its way in those kinds of initiatives. It seemed to be disappearing. Reports were coming from the Dakota Tipi First Nation that the money was being used by the former chief for all types of activities, including activities which were being

launched against citizens in the community. Now this was not our allegation, this was an allegation that was coming forward from people from Dakota Tipi First Nation.

Mr. Chair, the issues became more complex because Government was refusing to take any action. Finally, after considerable pressure, the Government did enter into an agreement with Deloitte & Touche, but not in a way which we were satisfied would answer the questions for the people at the Dakota Tipi First Nation or for the people of Manitoba, because this was not a forensic audit and even to this date we do not have the terms of reference of the Deloitte & Touche investigation.

We looked at all our options. After carefully considering the issues that were before us, the issues that were before the people of Dakota Tipi and the fact we had had so many difference answers in the House, there was only one way to have the air cleared and that would be by asking the Premier (Mr. Doer) to call a special inquiry so that the air would be cleared, so that indeed what the Premier was telling us would be substantiated and the Government then could move on with its business. There should be no shame in calling an independent inquiry into a matter.

Members of the Government threw at us the fact that there was a Monnin inquiry which was targeted at us, but I remind the minister and the Government that the Monnin inquiry was called by Premier Filmon to get to the bottom of an issue that was leaving questions on the minds of many Manitobans about activities that had taken place, and there was no shame in the Premier of the day calling an inquiry.

So it was in this spirit that we asked the Premier of the day to call an inquiry. Now, if the Government has been up front, both hands on the table in dealing, there should be no embarrassment and no hesitancy for the Government to call a public inquiry. Yes, a public inquiry might cost some money, but at the end of the day, Mr. Chair, what we would have is the reality of what really happened at the Dakota Tipi First Nation. We would know where the money had gone to. We would know whether or not the allegations that were being made against

individuals on Dakota Tipi and against the Government and against Soaring Eagle and Mr. Doer could in any way be substantiated. The hearing, the independent review, would bring all of that out.

Instead of acknowledging to go ahead with the review, government decided to stonewall and to take issue with a comment, not even a comment that was made by myself but a comment that was made by a radio reporter to which I replied affirmatively. Mr. Chair, the comment had to do with talking about a contract between Mr. Doer and Soaring Eagle and the Manitoba Gaming Control Commission. The issue became whether or not this was a contract or whether it was an agreement. When we phoned the Gaming Commission to get some information, we were asked to define what we meant by agreement. At the end of our seeking the information, we were told that this was not a contract, it was a commitment.

So, Mr. Chair, we have a situation here where we are splitting hairs and where we are dealing with semantics in terms of what we mean by certain words. That is not the issue at all. The fundamental issue here is to get to the bottom of what is happening at Dakota Tipi. I do not think it is acceptable to the people of Manitoba to have an individual person or corporation or company come into one of our First Nations communities and begin to manage the gaming for a cut of the profit.

We would not tolerate that as a government, Mr. Chair. If we were government, we would not tolerate that on First Nations or, for that matter, with any of our gaming facilities, because once we do that, we get on the slippery slope of having gaming being conducted by underground groups whose aims are not to settle matters and to deal in the best interests of the communities but rather to deal in the best interests of themselves, and this would be nothing more than American-style casinos which Manitoba, to this point in time, has clearly rejected.

That is why we have had such strict control over gaming in this province, Mr. Chair. When we got into gaming in Manitoba, it was to be controlled by government. If our government had entered into agreements with the First

Nations people, we would not have done it on the basis of no government involvement. There would have been government involvement to ensure that things like we are hearing on the Dakota Tipi First Nation would never happen, so that proceeds from the lotteries and the VLTs would not be going to individuals' pockets but would rather be going to programs that they were identified for.

Mr. Chair, I could go on for hours on this issue. It was our understanding, as well, that Soaring Eagle and David Doer were supposed to report to the Government on a regular basis as to the progress that they were making. As a matter of fact, the commission and Soaring Eagle, who is the commission on the Dakota Tipi First Nation, were to be meeting on a regular basis.

We had, at the eleventh hour, so to speak, of this issue, last Friday, a resignation from Soaring Eagle from doing the audit because they said, for five months they have been attempting to get information and records and none were forthcoming. When we asked the minister in this House whether or not they were getting any progress, the minister indicated very clearly in the House that good progress was being made on the issue of bringing the Dakota Tipi Gaming Commission into compliance, and yet we have a letter of resignation which says that, after five months, no records were forthcoming and that Soaring Eagle and Mr. David Doer were resigning.

\* (00:20)

In my own humble opinion, this was nothing more than a way to cover your tracks, to try to put an end to the issue, to try to minimize the exposure and the embarrassment that was being afforded to the Government as a result of this messy affair.

Mr. Chairman, today, we still call for the independent, public judicial inquiry. Once again, I say the Premier should have no shame, should have no hesitation in calling this. He is not going to burn his minister by calling the inquiry. He is not going to burn, neither the Lotteries Minister (Ms. McGifford) nor the Gaming Commission Minister (Mr. Ashton) for this because I think, by and large, the Minister responsible for the

Gaming Commission did take steps, did take action.

Number one, he did, at the end, move to stop all gaming on the Dakota Tipi First Nation. He did put a Deloitte & Touche team together whose terms of reference I would like to see to try to ascertain where the money is going and where other funds might be disappearing or where they have been invested. So I give him credit for that. He has taken action, but we want more, and so do the people of Manitoba. We want to see this issue resolved once and for all.

The Government brings to itself great embarrassment by not taking action in this regard. Regardless of what we say about the Monnin inquiry, Mr. Chair, the fact is that the Premier of the day did the honourable thing. As difficult as it was, he stood in this House, and he called an inquiry. The results were not good, but, at the end of the day, Manitobans had their answers. Manitobans were satisfied that the air had been cleared with respect to that issue. That is what we are asking for here tonight. I am asking this Government and this minister to reconsider their approach to this matter and to, once and for all, have this matter put to rest by calling a judicial inquiry into the matter where people can be brought forth under oath to give testimony as to what really happened at the Dakota Tipi First Nation gaming issue.

I think what we will do, Mr. Chair, by doing this is the Government would be able to stand tall and say to the people of Manitoba we have taken steps to clean up the mess on Dakota Tipi. This matter has not been going on for two or three months. This has been taking place for years. The Minister of Aboriginal and Northern Affairs (Mr. Robinson) talked about a healing process that needs to take place which was quickly lapped up by the Minister of Lotteries (Ms. McGifford) who started to talk about healing, and then all of a sudden we had the Premier (Mr. Doer), in a feeble attempt to answer questions, start to talk about a healing process.

Mr. Chair, you cannot have a healing process if one side of the issue has all the money, has all the clout, and the rest of the people have nothing. There is no way that any healing

can take place. The only way that you could have healing in a process like this is if, in fact, there is a judicial inquiry, all of the cards are put on the table, all of the issues are brought forward, and then and only then can we begin a process of healing where you can bring in a mediator to deal with the issues.

So I ask the minister tonight at this late hour, 12:30 in the morning, whether or not his Government has any intentions of reconsidering this matter and bringing forward a judicial inquiry to settle this matter once and for all, Mr. Chair.

**Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act):** I appreciate the member's somewhat more reasonable tone in presentation of what I assume is the summary of the arguments that he has been putting forward in Question Period. There are a few elements that I think he has added to and I just want to make a few brief comments.

I was not quite sure in the member's comments if he had now backed away from one of the fundamental issues that he had alleged which was that there was a contract between the provincial government or the Gaming Commission, the terms we use interchangeably, and Soaring Eagle. This was repeated five times on open radio. The Deputy Leader repeated this three times yesterday. It came up again in Question Period today. There have been two letters, actually three, two copies of the same letter, tabled which indicated very clearly from the Gaming Commission that there was, indeed, no contract. I think it would be incumbent on the member to at least recognize that.

In listening to the arguments, I think I can see the root of many of the faults in the arguments that the member has put forward. I will not spend a great deal of time on it but, for example, compliance. I will tell you, the definition of the compliance is not mine. It is the Gaming Commission's. I think the member acknowledged, and I appreciate that for the first time, the fact that there was no compliance between 1994 and 1999. In fact, we had no independent audits, no information provided, period. There was illegal gaming activity, there were illegal slots. It was basically an illegal

casino operating. So that clearly was not compliance and I realized, starting from that base, that the member might have some difficulty in terms of dealing with what compliance is.

I appreciate the opportunity here to once again try and bring the member up to date in terms of the definition that is used here. I mean, I will tell you what did happen. Within months of our coming into government, audits were presented for 1999. In fact, the 1999 audits were prepared in early 2000, a subsequent audit was submitted and, once again, the member rang true in suggesting that later on we had indicated they were not in compliance. What happened is they provided the audit, they complied with that requirement, but the information was not sufficient. There was no argument over that. The member raised that. He was quite right in saying the information was sufficient, but in terms of the Gaming Commission's definition of compliance, I think it is obvious that they complied, certainly in terms of limiting gaming activity. They complied with providing financial statements but they were not adequate.

You can quibble back and forth about how you define that but to suggest there is some great inconsistency or change in tune does not meet the facts.

I notice the member is still using the term "audit." He still refers to Soaring Eagle as doing an audit. Once again, I get a little bit frustrated sometimes trying to explain this because it is not a question of Gaming Commission standard practice, it is standard practice in accounting generally. What happens is people prepare the books, some companies have bookkeepers internally, some have them externally to provide accounting services. The independent audit does not come from the bookkeeper, internal or external, or even the accounting firm that may provide that kind of service. It comes from an independent auditor.

Community groups, I could take the member to any of the community groups in his area. There will be a series of financial statements and there will be a statement from the auditor, a CA. In this case I do not believe Soaring Eagle even had that capability. They had, in fact, indicated to the Gaming Commission, this was confirmed,

that they had engaged a CA who would provide the independent audit. Once again, that argument that somehow they were doing an audit or an independent audit, not the case.

\* (00:30)

I read through the affidavit and I heard members opposite. They got up initially and they used the word "agreement," and I can quote the Deputy Leader because he was the most recent one. He then said: An agreement is a contract, there was a contract and they were hired. No. I am not a lawyer but if I agree to meet my wife at 6:30 for supper, I guess maybe 6:30 in the morning for breakfast, I have made an agreement. It is not a contract. A contract in law is where there is a payment given. It is a legal document.

In fact, if you look at the affidavit and if you read the whole paragraph, what clearly had happened is exactly what the member himself was aware of and that is that the documents that have been provided by Dakota Tipi were not sufficient. In fact, in January of this year the Gaming Commission indicated that. There was not sufficient information. What had happened is, despite all the chaos, I used that word in the committee, what was happening is there was an attempt by Dakota Tipi by hiring the company Soaring Eagle to bring the books together to, by the end of August, provide what would be sufficient information to then go to the next step which is to have the independent auditor verify the veracity of the books. Once again, there was no contract.

I could have understood that maybe the members were confused but they did not say an agreement. They got up and they said: An agreement is a contract.

Even when the Gaming Commission said there was no contract; Doer did not pay Doer; Soaring Eagle did not work for the Government, was not paid by the Government, did not work for the Gaming Commission, was not paid by the Gaming Commission—we tabled the letter yesterday—even when their researcher, I will not mention the researcher's name, I do not want to get into that, even when their researcher made the same inquiry and the Gaming Commission responded, the member still has not said on the

record whether he is now willing to say, based on what is clearly in the affidavit, what is clearly the response from the Gaming Commission, what is clearly backed up by all the facts, that there is not a contract.

I realize that takes away from this sort of line that you can use in Question Period and line you can use out of Question Period. That is the crux of the whole argument. The rest of it gets into issues, perceptions. The member has used all the different words, but any suggestion there was some sort of conflict of interest or some sort of fundamental breach in this case all rested on one thing, that is basically the suggestion, the argument, the statement made repeatedly that there was a contract between the provincial government and Soaring Eagle, a contract between the Gaming Commission and Soaring Eagle. There is no contract.

To then say we need an inquiry to clear the air, no. What we need is the members to sit down and read the correspondence, read the affidavit, check the definition of a contract and an agreement, check the definition of an audit, check the definition of compliance and non-compliance. If they did that, they would see quite clearly the only confusion in this particular case—I will not say it is deliberate because I am trying to sort of focus here perhaps on a more reasoned discussion—is basically in the minds of the members opposite.

How can you fundamentally not understand the difference between a statement in an affidavit by an individual talking about an agreement when it is clearly on the record there is no contract? I notice the member moved away from what I thought was a disturbing suggestion in Question Period, that somehow the Gaming Commission or others were saying things that were not true because, in this particular case, I think that is very unfortunate, but the facts do not support any suggestion that that is the case.

Now, I could get into some of the other issues, Mr. Chairperson, for example, the cancellation. The member initially asked me to cancel the agreement immediately. I indicated you could not cancel the agreement immediately. You had to have 90 days' notice. That is a fact. That is in the agreement. I can show the member

the section in the agreement. He then said to cancel the agreement. Well, we did. We did not wait 90 days, because of the other developments in this case. Because of the obvious inconsistency of having the VLTs shut down, we moved and we suspended the agreement. In fact, the Order-in-Council—it is an Order-in-Council, by the way; it is a public document. We suspended the agreement pending the outcome of the special operating review.

To be fair to the member, he did, I think, give some credit in terms of the fact that we have moved on this. By the way, I gave credit in the House. I actually had to adjust it somewhat because I did give members credit for raising the issue of the 15 percent. They actually did not point to the fact that it was a violation of the site holder agreement, but it turned out indeed it was a violation of the site holder agreement with Manitoba Lotteries and was inappropriate. So, if the members had stuck to raising that particular concern, I think it was quite legitimate.

I just want to say that I think the situation is fairly clear, and I would urge members to go through it. I particularly appreciate whether the member now is saying he has acknowledged that there was no contract, Mr. Chairperson, because the facts do not even come close to supporting it. I notice the member was a bit more careful in the House than the Deputy Leader because the Deputy Leader, and, no, I will not get into the comments, said very clearly, was paid, there was a contract. It was on the record. The member, maybe, perhaps, he was getting a little bit carried away on an "Adler On Line," but I have his quotes, too, where he made it very clear it was a contract. There was no contract.

What then happens, Mr. Chairperson, is, well, we can argue back and forth if the member rejects the use of the term "compliance and non-compliance," the Gaming Commission's term. If the member rejects and if he wants to use "audit" as meaning something else other than an independent audit done by a CA, these are getting down to definitions. I do not think they can continue to keep saying this thing about the agreement and the contract. I mean, a contract is a contract. There is a clear legal definition for that.

When all is said and done, Mr. Chairperson, I think the member will see, particularly, if he

answers one question I realize I cannot formally ask him a question, but, in terms of his position on the contract, there is not even anything close to something that would require a special inquiry, use of the words "special, independent." I used "judicial" at some point in time.

*Ms. Bonnie Korzeniowski, Acting Chairperson, in the Chair*

You know, Madam Chairperson, I remember the vote-rigging scandal, the Monnin inquiry. We were talking about allegations of, not just improper or not nice things, but criminal wrongdoing, and, in fact, this was proven to be the case in the end. There was a whole series of elements that came out through that. We are talking about interfering with the electoral process. We are talking about individuals came forward indicating that the government of the day had run a second batch of candidates fraudulently, suggesting they were independent candidates. I do not want to get into the Monnin inquiry because what the member said at the end, I think it really pointed to what this is all about.

They are desperate to try and find something equivalent, but this is not. This is not anywhere close because their fundamental assumption, which, by the way, would not have been a criminal issue, might have related, I suppose, to a rather extended definition of conflict of interest. I can quote, by the way, conflict of interest because I would suggest to the member look at the definition, a pecuniary interest that is given to a direct family member. If I go give a contract to my spouse, that is conflict of interest, but in this case nobody hired Soaring Eagle from within government to deal with the Dakota Tipi. The federal government hired Soaring Eagle; the band hired Soaring Eagle. The band even hired The Exchange Group. I want to be very careful on this. I could have got up from day one and started saying, one of the partners in The Exchange Group is Gary Filmon. We know it is true, but is it relevant to whether The Exchange Group is working for Dakota Tipi? No.

One of the lawyers for one of the factions in the community is the former Minister of Aboriginal and Northern Affairs, David

Newman, who is very well known to members opposite, but have I gotten up and attacked the professional integrity of David Newman? Ironically, Mr. Newman would have been involved, certainly, in discussions when he was in government in terms of Aboriginal gaming, but I did not do that.

Was Mr. Newman hired by the Conservative Party to work for them? No. Mr. Newman—*[interjection]* Well, you see the interesting thing is they heckle. He has integrity, I did not attack his integrity. You know, our members are being a little bit too sensitive here. I said I respect the fact that the group involved that has hired Mr. Newman, I do not know if he is working on a pay basis, but he represents them. He is a lawyer, and unless I had some charge to lay against him for improper professional conduct, if he is working for that group he is entitled to make a living, he is entitled to work for Dakota Tipi, but that is the whole point here.

\* (00:40)

So is Gary Filmon, and if he happens to be connected with The Exchange Group, and The Exchange Group is working for Dakota Tipi, that is of no business in this particular case, nor would I even suggest that the actions of The Exchange Group would be in any way, shape or form affected by having the former premier on it. The former premier left public life, he is in his private life. He has a number of business affiliations, he has had a number of employment affiliations.

I am not getting into sort of a throw mud to make up for the mud that was thrown. I have not said anything in terms of The Exchange Group or in terms of David Newman. I would hope if the member, and I would appreciate if he could answer this question, because if he would finally acknowledge there was no contract, there is no contract, I think he would then look, as he has acknowledged, at some of the more exaggerated comments that have been put in place.

There are no VLTs operating currently at Dakota Tipi. They are shut down. There is no gaming activity. We did take action, and I know Dakota Ojibway Police Service has indicated publicly they intend to ensure that is enforced. That is a policing decision. But there is no

gaming activity and, you know, I gave credit. I did it on the record before for the concern that the member raised about the contract, not that it was a conflict of interest, but the contract as it subsequently turned out was not in compliance with the siteholder agreement.

But, Madam Chairperson, that would have been, I think, probably if the member had raised that and left it at that, or raised even some of the other concerns of Dakota Tipi, would have been what anybody would expect any good Opposition to do. One thing you have to do if you are a good Opposition, too, is make sure that when you make statements, particularly the one involving the contract and when it is proven not to be the case, to indicate that, to say on the record. I said in Question Period it would be nice if the member would, I think, apologize, but, I mean, this is not into apologize, apologize, apologize here. They were wrong. I mean, they were wrong. The member knows it.

**An Honourable Member:** Not at all.

**Mr. Ashton:** The member opposite says "not at all." Apparently, he is still clinging to this. I realize it is almost like sort of a death grip. The member is clinging on to this because all of his case rests on, and I do not want to use this term because we had a fairly recent discussion but it is parliamentary, and I think it is accurate, fraudulent accusation.

You know, he can repeat it 100 times. He can reverse the words. He can do interest of conflict. He can say whatever he wants but, you know, there is no contract. When he clings to it, he maligns the Gaming Commission. He is accusing them of lying. That is the only way I can do it, when they have written clearly on the record. I suppose if the member gets desperate enough, I mean, he was mentioning Wally Fox-Decent and Bob Brennan in his comments from his seat, two very well-respected individuals.

But I would suggest to the member opposite if he just would deal with that, I would appreciate it on the record, whether he still believes there was a contract I do not know. Maybe the member has seen Elvis recently too. I am a little bit concerned here. Maybe the member really believes that. I do not know what

is more concerning here, that he would know it is not true and he continues to say it, or—but I would appreciate that.

I think if the member still says he stands by that, well, I think then we will get down to the bottom line here. I think all the evidence indicates no contract. We have dealt with all the other issues. If he still thinks there is a contract, he thinks the Gaming Commission is lying, we will leave it at that. That certainly does not justify any independent inquiry. I do not think it justifies too much more discussion in the House. So I will leave my remarks at that.

**Mrs. Smith:** Earlier this evening, I would just like to make a comment, I had tabled a document with Mr. Rowat's medical files. I want to put on the record that I just wanted to give a copy of those records to the Minister of Labour (Ms. Barrett). Those documents are confidential medical records, so it would be a copy.

On another matter, I have been sitting here listening, and the honourable Member for Russell (Mr. Derkach) very eloquently brought up a lot of very factual information a few minutes ago around Dakota Tipi. I have listened to members opposite, in particular the minister, talking for a long period of time, scattered all over the place. I am just sitting here thinking to myself the only thing we need to do is have a public judicial inquiry to clear the air. No amount of talking or no amount of arguing back and forth is going to solve the problem until that happens.

As Justice critic for the Province of Manitoba, I think it is very regrettable when the brother of the Premier (Mr. Doer) takes 15 percent off the top and puts the money into his pocket while there are women and children on Dakota Tipi who have done without the benefits of that money.

I will pass things over to the Member for Russell, but that statement, as a woman here in the Legislature, I have to say publicly, is very, very regrettable that women and children are treated in that manner by this Government.

**Mr. Derkach:** Madam Chair, the minister is focussing all of his attention on the issue of the contract versus the agreement. It was obvious

this is where the Government wants to deflect the issue from the real issue. The real issue here is we have the brother of the Premier, under the name of Soaring Eagle, being the Gaming Commission at Dakota Tipi and doing the audit, whether it is for the Government, but it is for the Gaming Commission. You cannot have the manager of the Gaming Commission do his own audit and then have the Government accept it. The Minister of the Gaming Commission told me he would accept that audit.

The minister said one day, when we first started asking the questions, that indeed the Gaming Commission was in compliance. That story changed from being in compliance to not being in compliance a few days later. As we brought forward information the minister would deny, deny, deny, then change his mind and, because of the information presented, would accept.

I want to ask the minister whether he would confirm a statement for me. On July 29 I tabled the agreement between Soaring Eagle and the Dakota Tipi First Nation that, in essence, gave the power of the Gaming Commission over to Soaring Eagle, and I asked the question of the minister about this contract and when he knew about it.

I would like to ask the minister whether he would confirm his statement of July 31 that at first, and I want to quote him: "It first came to our attention when it was tabled in this House. We did not know. We were not party to the agreement." The Minister of the Gaming Commission.

Will the minister please confirm this statement?

\* (00:50)

**Mr. Ashton:** This is again where I find it sort of unfortunate in the discussion that has taken place. The member, I am still not sure if he has backed off the suggestion, the allegation that there was a contract or, as his Deputy Leader said, that Soaring Eagle was paid by, you name it. I have heard the Premier, I have heard the Province and I have heard the Gaming Commission.

What I noticed, Madam Chairperson, is the member then talked about the audit. He referenced my comments. I remember exactly the terminology I put forward at the time in the House because of whether it would be accepted. I said with the requisite professional expertise. What did I talk about earlier tonight?

I do not know if the member has ever been involved in the preparation of financial information, or in terms of then having that accepted as an independent audit. I do not know if the member has been involved with any community organizations, but I certainly would have thought he would have had some knowledge of basic accounting practice.

Once again, the member throws out the term "audit." In this case, what would have happened if this contract was not now null in void is basically that there would have been the accounting work done. The work would have then been verified by an independent auditor, a CA.

The Gaming Commission has a standard form that is used by CAs to verify that. What is interesting, Madam Chairperson, is that the member also, this is why I am surprised that the member still clings to this presentation and using this term "audit," why he clings to this without recognizing the information he tabled, which was basically the overall books and the audit for the band as a whole. The member may recall that. It was one of the first documents he tabled. It basically deals with all the operations of the band.

What is interesting is there is a page in there from a CA. It is from the independent auditor. The independent auditor in that pointed to some deficiencies in terms of reporting. So the document the member tabled used standard accounting practice and had the form in there in terms of the CA. So I do not know.

I will explain this again because I am sure the member knows this. Maybe he is not aware of it but I am sure he certainly should know. In this particular case, the independent audit, he keeps using the terms "audit" and "independent audit," the independent auditor would have been the CA with "the requisite professional expertise," that is the exact term I used, and that would be what would be accepted. In this

particular case, anything that met that requirement would clearly be the case.

I will give you an example, again, of where the CA did their job. This is not to deal with Soaring Eagle and the gaming audit but the audit the member put in place. Obviously, what happened there is that the books were prepared by somebody. Books can be prepared by people who are internal to the operation or external to the operation. In that case they were then subject to the scrutiny of what? The independent auditor.

I said to the member before, and I am still surprised he clings to this, he tabled the document where the independent auditor was independent and audited and basically indicated there were weaknesses in the books. That would have been the requirement for Soaring Eagle or anyone acting on behalf of the band. The band could provide the material itself in the pre-audit stage. In this case, they chose to go to Soaring Eagle. They chose, the government did, and what is interesting, again, is the fact that once again—and the member referenced the specific contract, the 15% provision that was in place that the member tabled—the member did not identify that it was violating the siteholder agreement, but it clearly did. That clearly was not just inappropriate but was a violation of the siteholder agreement.

In fact, and I want to get into why that was a critical element because the member actually asked it. It was part of the member's question, I am sure, as some indication of a conflict of interest, okay? He used that exact term, that it was a conflict of interest because of this percentage coming from the VLTs. It was not a conflict of interest, it was a violation of the siteholder agreement. In fact, when the member raised that, he did not even know that was a violation, but I give credit to the Minister of Lotteries' (Ms. McGifford) staff. In fact, it was confirmed back to the Gaming Commission as well, that indeed that is a violation.

It does not matter whether it is Soaring Eagle doing a contract for Dakota Tipi, any of the function of that can be appropriate. So, when the 15% provision the member raised was brought to the attention of not just members of this House, and even though the member was not

aware it was a violation to the siteholder agreement, Manitoba Lottery, well, he did not state it on the record, but that is what happened and the member knows the next sequence of events.

I say I often get concerned in terms of discussing this because the member, maybe it was not this member, I think it may be the Deputy Leader who, perhaps, is a bit less careful with his words, but one of the members said that I have met with Soaring Eagle. Madam Chairperson, I always said, and there was no secret, that Soaring Eagle had been meeting with the Gaming Commission; we knew they were working for Dakota Tipi. It is public knowledge that they were working for the federal government, Department of Health, but I think the member opposite knows that.

What I said earlier I think is fairly important here. I mean, perhaps I gave the member too much credit in Question Period. I actually did apologize for that afterwards, but in all seriousness, the member was quite right to raise that particular concern. The issue again, and I want to make it clear, I have never met with Soaring Eagle, David Doer, I have not met with the Dakota Tipi Gaming Commission. I mean, I have not met with anyone at all that was directly involved with any of these items, nor would I. Ministers are not involved in these day-to-day discussions. The Gaming Commission is there for that reason.

That would normally be the case, but we have indicated quite clearly that those meetings took place, and I hope perhaps the member can clarify this in his comments because I sensed a bit of a shift in his first statements. I was hopeful, I really thought that perhaps the member was actually getting around to presenting a series of arguments, which I would disagree with, perhaps use stronger language, but I would disagree with that. I thought he was going to get around to actually saying the suggestion with the contract was wrong. I could be generous. The member could say I misread the affidavit or I did not understand what agreement means. I am trying to think of some sort of way of saying it other than the fact that the member would have recklessly said something that is not true.

If it had not been said five times on the public record, on open-line radio and it had not been repeated three times on the record, bottom line here is, I think generally the member might have been able to focus and move on to some of these items, but I would appreciate the member qualifying, quite frankly right now, and I think this is critical to the issue. I have answered the questions in terms of this, and I think the member would do well to clarify for the public record whether indeed he is no longer alleging that there was a contract between the Gaming Commission or the Province and the Soaring Eagle, that, in fact, it was Dakota Tipi all the way along that had the agreement.

So I would appreciate that from the member because I think it would allow us to have a much more reasoned discussion if we could put that aside, then focus in on other issues that he may wish to raise.

**Mr. Derkach:** Madam Chair, the minister has not answered my question. He has done a lot of talking, and he has dug himself a deeper hole, but he has not answered the question that I asked. The question which I asked was whether he would confirm for us in this House his statement of July 31. I quoted it to him, and I will do it again: "It first came to our attention when it was tabled in this House. . . . We did not know. We were not a party to the agreement."

**Mr. Ashton:** Madam Chairperson, I realize that the member may have been distracted, but I dealt with that, and I noticed that he still has not indicated whether he is now no longer alleging that there was a contract between Soaring Eagle and the Gaming Commission and the provincial government, because, in fact, even the document he referred to, the document indicates quite clearly.

So I answered the question. Maybe the member was distracted, but I want to ask the member again because I think it would be a good opportunity to clear the public record. Is he no longer saying that there was a contract between Soaring Eagle and the Gaming Commission? I would appreciate the member clarifying for the public record because I think it would do a lot for the public discussion on this if the member would then acknowledge that. We could deal with any of the questions that the member has

raised. I have dealt with them in Question Period for much of the last two weeks.

\* (01:00)

**Mr. Derkach:** Madam Chairperson, I ask the minister one more time: Will he confirm this statement of July 31, 2002: "It first came to our attention when it was tabled in this House . . . . We did not know. We were not a party to the agreement."

**Mr. Ashton:** Madam Chairperson, I answered the question in the House and I answered it just earlier. I appreciate the member does not want to deal with the issue of the contract. I think that is fairly obvious, but when you make charges, make accusations, you make them inside the House, you make them outside of the House. When they are clearly not backed up by the facts, I think you owe it to answer.

They do not have to answer to me as a member of the Government. I understand. I have been in opposition for 11 years. They do not have to do that, but they do have to I think in this case when they are making a very serious allegation in this particular case, serious allegations of conflict of interest, references to members of family of the Premier (Mr. Doer). For the member to say: We do not have to answer questions. Well, they do not have to answer questions from us, but they do have to answer to the people of Manitoba, and I think for the people that they have dragged into this.  
[interjection]

By the way, the Deputy Leader is from his seat saying words that he would not say on the official record. If they want to let this deteriorate down to that level when I thought it was an attempt by the Member for Russell to have a more reasoned discussion, that is fine. I can understand the sensitivity here.

I have answered questions on this matter in the House, Madam Chairperson, and I still have not got an answer to the question I think a lot of people are going to be asking, and that is: Why did the members opposite continue to say there is a contract between the Gaming Commission and Soaring Eagle when, in fact, they know that is not the case? Why would they continue doing

that other than the fact that, once that is not something they can make as an allegation, the rest of what they talk about basically comes down to what? That when concerns were raised they have been acted upon. The VLTs are shut down, remain shut down. The gaming agreement has been suspended pending the result of the special operating review.

Madam Chairperson, I will not get into the history of it, and I appreciate the rather creative attempt by the member to justify why from 1994 to 1999 there was no compliance at Dakota Tipi. I want to put on the record that we were not talking about minor discrepancies. We had illegal slots operated on Dakota Tipi. That is not a minor element. That is not a learning curve.

I have been answering questions on this in the House. I just answered it before. I suspect that the members are going to continue on this track because they do not want to admit on the record they were wrong on the contract. They do not want to have, at this late hour, on the record, statements that clearly indicate that much of what they have been saying in Question Period has been based on—and I hate to use this term, we have had a fairly recent discussion, but I do not know how you can describe it—fraudulent accusations, that is the only reference.

**Mr. Derkach:** I would like to ask the minister if he would confirm a statement of July 31, 2002, and I quote: "It first came to our attention when it was tabled in this House . . . . We did not know. We were not party to the agreement."

**Mr. Ashton:** The member raised the question in Question Period. The answer was given in Question period. I just responded earlier. The member obviously was not listening at the time. I, once again, get back to, and I appreciate this, the member does not have to answer, and I think silence probably speaks louder than words on this one. If he does not want to actually say on the record there was no contract between the Gaming Commission and Soaring Eagle, I can understand his sensitivity, but I have answered on the record in Question Period. Quite frankly, the member opposite does not have to answer. He is in opposition.

I remember an opposition member a few years ago said opposition members can have it both ways, a member of the Conservative op-

position of the day. I suppose the member opposite wants to continue to have it both ways. I say to the members opposite that, when they get up and they talk about having a judicial, an independent inquiry based on an allegation that is clearly not true, that there is some conflict of interest. The Deputy Leader was rather clumsy on this. He got to the point of actually, and the Member for Russell (Mr. Derkach) as well, the Premier (Mr. Doer) and the Government and the Gaming Commission hiring Soaring Eagle. They did not. It is not as much of a statement to make if you do not have that key element there. I say to the members opposite, after having answered questions on this for two or three weeks and having dealt with the issues that were raised, including the provision and the contract that the member referred to, the 15 percent, the fact, Lotteries have dealt with that, we have dealt with that. Our statements are on the record.

The member opposite now, if he wants, can sit back, as a member of the Opposition, and say I do not have to answer questions, and that is true, according to the rules of the House, but I think he owes the people of Manitoba better than that because he knows there was no contract. Certainly, if he did not know to begin with, he knows now. Madam Chairperson, will he now put that on the record? I think that would help considerably.

**Mr. Derkach:** Although the minister confuses his role with that of the minister and opposition critic, I want to ask him one more time if he would confirm his statement of July 31, 2002, when he said, and I quote: "It first came to our attention when it was tabled in this House . . . . We did not know. We were not party to the agreement."

**Mr. Ashton:** Madam Chairperson, the member knows the question was raised in Question Period, and it was answered in Question Period. If the member wants me to get Hansard, I have all the Hansards here, and I referenced it earlier. I realize the member was distracted, but that question has been answered. The question still has not been answered, and I realize the member does not have to do that either on terms of the contract. At least my words are on the record on this. Well, so are the members opposite, mostly,

by the way, and I give the Member for Russell credit. Most of his comments on the contract were made outside of the House. It was the Deputy Leader that got far more into it inside the House, but I wish the member would clarify on the record, at 1:10 in the morning, that indeed there was no contract between the Gaming Commission and Soaring Eagle.

We can keep spinning our wheels on this one. I have answered questions. The member, as is his right as member of the Opposition, does not want to answer that question. I think he should, but, obviously, we are not going to get anywhere on this.

**Mr. Derkach:** Madam Chair, will the minister please confirm or deny his statement of July 31, 2002, and I will quote it to him: "It first came to our attention when it was tabled in this House . . . We did not know. We were not party to the agreement."?

**Mr. Ashton:** Madam Chairperson, where was the member on the night of the 14th? He has been watching too many episodes of *Law & Order* here. He raised this question in the House. It was indicated what the answer was. I can pull it out of Hansard. He can repeat this five times over. The answer was the same in terms of the document he tabled. The answer was the same in terms of myself and the Minister of Lotteries. The response was very clear.

I kind of regret this now. I did give the member some credit for raising this issue at the time, although he did not know it was a violation of the siteholder agreement. I do not expect him to. He may have had a copy of the agreement but he obviously does not have necessarily the expertise. This question was answered in the House. The member knows that and he still has not answered my question about the contract.

I assume the member wants to stick to this. I know his grip, it is pretty strong and he does not want to give it up, but it is not true. There was no contract between the gaming commission and Soaring Eagle. I do not know how long it is going to take for the member to do that.

Anyway, Madam Chairperson, I answered the question. The member still has not answered the question I put to him.

\* (01:10)

**Mr. Derkach:** Madam Chair, I will put it very simply to the minister. Would he please confirm or deny his statement of July 31, 2002, in the House 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."?

**Mr. Ashton:** Madam Chairperson, I have the section in Hansard. Does the member have a poor memory or has the member not gone through Hansard in terms of that. He knows the document was tabled in the House, I believe, on the 29th. Basically the member raised it at the time, did not raise the 15 percent. I confirmed that because I went back in terms of that. In fact, his question he asked of the Minister of Lotteries. Basically, the Minister of Lotteries also indicated, I cannot speak for the Minister of Lotteries, but that she had not seen the agreement which had been tabled. She also indicated at the time that VLTs were shut down on July 17.

One of the elements of any of these agreements, whether it be siteholder or agreements, this is where I am surprised with the member in terms that he did acknowledge some of the problems that existed, certainly from '94 to '99 in terms of the process, but these are documents between the parties involved in the case, in this case the 15 percent.

The concern I think is quite legitimate, Madam Chairperson, is that the 15% provision is a violation of the siteholder agreement. In fact, I know the Minister of Lotteries is now looking into ways of ensuring that other Aboriginal gaming commissions or other siteholders generally also are made fully aware that after what has happened in this particular case that is the case.

I am not quite sure why the member keeps wanting to revisit July 29, but once again I get back to why the member does not want to put on the record, I assume by his line of questioning, perhaps I am wrong here, that he has now moved off the allegation that there was a contract between the gaming commission and Dakota Tipi. I do not know if he is trying to suggest here

that somehow we were actually secretly party to some non-existent, fantasy contract, but we were not party to any agreement.

In terms of the specifics and the 15 percent, indeed, the first that I became aware of that provision and the first the Minister of Lotteries (Ms. McGifford) became aware of that provision was as was stated in the House. The member just quoted it back.

**Mr. Derkach:** Is the minister confirming that he said, and I quote: "It first came to our attention when it was tabled in this House . . . . We did not know. We were not party to the agreement."?

**Mr. Ashton:** Madam Chairperson, the member knows the Gaming Commission, I was not part of the agreement—*[inaudible]* The member tabled in this House, and what is interesting is the fact that the member, even when he tabled it himself, was not aware that the 15% provision was a violation—*[interjection]* Well, the member did not say that in the question. I went back and he said it was a conflict of interest: I would like to ask the minister whether he considers this to be a conflict of interest.

Actually, I believe he asked the question, and it was answered by the Minister of Lotteries because it is not an agreement that involves the gaming side, it involves the VLTs. She indicated at that time on the 29th and in fact I think followed up and indicated the following day, I have the Hansard here, that the 15 percent was in violation. It was. At that time it was redundant because the machines were shut down, but one of the reasons the machines remained shut down after that I believe they were non-operational from the 17th on, they were shut down on the 22nd by Lotteries, is because of that 15 percent. So, obviously, the concern was a legitimate one, and I am glad that Lotteries followed up on it.

**Mr. Derkach:** Madam Chair, I am just waiting for the table officer to bring me a copy of Hansard of July 31. I will be sending it over to the minister. He says he has it there. So I would like to focus his attention to his comment with respect to the agreement, when he said, and I quote: "It first came to our attention when it was

tabled in this House . . . . We did not know. We were not party to the agreement."

I have located the quote from the minister, and I am sending it over to him. It is on page 4084 of Hansard on July 31, 2002. I am simply asking the minister if he would confirm his statement that he made in this House which I have underlined in Hansard for him.

**Mr. Ashton:** That is in Hansard. Also, my copy of Hansard is an original print, but I indicated the first time that I knew about it. In fact, the first time the Minister of Lotteries (Ms. McGifford) knew about it was indeed when it was tabled in the House. In fact, that was in response to the Member from Russell and went on afterwards basically to indicate, I believe that is on the 31st, that the concern that was raised about the 15 percent was legitimate.

The issue here, again, goes further in Hansard that the 15% provision in terms of VLT revenue, and we indicated very clearly that this is in contravention of the agreement and confirmed that the VLTs were shut down and remain shut down. As the member knows, they were shut down for other reasons initially, but one of the main reasons they continue to be shut down was because of the 15% provision afterwards. The original shutdown was because of a number factors unique to the community itself.

Madam Chairperson, the member can read other sections of Hansard as well. As was indicated, the first time I had seen that document was when the member tabled it in the House. As it turns out, I assume it was part of the same affidavit that the member tabled as part of the discussion in the House in regards to the contract agreement argument, and the item he referred to was included, I believe, in an affidavit that was listed July 26. In fact, I still have, somewhere in my files, the original document. That was indeed the document that was tabled in the House that, I believe, listed an Arden Pashe affidavit, which, as it turns out, was the document the member tabled in its entirety a couple of days ago, the one that includes the item that I keep asking the member about, the reference to an agreement, clearly not a contract.

*Mr. Chairperson in the Chair*

So I am not quite sure, in this particular case, why the member keeps referring to that, but the bottom line here, and I am trying to find the specific document, I think it was listed on the 26th; these are not documents that are normally tabled with the Minister of Gaming Commission, in fact, are not tabled with the Minister of Gaming Commission. So, when I became aware and when the Minister of Lotteries became aware, even though this is within the domain of Lotteries, there was a fairly immediate response. I gave the member credit for at least raising this, if not raising the 15 percent.

In fact, I have the quote in Hansard. The member mentioned the 31st. He will see specifically where I put on the record indeed that it did violate the 15 percent, and I quote. I do not know if the member has got the Hansard in front of him. "It is particularly unfortunate . . . . The issue here is not the principals of Soaring Eagle, the fact is that the contract, which was tabled in the House yesterday, is not appropriate under the siteholder agreement, and, in fact, Lotteries, being aware of that, we followed up in regard to that." There is further. I think there may be some further exchanges on the 30th on the 15 percent and later on. I think the Minister of Lotteries (Ms. McGifford) confirms that as well.

\* (01:30)

**Mr. Derkach:** Mr. Chair, and I guess I would thank the minister for confirming the statement that he made in the House on July 31, and that is, and I am quoting this from Hansard: "It first came to our attention when it was tabled in the House. . . . We did not know. We were not the party to the agreement." I thank the minister for confirming that part of his statement.

I would like to ask my next question to the Minister of Justice, please.

Mr. Chair, the Minister of Justice wrote a letter which referenced his knowledge of the agreement between Soaring Eagle and the Dakota Tipi First Nation. I would like to ask the Minister of Justice (Mr. Mackintosh) how he knew about the agreement which he referenced and said was in effect in June 2002.

**Mr. Mackintosh:** The letter, I think, was it dated July 24, was signed after receiving a draft from the department, a draft response to Mr. Newman's correspondence from June. So it was in the letters was the extent of my knowledge on that date unless there was something from the standing committee the night before that was provided. I do not think that the standing committee the night before talked about that third-party management agreement, that specific one.

But whether they talked about it with Soaring Eagle, I cannot recall, but that was the extent of my knowledge of it. That information would have been garnered, presumably, from either the Gaming Commission or the minister's office, some place. It was not acknowledged that it was first-hand to the Justice Department.

**Mr. Derkach:** Mr. Chair, would the Minister of Justice please confirm that, in fact, his letter was written prior to July 31, 2002?

**Mr. Mackintosh:** I think the stamp on it, as I recall, I do not have it here, was July 24. I think that was the date that was stamped on it, but if the member has it there he can confirm that.

**Mr. Derkach:** Mr. Chair, so the Minister of Justice is telling the House that, in fact, his department would have gotten the information from the minister's office. When he says the minister's office, he is referring to the Minister responsible for the Gaming Commission, I would presume.

**Mr. Mackintosh:** Well, I do not make assumptions. Wherever the information came from, I would think that the information might come from sources within Government or it could come from sources out of Government, well anyway, I am speculating. All I know is that the letter was provided to me with that sentence in it.

**Mr. Derkach:** Mr. Chair, this is a very serious matter. The Minister of Justice wrote to the legal counsel from Dakota Tipi, indicating that there was, in fact, a third-party agreement that dated back to June 2002.

Now, I know that the Minister of Justice, who is a lawyer, would not be signing a letter

simply by having something put under his nose to sign. He would probably ascertain the facts in that letter pretty carefully before he signed it. I think any minister of the Crown does that, but I also know that, in the course of a minister's day, there is an abundant number of documents that go by.

So, therefore, sometimes details need to be checked over again for their accuracy, but I would think that the minister would take responsibility for letters he signs and therefore would also be accountable for the information in that letter. It is for that reason that I am asking the minister whether he is taking a position which says that he knew, when he signed that letter, that, in fact, there was a third-party agreement with Dakota Tipi First Nation and Soaring Eagle which dated back to June 2002.

**Mr. Mackintosh:** No, I had no understanding of Soaring Eagle's role. All I know was that there was draft correspondence provided to me in response to Mr. Newman's earlier letters. The extent of my knowledge was based on what the draft correspondence indicated, and I had no reason to question it. At the same time, I had no first-hand knowledge and, I suspect, neither did the department. In fact, the department is not a party, neither is the Government, of course, to that third-party management agreement. So that was the extent of my understanding of that issue.

**Mr. Derkach:** Mr. Chair, just one final comment and question to the minister. The minister, in signing the letter, was telling Mr. Newman that he was aware that there was an agreement with a third party that dated back to June 2002. In the letter, he did not identify the third party but, in fact, that he was aware and, in response to Mr. Newman's queries, was giving Mr. Newman the assurance that, in fact, there was a third-party agreement that dated back to 2002. That is exactly what the minister would be signing. Is that correct?

**Mr. Mackintosh:** I regret I do not have the letter here, but my recollection of that sentence in the letter had indicated that the department's information was that there was a third-party management agreement which either was signed or came into force, as I recall, during the month earlier, at some point during the month earlier. I think it said June.

**Mr. Derkach:** Mr. Chair, I would like to ask the Minister responsible for Aboriginal and Northern Affairs when he was first made aware of the fact that there was a third-party agreement on Dakota Tipi First Nation with respect to the gaming initiative.

**Hon. Eric Robinson (Minister of Aboriginal and Northern Affairs):** I cannot recall the date, but I do recall when the matter was first raised in Question Period. I believe that was the time that I did some research immediately after that particular day and then discovered that, in fact, the band was in third-party management.

**Mr. Derkach:** Is the minister saying that, when he answered the question, he was not aware of the fact that there was a third-party arrangement with regard to the gaming initiative?

**Mr. Robinson:** Aside from the knowledge that I had with my discussions with Grand Chief Dennis White Bird of the Assembly of Manitoba Chiefs, where this matter was raised as well, I was informed, at that time, that, in fact, the Indian Affairs Minister had put the community and its affairs into third-party management and that The Exchange Group was a party that was selected to manage the affairs of the community. As for the date, I am sorry, I am unable to provide that exact date at the current time.

**Mr. Derkach:** Would the Minister of Aboriginal and Northern Affairs confirm for this House that on July 15, 2002, in answer to a question with regard to this issue from the Member from Portage la Prairie, the minister said, and I quote, I am trying to say the chief and the current council have appointed their own third-party manager, asserting the authority they have as First Nation leaders in the community on the gaming initiative?

\* (01:40)

**Mr. Robinson:** Yes, I can confirm that. Further, I do believe in the same Question Period on that particular date that the member is alluding to that I did say that Dakota Tipi was, in fact, put into third-party management by the Department of Indian Affairs. At the same time, the First Nation had approached Soaring Eagle, which has been the subject of much discussion in this House in recent days, as they are the group that

was presented to them by the federal government, in this case the department being Health Canada. Health Canada then entered into the arrangement with Soaring Eagle to act as the third-party manager on certain elements of the band's affairs, more specifically with respect to gaming.

At that time I was led to believe with the gas bar operation that existed in the community, I do not know if that still exists to this day or not. That was my understanding at that time. I believe that was the answer I provided in Question Period to the member from Portage la Prairie.

**Mr. Derkach:** I would like to just review the chronology of events here as they have unfolded. The Minister of Aboriginal and Northern Affairs, in answering a question specifically with respect to gaming on Dakota Tipi First Nations, said on July 15 that he had full knowledge that there was a third-party agreement with respect to the gaming initiative at the Dakota Tipi First Nation. That means that the Minister responsible for Aboriginal and Northern Affairs knew that Soaring Eagle had an agreement with Dakota Tipi First Nation for managing the Gaming Commission for a take of 15 percent of all revenues. This minister knew that on the 15th of July.

When we asked the question of the Minister of Justice, he said that he had signed a letter acknowledging that there was an agreement, a third-party agreement, that dated back to June 2002. When we tabled the agreement in the House, the Minister responsible for the Gaming Commission—now, I remind the House that I tabled this agreement on July 29. The question to the Minister of Aboriginal and Northern Affairs was asked July 15. The question to the Minister of Justice was asked on July 24. On July 29 I tabled the agreement.

The agreement showed that Soaring Eagle would be taking 15 percent of all revenues from the VLTs. On July 31 the Minister responsible for the Gaming Commission, the person who has responsibility to ensure that all aspects of gaming on reserves, off reserves is conducted in accordance with agreements, is conducted in accordance with the act, is conducted in accordance with the laws of the Province, said in this

House, and he has confirmed this statement, that it first came to our attention, meaning the Government's attention, when it was tabled in this House. We did not know, he said. We were not party to the agreement. Now, that part, of course, is true.

Mr. Chair, when you look at these events and you look at the responses from the Government to the questions that were asked, it is clear that there was an intent for this Government to mislead members of this House.

Now, this is not a small matter. This is a very serious matter. Mr. Chair, when members of this Legislative Assembly request information from ministers, it is incumbent upon the ministers to come forward with that information in a very truthful and straightforward way.

Now, it is obvious that the Minister of Aboriginal and Northern Affairs (Mr. Robinson) knew about this issue before the 15th of July, because he confirmed that in the House on the 15th of July. He knew about the agreement. He knew about the 15 percent, Mr. Chairperson. It was up to him. He sits at the Cabinet table. There had to be a discussion about this at the Cabinet table. You cannot tell me that there was no discussion of this at the Cabinet table because the Minister of Justice (Mr. Mackintosh) knew about this as well. *[interjection]*

Now, members from the Government are saying, come on, come on. Well, Mr. Chair, if I had never been around the Cabinet table, they might say that, but I sat at a Cabinet table for 12 years. I know the discussions that take place at a Cabinet table. The Minister of Lotteries (Ms. McGifford), the person who has responsibility for gaming in this province of Manitoba, according to the comments made by the Minister responsible for the Gaming Commission (Mr. Ashton) does not know about this agreement until the Opposition tables this agreement in the House.

Now, Mr. Chair, I want to say this, that had we not come forward with the agreement and tabled it in this House, Soaring Eagle today would be receiving 15 percent of all revenues that are coming off the VLTs. The VLTs would not have been shut down. The gaming agreement would not have been terminated, and today we would have Soaring Eagle, David Doer, taking

15 percent off gaming revenues from Dakota Tipi, and these are revenues that rightfully belong to the people of Dakota Tipi, to programs, to churches which run programs for children and families.

Now, Mr. Chair, the Minister responsible for the Gaming Commission takes great umbrage at the fact that a word was used saying a contract. We tabled an affidavit in this House by a former councillor of Dakota Tipi who swore, who took an oath, who under oath said that there was an agreement with the Manitoba Gaming Commission and Soaring Eagle.

All kinds of statements have been made in this House. I have repeated them. They are on record. We have asked the Premier (Mr. Doer) to call a judicial inquiry into this matter. Mr. Chairman, there is enough evidence before this House this morning that would illustrate to any clear-thinking Manitoban that there is a need for an inquiry.

Now, maybe the ministers do not communicate. Maybe the ministers have not been communicating, so one minister did not know what the other was doing. But I cannot believe that. You cannot sell me on that.

Mr. Chair, the Premier has a responsibility to stand up for the people of Dakota Tipi. He has a responsibility to stand up for the people of Manitoba, not to cover this up simply because it might be embarrassing. The Premier has a responsibility to call for that inquiry simply on the basis of what we have heard here this evening and what has come forward in the days preceding this day.

The conflict, Mr. Chairperson, if I can illustrate it, lies in the fact that we have Soaring Eagle who are the managers, who are the commission, in other words, at Dakota Tipi and are the auditors. Now, Mr. Arden Pashe says that, in fact, Soaring Eagle is an auditor under an agreement with the Manitoba Gaming Commission. The minister says that is not right. If we are ever going to get to the bottom of this, there is only one way to do it. There is only one honourable way to do it, and that way is for the Premier of this province to call an independent inquiry. I would like the Premier to come into

the House because I want to ask him that question.

**Mr. Robinson:** I want to comment on a few of the remarks made by the honourable Member for Russell (Mr. Derkach). First of all, I did not have any knowledge of the 15 percent. I did have knowledge that, in fact, this group was called in by Health Canada, put under contract to do the third-party work that is necessary. As well, I was aware that The Exchange Group was hired by the Department of Indian Affairs to do the third-party managing on the affairs of the Dakota Tipi First Nation. I want to make the member aware, Mr. Chairperson, of some of the work that we have done in trying to address this issue.

What we are concerned about and what the member should be concerned about, as well, is the children and the women and the elders of the community, and that is certainly what my concern is. *[interjection]*

**Mr. Chairperson:** Order, please. The honourable minister has the floor.

\* (01:50)

**Mr. Robinson:** Thank you, Mr. Chairperson. On the 17th of July, I did write a letter to the Minister of Indian Affairs, and I will table that letter for the information of the honourable members. It is a letter that I wrote to the federal Indian Affairs Minister because, as we have been saying, this is primarily a federal government responsibility, although we have tried to ensure that all people, including Aboriginal people, are represented by this Government, as well, unlike, in previous years, where Aboriginal people have been made to feel like second-class citizens in this province. We have made every opportunity to make Aboriginal people feel a part of this province. *[interjection]*

**Mr. Chairperson:** Order, please. The honourable Minister of Northern Affairs has the floor.

**Mr. Robinson:** The letter that I tabled is written to the federal Minister of Indian Affairs trying to understand for ourselves as to who is the chief of the community. We wanted to find out. In that letter, we also said that the Government of

Manitoba is involved in several initiatives and agreements with the Dakota Tipi First Nation, including gaming and VLT agreements, and agreements relating to tobacco taxes and fuel taxes. Under these agreements, our Government has an ongoing relationship with the First Nation, and our Government would like these relationships to continue.

Further, Mr. Chairperson, I wrote a letter to the federal Indian Affairs Minister on July 22, again, asking that there are deep divisions within the community of Dakota Tipi, something that the members correctly raised, following our meeting with members of the community. I believe that was the honourable thing to do, and we acted immediately in asking that the federal minister appoint a mediator to start looking into the deep divisions that exist in the community and the ever-increasing occurrence of violence that women, men and children are experiencing in the community. I will gladly table that letter as well as a letter I wrote to the federal Indian Affairs minister on the 22nd of July.

I also took seriously the issue raised with me by the Member for Portage la Prairie (Mr. Faurchou) with respect to the Chamber of Commerce and the lack of payments, payments that were not occurring to the businesses in the community, some 18 businesses I believe is what the Member for Portage la Prairie pointed out to me at that time. I also raised that matter with the federal Indian Affairs minister and I copied the district Chamber of Commerce in Portage la Prairie with respect to that issue. I will gladly table that letter for the information of the members.

Most recently, Mr. Chairperson, I had the opportunity. Unfortunately, because of the duties we are all involved with in this House today, members of Dakota Tipi visited my office, and staff of my office met with these people from the community. They raised some very serious concerns about some things that are occurring in the community.

I would like to read to you a letter that was sent to the federal minister by the Dakota Tipi people. They presented me with a petition that they forwarded to the federal Minister of Indian Affairs about some of the concerns they had with respect to section 74.

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

**Mr. Chairperson:** Order, please. The Minister of Aboriginal and Northern Affairs has the floor.  
*[interjection]*

**Mr. Robison:** Thank you, Mr. Chairperson. I simply want to put the record straight as to the matter that was raised with us that we have acted on, I think, to the best of our ability in trying to deal with the issue. I certainly respect all members opposite with respect to the matters they have brought forth about the concern of safety of many women, children and elders in the community.

Today, roughly half-a-dozen people showed up here and again raised issues with us. In a letter dated August 8 to the federal Minister of Indian Affairs, the letter partially reads that the residents have some serious concerns with the leadership of Dennis Pashe and Marjorie Prince. Since the time that Marjorie Prince gained support of the residents to hold Dennis Pashe accountable for elections, she has gone beyond the support of the people. Marjorie Prince is not recognized as interim chief by the people. The people want to have a neutral third party to take care of essential services until the time the elections are completed. The families and children are being seriously affected for the new school year that is approaching.

One of the deep concerns I have is the fact that what we said initially about a mediator to work with the residents in this troubled community, I have been advised that the water treatment plant in the community has been shut down. That, to me, following the layoff of the operator, if this claim is indeed accurate, it would result in a very serious health problem in the community. That is what we have been doing, I hope in partnership with the Opposition, is acting on these issues that have been raised with us.

The matters that were raised before about knowledge about 15 percent, I had no knowledge about that. Neither did other members. Certainly upon receiving that knowledge, our Minister responsible for Gaming acted immediately. I believe all the answers the members are asking have been properly answered by my colleagues, the Minister of Justice (Mr.

Mackintosh) and the Minister responsible for Gaming (Mr. Ashton).

I want to be sure my colleagues are updated on the proactive action that our Government has been acting on. I want to provide a letter dated today's date, August 8, or yesterday, that I wrote to Minister Nault with respect to the—

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

\* (02:00)

**Mr. Robinson:** Mr. Chairperson, I was under the understanding that the members were concerned about the community, as I am, and this indeed is a serious concern. That is with regard to health and the termination of the operator at the water treatment plant. So I just want to table that letter for the information of members.

**Mr. Derkach:** Thank you, Mr. Chair, and I thank the Premier (Mr. Doer) for coming in at this very late or very early hour. I do not know whether the Premier was listening to the monitor in terms of the exchange that has been going on in the Chamber, but I just want to review for him what we have been able to put together this evening. This, of course, has to do with the issue of Dakota Tipi.

Mr. Chair, this evening we asked the Minister responsible for the Gaming Commission (Mr. Ashton) to confirm a statement which he made in the House, in essence, when he said, that with regard to the gaming agreement with Soaring Eagle and Dakota Tipi, that it first came to his attention when it was tabled in the House. He did not know or the Government did not know, and that the Government was not party to the agreement.

I also asked the Minister of Justice (Mr. Mackintosh) how it was that he knew when he wrote his letter, I think it was postmarked July 24, that, in fact, there was a third-party agreement with Dakota Tipi and Soaring Eagle and indicated in his letter that Soaring Eagle had been hired in June 2002. Later the Minister of Aboriginal and Northern Affairs (Mr. Robinson) also stated in the House on July 15 that he was aware of a third-party manager who was hired by Dakota Tipi to manage the gaming initiative.

Mr. Chair, it is obvious from the comments that have been made by ministers in this

Chamber that there is confusion about what, who knew and when. The minister of northern and native affairs says he knew about the third-party agreement on July 15. The Minister of Justice (Mr. Mackintosh) tells us that he knew on July 24. The Minister responsible for the Gaming Commission says the Government did not know until the agreement was tabled in this House. Throughout this whole process, Mr. Premier, we have tried to ascertain some facts about the issues on Dakota Tipi. We have gotten conflicting responses from your ministers from day to day.

Mr. Chair, this is a serious matter because, not only has the siteholder agreement been broken, but there was knowledge by Cabinet ministers that, in fact, this agreement was in place prior to us tabling the agreement in the House. If, in fact, ministers of the Crown knew about this agreement it was their responsibility to do something about it. Regardless of how it was brought to this House, if this matter had not been brought to this House by the Opposition, today we would have a situation where there would be a party known as Soaring Eagle taking 15 percent of revenues off the VLTs, the VLTs would be operating, the gaming centre would be operating, the money would be being taken out of that community rather than being used where it was intended.

Now, Mr. Chair, the reason I say this is a serious matter is because this is money that would have been taken out of the community, has been taken out of the community and has not been used for its intended purposes.

When I raised the questions in the first day, there were Cabinet ministers who knew what I was talking about, and yet they said to us on the 16th of July that there was compliance with the Gaming Commission, but, as we raised issues and as we brought matters forward, that response changed.

I asked the Premier (Mr. Doer) to call a public inquiry into this matter. I said tonight that I think the Premier could stand tall in calling the public inquiry because he has nothing to be ashamed of. The Premier simply calls a public inquiry to clear the air for the people of Dakota Tipi. Tonight the Minister of Aboriginal and

Northern Affairs gave us a number of letters which he has written as a result of the questions that have been raised in this House. I thank him for that, because at least we have now ministers taking action, but this action has come late. There are still many unanswered questions that are still plaguing the people of Dakota Tipi, the men, the women, the children of Dakota Tipi.

I am not going to accuse the Premier of hiding anything tonight. I am going to appeal to him as a member of this Legislative Assembly to do the right thing, to call a public inquiry simply to clear the air. I said to him and to his Minister of the Gaming Commission that they can stand tall in the eyes of the people of Dakota Tipi and the people of Manitoba if, in fact, they call the inquiry.

Only through that inquiry can we have people coming forward and can some of the confusion and the conflicting responses be straightened out once and for all. Then the corrective action can be taken. Then the healing that we talk about can begin to take place at Dakota Tipi and the mediation can take place, because then everyone is on a level playing field.

\* (02:10)

That is what we are requesting the Premier (Mr. Doer) of this province to do. The Premier has done things like this. I want to remind the Premier of one thing. It did not take this kind of action by the Opposition in the House to have his Minister of Education disband a board of education, a board of trustees at Morris-Macdonald School Division. The minister moved quickly because in his mind there were issues taking place at Morris-Macdonald that could not be tolerated. Now, I may not like what the minister did, but, nevertheless, the minister took action.

Now, this is a far more serious matter in my view because we have the safety and the health of a community at stake. We have the health and the safety of children and of women at Dakota Tipi at stake. If a single life is lost because of the confrontation that is now taking place at Dakota Tipi, whom are we going to blame? Let us stop this action today. Let us stop this action immediately. Let us begin the process of healing and of mediation in a proper way.

I say to this Premier (Mr. Doer), by calling an independent inquiry that can go out there and have people come forward and clear the air, we can solve a very important, difficult matter which not only is plaguing Dakota Tipi, but in speaking to the people at Portage la Prairie today, and I did not phone the people of Portage la Prairie. As a matter of fact, it happened the other way. There is great concern by the entire community of Portage la Prairie about what is happening on their neighbouring community, Dakota Tipi. This is bigger than just a small issue on a reserve.

So I asked the Premier to come in tonight because I wanted to one more time ask him if on behalf of Manitobans, on behalf of Dakota Tipi, he would call for a public inquiry into this very serious matter.

**Hon. Gary Doer (Premier):** I am pleased that today the member has reversed his position on mediation. I think that when we had suggested it a couple of weeks ago, we were, quite frankly, not given much respect for the idea that came from the Minister of Aboriginal and Northern Affairs (Mr. Robinson). So I am glad that the member has now seen the importance of mediation, something that the minister has proposed to the federal minister for some time.

The member has been able to use a number of different contractual relationships and then, in my view, misrepresent them: the contractual relationships between Health Canada and one company, the Soaring Eagle Company; the contractual relationship between the chief and the same company; and there is a third contractual relationship between the Indian Affairs Department federally and the Exchange Group. With the allegation that I hired my brother, that air has been cleared. Mr. Josephson has clearly said the allegation is wrong and that the Gaming Commission has not entered into a contractual relationship with Soaring Eagle.

I went through this last year. Last year, I was accused of some kind of a relationship with somebody that I had fished with that I never fished with. I have been accused of other things that are factually not true. I have got all the record of them, and I am glad that mediation has been proposed.

**Mr. Derkach:** Mr. Chair, then, is the Premier telling the House and Manitobans that he is prepared to continue to endanger the lives of the people of Dakota Tipi and is not prepared to call a public inquiry into this matter immediately?

**Mr. Doer:** We do everything possible to protect the safety of all Manitobans. The Minister of Justice has worked long and hard with both the police authorities. The member opposite would like to ask questions. Where was he when the audit was not presented in '94, '95, '96, '97, '98, '99? Obviously, the compliance issue was not there for their Cabinet for six years.

We have taken action on the VLTs. We have taken action on the bingo. We have taken leadership on the police issues. We have clarified the mistakes made by members opposite, not that they care about that. We are continuing to suggest mediation. We are continuing to suggest to the federal government that they invoke section 74. The record is very clear.

I feel that we are dealing with this appropriately, and I recognize the fact that the member will not apologize for his error. I recognize he will not do that. I also recognize the fact that a year ago there was another allegation made. When a party has a situation where it has no substance, it, regrettably, reverts to this.

**Mr. Derkach:** The Premier (Mr. Doer) has just put some regrettable words on the record. I am somewhat quite appalled by what he has just put on the record. I will not apologize for telling the truth. I will not apologize for tabling an affidavit where someone has indicated that Soaring Eagle has an agreement with the Manitoba Gaming Commission.

If the Premier has an issue with that, then he can call a public inquiry and have that affidavit come before the public inquiry to clear his position. I do not have to withdraw anything. I have nothing to withdraw. What I have put on the record, I stand by and I will continue to stand by it until such time that the Premier can make the difference by calling the inquiry.

Mr. Chairperson, he says we have taken corrective action. I ask him to check his memory, because when did they start taking the corrective action? After we raised the issues in

this House. Had we not raised these issues in this House, today Soaring Eagle, David Doer would be taken 15 percent off the VLTs at Dakota Tipi, putting them in their pockets, not into the programs that are supposed to be out there for the people of Dakota Tipi. The people of Dakota Tipi would be losing today.

Now, this Premier cannot stand in this House for one minute and try to turn the table on this issue against the Opposition, because it is the Opposition that has brought this matter forward. We first brought it forward in a very precise way by asking whether or not there was compliance. We asked the minister of northern and native affairs whether he knew of any third-party agreements. He said he did. The Premier cannot turn this on the Opposition. He has had himself in hot water a few times, yes.

There are other issues out there that I could be bringing to this House, but I will not, because this is the most important issue right now. The Premier has a responsibility to the people of Manitoba and to the people of Dakota Tipi. Let him not try to turn the tables. The responsibility is his, the onus is on his shoulders and he has to take responsibility for whatever happens at Dakota Tipi in the days and weeks ahead.

\* (02:20)

**Mr. Doer:** You do not know where the money went in 1994, 1995, 1996, 1997, 1998, 1999 because you did not have an audit. We are taking action.

**Mr. Derkach:** We are not talking about 1994, 1995, or 1996.

I ask you and I ask the people of Manitoba to judge the thinking of this Premier and his Cabinet who have a situation in front of them today that is critical, that is serious. And what are they doing? They are referring back to 1994 and 1995. Yes, there was no compliance in 1994, 1995, 1996, 1997, 1998, but we have an entire culture of Aboriginal people who have for the first time entered into gaming. There are issues out there and you have to be patient.

I am not suggesting that the Premier should have had complete compliance on every single reserve, but all we asked was whether there was

compliance. The minister could have said no, there is not compliance. We are working towards it. There are issues out there. He could have come clean in the first instance. This is not an issue that this Government can turn on a former government or the Opposition. This is a responsibility of this Government. Therefore, I hold this Premier accountable for what happens on Dakota Tipi in the days and weeks ahead. It is unfortunate that the House is adjourning when this kind of situation is happening out there, but it is the Premier's responsibility to address this.

**Mr. Doer:** I think that the member does make another interesting point and a worthy one. The couple of questions before, I am pleased he took up the view of the mediation. I thought that was an excellent idea and I am glad that he is there.

Secondly, there are a number of agreements that have been signed, really from 1989, on the so-called compliance issue and non-compliance issue. I think when we look at this agreement and others, we obviously want to ensure that the intent of the agreements, which, by the way, let me take a broader look at this and come back to the narrow issue.

I saw athletes all across Manitoba that were at the North American Aboriginal games, many of whom came out of sports programs that came out of the programs—[*interjection*]. If I might answer the question.

**Mr. Chairperson:** Order, please. The honourable minister has the floor.

**Mr. Doer:** Many of them came out of the programs that were established and agreements that were established, quite frankly, by members opposite, with the gaming agreements that were signed over the last number of years. We saw over a thousand people, some of whom were sponsored by those programs.

If there are issues of narrow definitions of compliance, as defined by agreements signed by Cabinet ministers opposite that we are now responsible for enforcing and if those agreements do not have issues of proper accounting for funds, then, obviously, the ministers will take action, and we will take action.

**Mr. Derkach:** Manitobans no longer have any confidence in this Government taking appropriate action on its own. I think the events in the weeks proceeding tonight, we saw that there were flip-flops in the answers that were being given to us by the Minister of the Gaming Commission. We saw inconsistency in the responses that were coming from the Minister of the Gaming Commission, the Minister of Lotteries, the Minister of Justice, and the Minister of Aboriginal and Northern Affairs.

All of this does not bode well for this Government. Although the Premier is charging his ministers to take immediate action, I just want to tell him that this side of the House does not have any confidence in this minister or in this Premier and his Cabinet and their ability to resolve this issue. Therefore, we continue and will continue to call for an independent public inquiry into this very serious matter at Dakota Tipi.

**Mr. Chairperson:** Are there any further questions? The question before the committee is that the Committee of Supply concur in all Supply resolutions relating to the Estimates of Expenditure for the fiscal year ending March 31, 2003, which have been adopted at this session by the three sections of the Committee of Supply sitting separately and by the full committee.

Shall the motion pass? The motion is accordingly passed.

Committee rise. Call in the Speaker.

## IN SESSION

### Committee Report

**Mr. Conrad Santos (Chairperson):** Mr. Speaker, the Committee of Supply has adopted a resolution regarding Capital Supply and a motion regarding concurrence in Supply, directs me to report the same and asks leave to sit again.

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

*Motion agreed to.*

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Finance (Mr. Selinger), that this House concur in the report of the Committee of Supply respecting concurrence in all Supply resolutions relating to the Estimates of Expenditure for the fiscal year ending March 31, 2003.

*Motion agreed to.*

**Mr. Mackintosh:** I move, seconded by the Minister of Finance, that the House resolve into the Committee of Ways and Means.

*Motion agreed to.*

\* (02:30)

## COMMITTEE OF WAYS AND MEANS

### Capital Supply

**Mr. Chairperson (Conrad Santos):** The Committee of Ways and Means will come to order, please.

We have before us, for our consideration, the resolution respecting Capital Supply. The resolution for Capital Supply reads as follows:

RESOLVED that towards making good certain sums of money for capital purposes, the sum of \$863,860,000 be granted out of the Consolidated Fund.

*Resolution agreed to.*

### Main Supply

**Mr. Chairperson:** We also have before us, for our consideration, the resolution respecting the Main Supply bill. The first resolution for Main Supply bill reads as follows:

RESOLVED that towards making good certain sums of money granted to Her Majesty for the public service of the Province for the fiscal year ending the 31st day of March, 2003, the sum of \$6,614,752,600, as set forth in Schedule A (Operating Expenditures), be granted out of the Consolidated Fund.

*Resolution agreed to.*

**Mr. Chairperson:** The second resolution for Main Supply reads as follows:

RESOLVED that towards making good certain sums of money granted to Her Majesty for the public service of the Province for the fiscal year ending the 31st day of March, 2003, the sum of \$58,000,000, as set forth in Schedule B (Capital Investments), be granted out of the Consolidated Fund.

*Resolution agreed to.*

**Mr. Chairperson:** Committee rise. Call in the Speaker.

## IN SESSION

### Committee Report

**Mr. Conrad Santos (Chairperson):** Mr. Speaker, the Committee of Ways and Means has adopted a resolution regarding Capital Supply and two resolutions regarding Main Supply and directs me to report the same and asks leave to sit again.

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

*Motion agreed to.*

## INTRODUCTION OF BILLS

### Bill 57—The Appropriation Act, 2002

**Hon. Greg Selinger (Minister of Finance):** I move, seconded by the Minister of Justice (Mr. Mackintosh), that leave be given to introduce Bill 57, The Appropriation Act, 2002; Loi de 2002 portant affectation de crédits, and that the same be now received, read a first time and be ordered for second reading immediately.

*Motion agreed to.*

## SECOND READINGS

### Bill 57—The Appropriation Act, 2002

**Hon. Greg Selinger (Minister of Finance):** I move, seconded by the Minister of Justice (Mr. Mackintosh), that Bill 57, The Appropriation Act, 2002; Loi de 2002 portant affectation de

crédits, be read now a second time and be referred to the Committee of the Whole.

**Motion presented.**

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

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

**Some Honourable Members:** On division.

**Mr. Speaker:** On division.

## INTRODUCTION OF BILLS

### Bill 56—The Loan Act, 2002

**Hon. Greg Selinger (Minister of Finance):** I move, seconded by the Minister of Justice, that leave be given to introduce Bill 56, The Loan Act, 2002; Loi d'emprunt de 2002, and that the same be now received, read a first time and be ordered for second reading immediately.

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

**Motion agreed to.**

## SECOND READINGS

### Bill 56—The Loan Act, 2002

**Hon. Greg Selinger (Minister of Finance):** I move, seconded by the Attorney General, that Bill 56, The Loan Act, 2002; Loi d'emprunt de 2002, be now read a second time and be referred to Committee of the Whole.

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

**Motion agreed to.**

\* \* \*

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Finance (Mr. Selinger), that the House resolve into Committee of the Whole to consider and report of Bill 56, The Loan Act, 2002; and Bill 57, The Appropriation Act, 2002, for third reading.

**Motion agreed to.**

**Mr. Speaker:** Mr. Deputy Speaker, please take the Chair. Not yet?

**Mr. Jack Penner (Emerson):** I am wondering whether the minister or the Premier could tell us what the Manitoba Lotteries Corporation's First Nations casino development amount might be.

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

## COMMITTEE OF THE WHOLE

\* (02:40)

**Mr. Chairperson (Conrad Santos):** The Committee of the Whole will come to order to consider Bill 56, The Loan Act, 2002; and Bill 57, The Appropriation Act, 2002. We shall proceed to consider Bill 56 clause by clause.

### Bill 56—The Loan Act, 2002

**Mr. Chairperson:** Does the honourable Minister of Finance have any opening statements?

**Hon. Greg Selinger (Minister of Finance):** No.

**Mr. Chairperson:** Does the opposition critic have any opening statement?

**Mr. Jack Penner (Emerson):** No statements. Just a question.

**Mr. Chairperson:** Is it the wish of the committee that we proceed in blocks of clauses? *[Agreed]* Are there any questions?

**Mr. Jack Penner:** Mr. Chairperson, I would like to ask the minister, under Manitoba Lotteries Corporation, First Nations casino development, what the \$29 million they are going to borrow is for and what that amount of money will be in fact used for, or is there an initiative we do not know about that will see the building of \$29 million worth of casinos?

**Mr. Selinger:** The breakdown of the money is \$3.5 million for The Pas facility; \$8.5 million for the Brokenhead facility; and in addition \$8.5 million each has been set aside for Brandon and Thompson, although it is indeterminate yet

whether or not those projects will proceed in the '03-04 year, but provision has been made in case they do proceed.

**Mr. Jack Penner:** The Pas facility, would that be to cover operating losses, would that be to expand the casino, or would that be capital? What would that be for?

**Mr. Selinger:** This entire bill is about capital. The money is for possible expansion of gaming equipment in '02-03.

**Mr. Jack Penner:** Thank you very much. I guess the question is then: Why would the Province of Manitoba be borrowing \$29 million to provide capital for either the upgrading, expansion and/or the construction of casinos, either at The Pas or any of the other casinos the minister has listed?

**Mr. Selinger:** As I understand it, the Lotteries Corporation allows them to have the loan to purchase the gaming equipment from the Manitoba Lotteries Corporation. They use this loan authority to purchase that equipment and then the proceeds from the facilities pay back the loan. It allows Lotteries to ensure the equipment is of the appropriate quality and requirements. Lotteries actually buys and makes available this equipment with this loan authority and then the casinos pay it back through their operating proceeds.

**Mr. Jack Penner:** Thank you very much, and that brings the next question. Could the minister advise this House where this equipment is being bought, which corporation or company the equipment he is announcing this Lotteries Corporation will be buying, where will that equipment be purchased and who from?

**Mr. Selinger:** I would have to take that question under advisement. This is the loan authority. It is the Lotteries Corporation itself that makes the arrangements for the purchase of the equipment. I do not have the detail of the specific companies from which they purchase the equipment before me tonight. It is not part of The Loan Act requirements. They simply request the authority to move forward with these projects, we provide it and then they give us the appropriate security and guarantees that it will be paid back through the proceeds.

**Mr. Jack Penner:** One final question on that line: Where does that money come from? Is that money paid from the 10 percent or the 15 percent? I believe the First Nations casinos are on a different formula. I believe they get 80 percent of the revenues. Is that correct? Does it come out of those 80% revenues, or does it come out of the 20 percent that the Government takes out of those casinos? Which line would that come from?

**Mr. Selinger:** Again, it is strictly capital authority we are dealing with here but I understand the casinos, through the proceeds they generate, are responsible for covering the costs and repaying the loans through the operating proceeds of the First Nations casinos, their operating proceeds.

**Mr. Jack Penner:** Does that come out of the 20 percent that government would normally get out of the proceeds that would be allocated, or would it be 80 percent that is allocated to the First Nations as their portion of the revenue?

**Mr. Selinger:** The answer is it is an operating expenditure before those profits are split up between the Government and the First Nations casino operation. In their business plan they have to make provision for paying back the loan under the terms under which they received the loan. After that, they do the division of the profits. It is an operating expense.

\* (02:50)

**Mr. Jack Penner:** Well, that causes me concern, but I am not going to pursue that.

The other question I have is, the Red River Floodway renewal and expansion is \$20 million. Last year there was a \$40-million appropriation to this, I believe, which was not spent. Now we are seeing another \$20-million appropriation to the floodway renewal. We have not heard anything from this Government that would give us any kind of comfort that any money will be expended next year, yet we see another \$20 million. Is that just another way of government raising funds through a loan appropriation to be able to allow them to divert that money into some other expenditure, or will that be another area that will just be given up at the end of the

year and deemed an expenditure under this loan authority?

**Mr. Selinger:** Under this legislation, if the money is not used for the purpose for which it is appropriated as loan authority, it would lapse.

**Mr. John Loewen (Fort Whyte):** I wonder if the minister would give me a more detailed breakdown of the \$309 million proposed for the Manitoba Hydro-Electric Board.

**Mr. Selinger:** In the first instance, the \$390 million is broken down between electrical operations and gas operations; \$367 million is allocated to the electrical side, \$23.5 million to the gas side. Under the electrical operations, in '02-03: power supply would be allocated \$100 million; transmission and distribution, \$161 million; customer services and marketing, \$62 million; finance and administration, including buildings, customer service, human resource systems and domestic items, \$44 million—for a total of \$367 million.

Under the gas side, \$17 million would be for transmission and distribution, \$6 million for customer services and marketing, \$1 million for finance and administration.

**Mr. Chairperson:** Any other questions?

**Mr. Loewen:** I would ask the minister if this borrowing would indicate that Manitoba Hydro will not meet its goal of funding capital expenditures from internal sources.

**Mr. Selinger:** What it means is that this capital authority is, as it has always been, to allow Manitoba Hydro to upgrade its assets and also to undertake new capital initiatives which will expand its ability to be a profitable Crown corporation.

**Mr. Loewen:** Just for clarification, the Crown council report indicated that, for the year 2001-2002, Manitoba Hydro had met its goal of funding all capital expenditures from internal sources. I am asking the minister if the fact that he is asking for approval of an incremental capital authority of \$309 million for Manitoba Hydro in the fiscal year 2002-2003, if that means that Manitoba Hydro will, in 2002-2003, not

meet that goal of funding all capital expenditures from internal sources?

**Mr. Selinger:** Once again, this is the loan authority. It is standard procedure that any loan authority for the Crown requires approval by this Legislature. It is reviewed by the Crown Corporations Council. I can indicate to the member, last year, they had \$454 million of loan authority and capital expenditures. This year it is \$391 million. Their forecast, in future years, is \$398 million they are forecasting for next year and \$360 million the following year.

**Mr. Loewen:** As the minister does not seem to want to answer that question, maybe I can pose it in a little different way. The fact that last year the Hydro-Electric Board asked for \$92 million, and this year they are asking for \$309 million, the minister is asking for \$309 million, is that difference as a result of the dividend that the Government has forced Manitoba Hydro to pay?

**Mr. Selinger:** As I have indicated previously, loan capital authority is required for specific capital projects which have been evaluated as improving the ability of Manitoba Hydro to provide its services. I have given the member a breakout of that authority between gas and electrical and then subcategories within each of those two divisions on how that authority will be used. There has been an evaluation of these investments in terms of the value they will add to the authority.

**Mr. Loewen:** Once again, I am extremely frustrated by the fact that the minister refuses to answer the questions. I hope he can certainly understand why we are recommending over and over again that these issues be taken to the Public Utilities Board, where Hydro officials will place their hand on the Bible and swear to tell the truth. I would ask the minister once again if he would simply indicate, and yes or no is fine, is the Manitoba Hydro-Electric Board going to be able to meet their financial target of funding all of their capital expenditures from internally generated funds in the fiscal year '02-03?

**Mr. Selinger:** This is the statutorily required procedure for providing incremental loan authority to Manitoba Hydro to invest in its

capital infrastructure to provide the services that the Crown corporation believes are necessary, both for the domestic and the export market. It allows them to do planning for future projects, future diversification of the infrastructure of the utility. It has been reviewed by the Crown Corporations Council and recommended to the Government as loan authority that will legitimately serve the mandate and mission of that Crown corporation.

**Mr. Loewen:** Could the minister advise if the Government was not moving ahead with its plan to take a dividend which will result in an amount between \$225 million and \$288 million flowing from Manitoba Hydro-Electric Board to the Government of Manitoba this year? Would that reduce the amount required for the incremental capital authority requirement by a corresponding amount?

**Mr. Selinger:** As I have indicated when we have debated this in the House, this is incremental loan authority to provide for capital infrastructure for Manitoba Hydro. That is the only reason for which they are borrowing money. If they did not have these capital projects, they would not require any incremental loan authority. I have been very consistent on this point. This is loan authority for specific projects for which a legitimate and carefully evaluated business case has been made and will benefit the ability of the Crown corporation, both on the gas and the electrical side, to provide services at cost to customers inside Manitoba as well as provide service to external or out-of-province customers on the electrical side that generate profits for the Crown corporation.

\* (03:00)

**Mr. Loewen:** I am not disputing with the minister whether or not Manitoba Hydro has justified their capital expenditures. I am assuming that based on their management record that their capital expenditures are justified. I am simply asking the minister to indicate whether or not if the Government removed its requirement that Manitoba Hydro flow between \$225 million and \$288 million in the fiscal year 2002-03 to the Province of Manitoba, would a corresponding amount be reduced from the amount of incremental capital authority borrowing that

the Manitoba Hydro-Electric Board is asking for in this bill? In other words, if you did not take the cash, would it mean that they would have to borrow less?

**Mr. Selinger:** Once again, the answer I have consistently given is that if they did not have these capital projects, they would not require the incremental loan authority.

**Mr. Loewen:** Well, correspondingly, if they had the cash that you are taking out of the corporation, they would not require the borrowing authority. This is ridiculous.

**Mr. Marcel Laurendeau (St. Norbert):** Mr. Chair, my question is for the Minister of Finance. I wonder if the minister, seeing as he has got a spending habit, and he has now had to institute a policy of punishing the good civil servants of our province by telling them they probably have to take some time off without pay, and, of course, they can do it at their leisure and choose the days they want to do it and disrupt the way departments are run, that is fine with the minister, and I understand that, but could the minister tell us what type of savings he is expecting to have with these Doer days that he is applying to the Province of Manitoba over the next few months?

**Mr. Selinger:** First of all, the voluntary days off is, I must underline, different from the former Filmon Fridays in that it is a voluntary program. The employees must make application by August 23 to be eligible for the program. Because it is a new trial project or a first run at it, we have not been able to estimate and determine what the interest will be. Therefore, at this stage of the game, we cannot give an estimate of what the savings will be. We will get a better idea once we see what the sign-up is by the employees and the number of days that they wish to take off. We have had several informal requests from employees to have this option available to them. The member will also know that it is not a right; it is something that has to be agreed to by the managers and supervisors of the respective employees to ensure that services continue to be offered.

**Mr. Laurendeau:** Mr. Chair, a concern that has been brought to my attention by a number of the

employees is the period of time, the 15 days, that will be taken off their payroll. The minister has said it would be owed between November 1 and March 31, I believe. One of the things the Filmon Fridays had was that it was done over a one-year period, and the impact was not as great on the individual paycheques.

Would the minister consider extending the period of recovery on this for a one-year period versus the six months that he has got it on now so that the civil servants would not get the same impact that they are facing now? I think it would be reasonable if you were able to extend it over a one-year period versus six months so that it did not have the same impact. The revenues should take care of it, but I was wondering if the minister could consider it, seeing as the civil servants are considering that the impact might be a little too great for them to actually be able to afford to even bother taking those days off.

I think it is having a negative effect on the plan which the minister has put in place, and I think it would be a positive initiative if the minister could move it to recover those costs over a one-year period. I think he would probably get more people who would take advantage of the program. Then he would reach the required result which I do believe he is after, and that is saving money. I think the more people that you can have take effect with the volunteer program, you will have a larger savings. I do not think there will be any cost to you in the end because, if you extend it over the year, you are still going to have your recovery. The employees would like to see it, and I was wondering if the minister would consider doing that for the sake of the employees who would like to take the days but cannot afford it unless they do it over the one year.

**Mr. Selinger:** I take the point that the Member for St. Norbert is making. Ideally, the program would have been implemented on March 31 or April 1, and there would have been a full year. It is a sort of mid-year or in-year implementation. I will look at to see whether we can spread it over two fiscal years, but I anticipate that there will be some accounting challenges around that. If we can get the program started this year, then, by next April 1, we could have the full year to spread it. We are simply spreading it over the

remaining months of this fiscal year, but I will take that question and explore whether there are some possibilities of stretching it even further.

**Mr. Laurendeau:** I would appreciate that, and I know that a number of the civil servants would, because that was one of the only concerns they had. The other concern that was brought to me over this issue was that some of the civil servants are working in areas where they have concerns that because there are so few of them within their departments right now with the freeze that the Government has put on their departments that they might not be able in effect to take these days off because there are just not enough of them to do the job that they are doing today. They feel that they are being penalized by your freeze that you have put on their departments that they will not be able to take advantage of it.

\* (03:10)

Is the minister looking at any way that they could possibly look at shutting down one of those departments on, say, a Friday so that the smaller departments that do have one or two or three staff in some cases could take that day's holiday, in effect to help the minister reach his end result, and that is to save money. They would like to assist you on this program, but, because of the circumstances they are in with the job freeze that the Government has put them under, they cannot get more staff in. They have to be there unless they actually close that department down.

The question they are asking is, would the minister consider allowing some of the management to look at closing down on, say, a Friday during the summer and possibly closing down between Christmas and New Year's so that they could take effect of this same offer that is being made to civil servants who, in some cases, are not running into this problem. If you could relay to them that you are in support of this and that the management will have that ability to make those decisions, I think you would make a few civil servants very happy.

**Mr. Selinger:** I thank the member for that suggestion. That is something I think we can explore. We do want to ensure the public

continues to get service, but there may be a way of a manager and his employees working out a program to do that. I should just mention, there is not a freeze. There is a vacancy rate threshold. Once that threshold is maintained, we can fill positions. It is not like it is a total, dead freeze. Each department has a certain vacancy rate that they have to manage within. When they have vacancy rates greater than that they are allocated positions that they can hire. I think there is a little bit more flexibility there than we might realize. There might be the possibility of doing this, for example, between Christmas and New Year's. There might be some opportunities for an area to shut down where there is no heavy demand or a minimal demand for service. Everybody could be the winner on that. I think it is a good suggestion.

**Mr. Laurendeau:** I thank the minister for that, but seeing as the month is already getting close to Christmas, I guess that is the reason I brought the question forward. They would like to hear about it sooner rather than later. They know that the announcement came out near the beginning of August, but they have concerns that some of the finer details might not be ironed out until too close to Christmas. They would just ask, if you could get the details ironed out and a little quicker process so that they could make those arrangements for the Christmas holiday break, they could then take effect.

Thanking you ahead, I know they would be happy to spend those Christmas holidays at home with their families.

We know for a fact that some of these departments can close down, because we had the experience with the Filmon Fridays. We have already experienced it and they know what will happen. They know that there will not be any downtime for the department because the department will not suffer any lack or be missed by the public during that period of time. If you could let those departments know sooner rather than later so these people can start booking their Christmas holidays now, I think again that is an area you will see a greater success in this program if you could get the message out quicker.

We have got a very short window on this and you have got to plan for your holidays. If

they are going to take some holidays, even if it is 3, 4, 5 days. In some cases they have got to arrange it with their spouses and with the rest of their family that they could take that time off at the same time. It is better to have at least a month and a half or two months lead time to be able to do it. The sooner the minister could deal with it I think the more successful this program will be.

**Mr. Selinger:** Yes, I will take that advice and explore it with our human resources people to see what can be done. This measure is evolving. We want to get it started on a trial basis. If we have ways that we can improve the way this flexibility is built into the workforce and still maintain service to the public I am certainly open to those ideas. I will discuss it with the HR people.

**Mr. Loewen:** I direct the minister's attention to schedule A, the Red River Floodway renewal and expansion. In his '01-02 Budget, he had \$40-million set-aside for floodway renewal and expansion, which, of course, we all know, due to overspending by such departments as Justice and Family Services and Housing that it was withdrawn. In fact, very little was spent.

In this year, he also had another \$40 million in his so-called balanced Budget. Now, in addition, we see \$20 million in borrowing authority being requested. Does that imply that the Government plans to spend \$60 million on floodway renewal or have they already conceded that, due to overspending this year, the \$40 million they allocated in this year's Budget is now off the table as well?

**Mr. Selinger:** Just to correct the Member for Fort Whyte, in the main Budget, there is \$20 million and then in The Loan Act there is \$20 million this year, for a total of \$40 million. So it is not \$60 million.

That money is put there to be a strong marker and indicator of our interest in proceeding with floodway expansion. As you know, we need a federal partner to follow this up. In the last federal budget delivered in December of 2001 by the former Minister of Finance, he indicated that strategic infrastructure money might be available at the end of his next

budget fiscal year. We are still awaiting the federal government to indicate to us how they plan to allocate infrastructure money, based on a projected surplus, and what criteria they will use to allocate it. If they come through we have our resources in place to move forward on this project.

**Mr. Chairperson:** The title and the enacting clause are temporarily set aside until all other clauses have been considered.

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

#### **Bill 57—The Appropriation Act, 2002**

**Mr. Chairperson:** We shall now proceed to consider Bill 57, The Appropriation Act, 2002, clause by clause.

Does the Minister of Finance have any opening statements?

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

**Mr. Chairperson:** Does the opposition critic have any opening statements?

**An Honourable Member:** No.

**Mr. Chairperson:** Are there any questions?

**Some Honourable Members:** No.

**Mr. Chairperson:** The title and enacting clause are temporarily set aside until we have passed all the other clauses.

Clause 1—pass; clauses 2 to 6—pass; schedule A—pass; schedule B—pass; enacting clause—pass; title—pass.

Is it the will of the committee that the bill be reported?

**Some Honourable Members:** On division.

**Mr. Chairperson:** On division. Agreed, on division. Committee rise. Call in the Speaker.

## **IN SESSION**

### **Committee Report**

**Mr. Conrad Santos (Chairperson):** Mr. Speaker, the Committee of the Whole had considered Bill 56, The Loan Act, 2002, and Bill 57, The Appropriation Act, 2002, and has directed me to report the same and ask leave to sit again.

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

*Motion agreed to.*

## **REPORT STAGE**

### **Bill 56—The Loan Act, 2002**

**Hon. Greg Selinger (Minister of Finance):** I move, seconded by the Attorney General (Mr. Mackintosh), that Bill 56, The Loan Act, 2002; Loi de d'emprunt de 2002, reported from the Committee of the Whole, be concurred in.

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

*Motion agreed to.*

## **THIRD READINGS**

### **Bill 56—The Loan Act, 2002**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Finance, that Bill 56, The Loan Act, 2002, be now read a third time and passed.

*Motion presented.*

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

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

**An Honourable Member:** No.

**Mr. Speaker:** No.

**An Honourable Member:** On division.

**Mr. Speaker:** On division.

**REPORT STAGE****Bill 57—The Appropriation Act, 2002**

**Hon. Greg Selinger (Minister of Finance):** I move, seconded by the Attorney General (Mr. Mackintosh), that Bill 57, The Appropriation Act 2002; Loi de 2002 portant affectation de crédits, reported from the Committee of the Whole, be concurred in.

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

*Motion agreed to.*

\* (03:20)

**THIRD READINGS****Bill 57—The Appropriation Act, 2002**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Finance, that Bill 57, The Appropriation Act, 2002, be now read a third time and passed.

*Motion presented.*

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

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

**An Honourable Member:** No.

**Mr. Speaker:** No. On division?

**Some Honourable Members:** On division.

**Mr. Speaker:** On division.

**House Business**

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, would you please canvass the House to see if there is unanimous consent to present the First Report on Private Bills, the Twelfth and Thirteenth reports of the Standing Committee on Law Amendments and the Fourth Report of the Standing Committee on Privileges and Elections?

**Mr. Speaker:** Is there unanimous consent of the House to present the First Report on Private

Bills, the Twelfth and Thirteenth reports of the Standing Committee on Law Amendments, and the Fourth Report of the Standing Committee on Privileges and Elections by leave? *[Agreed]*

**PRESENTING REPORTS BY  
STANDING AND SPECIAL COMMITTEES****Standing Committee on Law Amendments  
Twelfth Report**

**Ms. Marianne Cerilli (Vice-Chairperson):** Mr. Speaker, I beg to present the Twelfth Report of the Committee on Law Amendments.

**Madam Clerk (Patricia Chaychuk):** Your Standing Committee on Law Amendments presents the following as its—

**An Honourable Member:** Dispense.

**Mr. Speaker:** Dispense.

*Your Standing Committee on Law Amendments presents the following as its Twelfth Report.*

**Meetings:**

*Your committee met on Thursday, August 8, 2002, at 6:30 p.m. in Room 255 of the Legislative Building.*

**Matters Under Consideration:**

*Bill 31—The Medical Amendment (Physician Profiles and Miscellaneous Amendments) Act/Loi modifiant la Loi médicale (profils des médecins et modifications diverses)*

*Bill 36—The Drinking Water Safety Act/Loi sur la qualité de l'eau potable*

*Bill 37—The Non-Smokers Health Protection Amendment Act/Loi modifiant la Loi sur la protection de la santé des non-fumeurs*

**Membership Resignations / Elections:**

*Substitutions received prior to commencement of meeting held on August 8, 2002:*

*Hon. Mr. Sale for Hon. Ms. Wowchuk*

*Hon. Mr. Lathlin for Hon. Mr. Mackintosh*

*Hon. Ms. Mihychuk for Hon. Mr. Smith (Brandon West)*

*Mr. Jennissen for Hon. Mr. Ashton*  
*Mr. Enns for Mr. Faurschou*  
*Mr. Penner (Steinbach) for Mr. Penner (Emerson)*  
*Mr. Cummings for Mrs. Smith (Fort Garry)*

**Public Presentations:**

*Your committee heard three presentations on Bill 31–The Medical Amendment (Physician Profiles and Miscellaneous Amendments) Act/Loi modifiant la Loi médicale (profils des médecins et modifications diverses), from the following individuals and /or organizations:*

*Laurie Potovsky-Beachell, Coalition for Access to Physician Profiles*  
*Christine Mirus, Private Citizen*  
*Bill Pope, College of Physicians and Surgeons*

*Your committee heard 22 presentations on Bill 37–The Non-Smokers Health Protection Amendment Act/Loi modifiant la Loi sur la protection de la santé des non-fumeurs, from the following individuals and/or organizations:*

*George Ackerman, Private Citizen*  
*Gerald and Barbara St. Laurent, Private Citizens*  
*Aaron Yanofsky, Manitoba Youth for Clean Air*  
*David Rubinfeld, Private Citizen*  
*Pauline Harder, 7-11 Stores*  
*Luc Martial, NACDA – National Convenient Store Distributors Association*  
*Jim Waters, CACDS – Canadian Association of Chain Drug Stores*  
*Cynthia Callard, Physicians for a Smoke Free Canada*  
*Don Toyne on behalf of Al Suggitt, MACS Convenience Stores*  
*Lynn Greaves, Saskatchewan Coalition for Tobacco Reduction*  
*Shelly Wiseman, Canadian Federation of Independent Business*  
*Liz Ostigway, Canadian Cancer Society*  
*Dr. Jaroslaw Barwinsky, Manitoba Medical Association, Professor Emeritus, Department of Surgery, Cardiac Surgery, University of Manitoba*  
*Teresita Tena, Garven Convenience Store*  
*Arlene Draffin Jones, Manitoba Lung Association*  
*Kenneth Emberley, Private Citizen*

*Margaret Bernhardt Lowdon, Heart and Stroke Foundation*  
*Fred Meinzer, Logan Gas and Car Wash*  
*Dr. Garey Mazowita, Winnipeg Regional Health Authority and the College of Family Physicians of Manitoba*  
*Murray Gibson, MANTRA (Manitoba Tobacco Reduction Alliance)*  
*David Scott, Private Citizen*  
*Gordon Anderson, Private Citizen*

**Written Submissions:**

*Your committee received one written submission on Bill 31–The Medical Amendment (Physician Profiles and Miscellaneous Amendments) Act/Loi modifiant la Loi médicale (profils des médecins et modifications diverses), from the following organization:*

*Gloria Desorcy, Consumers Association of Canada, Manitoba Chapter*

*Your committee received nine written submissions on Bill 37–The Non-Smokers Health Protection Amendment Act/Loi modifiant la Loi sur la protection de la santé des non-fumeurs, from the following individuals and/or organizations:*

*Catherine S. King, Dugald Convenience Store Ltd.*  
*Ida Miller, Northside Market Convenience Store*  
*Howard Maslove, Dominion News and Gifts*  
*Mrs. and Mrs. Jerry Medina, Valour Convenience Store*  
*Maurice Gingues, Canadian Council for Tobacco Control*  
*Hans Bhangu, Pal's Supermarket*  
*Glennys Fairbairn, Fairbairns Foods*  
*Dr. William Libich, Private Citizen*  
*Bruce Thompson, Chair, Alliance for the Prevention of Chronic Diseases*

**Bills Considered and Reported:**

*Bill 31–The Medical Amendment (Physician Profiles and Miscellaneous Amendments) Act/Loi modifiant la Loi médicale (profils des médecins et modifications diverses)*

*Your committee agreed to report this bill without amendments.*

*Bill 36—The Drinking Water Safety Act/Loi sur la qualité de l'eau potable*

*Your committee agreed to report this bill without amendments.*

*Bill 37—The Non-Smokers Health Protection Amendment Act/Loi modifiant la Loi sur la protection de la santé des non-fumeurs*

*Your committee agreed to report this bill without amendments.*

**Ms. Cerilli:** Mr. Speaker, I move, seconded by the honourable Member for Selkirk, that the report of the committee be received.

**Motion agreed to.**

#### **Standing Committee on Law Amendments Thirteenth Report**

**Ms. Marianne Cerilli (Vice-Chairperson):** Mr. Speaker, I beg to present the Thirteenth Report of the Committee on Law Amendments.

**Madam Clerk (Patricia Chaychuk):** Your Standing Committee on Law Amendments presents the following as its Thirteenth Report.

**An Honourable Member:** Dispense.

**Mr. Speaker:** Dispense.

*Your Standing Committee on Law Amendments presents the following as its Thirteenth Report.*

#### **Meetings:**

*Your committee met on Thursday, August 8, 2002, at 11:20 p.m. in Room 255 of the Legislative Building*

*On August 8, 2002, Bills 41 and 49 were transferred from the Standing Committee on Municipal Affairs to your committee for clause-by-clause consideration.*

#### **Matters Under Consideration:**

*Bill 41—The Manitoba Hydro Amendment Act/Loi modifiant la Loi sur l'Hydro-Manitoba*

*Bill 49—The Purchase of Winnipeg Hydro Act/Loi sur l'achat de Winnipeg Hydro*

#### **Membership Resignations / Elections:**

*Substitutions made, by leave, during committee proceedings:*

*Hon. Mr. Selinger for Hon. Mr. Chomiak*

*Mr. Loewen for Mrs. Driedger*

*Mr. Penner (Emerson) for Mr. Enns*

*Mr. Hawranik for Mr. Penner (Steinbach)*

#### **Bills Considered and Reported:**

*Bill 41—The Manitoba Hydro Amendment Act/Loi modifiant la Loi sur l'Hydro-Manitoba*

*Your committee agreed to report this bill without amendment, on division.*

*Bill 49—The Purchase of Winnipeg Hydro Act/Loi sur l'achat de Winnipeg Hydro*

*Your committee agreed to report this bill, with amendment, on division:*

*THAT the proposed subsection 43(2.3) as set out in subsection 9(6) of the Bill be amended by adding "or an office building" at the end.*

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

**Motion agreed to.**

#### **Standing Committee on Privileges and Elections Fourth Report**

**Ms. Nancy Allan (Chairperson):** Mr. Speaker, I beg to present the Fourth Report of the Committee on Privileges and Elections.

**Madam Clerk (Patricia Chaychuk):** Your Standing Committee on Privileges and Elections—

**An Honourable Member:** Dispense.

**Mr. Speaker:** Dispense.

*Your Standing Committee on Privileges and Elections presents the following as its Fourth Report.*

**Meetings:**

*Your committee met on the following occasions:*

*Wednesday, June 19, 2002, at 6:30 p.m. in Room 255 of the Legislative Building*

*Thursday, August 8, 2002, at 7:00 p.m. in Room 254 of the Legislative Building*

**Matters Under Consideration:**

*The Report and Recommendations of the Judicial Compensation Committee dated April 19, 2002*

**Committee Membership:**

*Your committee elected Mr. Martindale as the Vice-Chairperson at the June 19, 2002, meeting.*

*Your committee elected Ms. Allan as the Chairperson at the August 8, 2002, meeting.*

*Your committee elected Mr. Maloway as the Vice-Chairperson at the August 8, 2002, meeting.*

*Substitutions received prior to commencement of the Wednesday, June 19, 2002, meeting:*

*Mr. Penner (Emerson) for Mr. Laurendeau  
Mr. Derkach for Mrs. Mitchelson  
Mrs. Smith (Fort Garry) for Mr. Reimer  
Mr. Aglugub for Mr. Schellenberg  
Hon. Mr. Selinger for Hon. Ms. Mihychuk  
Mr. Faurschou for Mr. Derkach*

*Substitutions received prior to commencement of the Thursday, August 8, 2002, meeting:*

*Hon. Mr. Selinger for Hon. Mr. Doer  
Mr. Maloway for Ms. Korzeniowski  
Mr. Struthers for Mr. Santos  
Ms. Allan for Mr. Martindale  
Mr. Schellenberg for Hon. Ms. Barrett*

**Motions:**

*Your committee agreed to the following motion:*

*THAT the Standing Committee on Privileges and Elections adopt the proposal outlined in*

*Schedule A and recommend the same to the Legislative Assembly of Manitoba.*

**SCHEDULE A**

1. *That effective April 1, 1999, salaries for Provincial Court Judges and Masters be increased to \$122,000 per annum (\$4,676.66 bi-weekly); that effective April 1, 2000, salaries be increased to \$133,000 per annum (\$5,098.32 bi-weekly); and that effective April 1, 2001, salaries be further increased to \$144,000 per annum (\$5,519.99 bi-weekly).*
2. *That effective April 1, 1999, salaries for Associate Chief Judges and the Senior Master be increased to \$125,000 per annum (\$4,791.66 bi-weekly); that effective April 1, 2000 salaries be increased to \$136,000 per annum (\$5,213.32 bi-weekly); and that effective April 1, 2001 salaries be further increased to \$147,000 per annum (\$5,634.99 bi-weekly).*
3. *That effective April 1, 1999, the salary for the Chief Judge be increased to \$132,000 per annum (\$5,059.99 bi-weekly); that effective April 1, 2000 that salary be increased to \$143,000 per annum (\$5,481.66 bi-weekly); and that effective April 1, 2001 that salary be further increased to \$154,000 per annum (\$5,903.26 bi-weekly).*
4. *That effective April 1, 1999, the discount be eliminated on the 2/3rd spousal pension benefit for Judges and Masters with a spouse and on the 10-year guaranteed pension option for Judges and Masters without a spouse.*

5. *That effective April 1, 1999, and applying to any Judge and Master who has retired on or after that date, the best three (3) years average earnings be used as the base for the calculation of the best salary period for pension accrual.*
6. *That the Province pay 75% of the Judge's legal costs and fees up to a maximum aggregate payment by the province of \$30,000 for the Judicial Compensation Committee process.*
7. *That the Province pay 75% of the Masters legal costs and fees up to a maximum aggregate payment by the province of \$7,500 for the Judicial Compensation Committee process.*
8. *That existing Judges and Masters be entitled to the existing severance pay benefit upon retirement in the amount which they would have been entitled to receive if they had retired on the day before the date the Judicial Compensation Committee recommendations are implemented. The severance pay benefit will not be available for those Judges and Masters appointed after the date the Judicial Compensation Committee recommendations are implemented. The existing severance pay benefit upon retirement provides for one (1) week's pay per year of service to a maximum of twenty-three (23) weeks.*
9. *That unless otherwise stated, all changes shall be effective on the date of approval by the Legislative Assembly of Manitoba.*

**Public Presentations:**

*By leave, your committee heard two presentations on the Report and Recommendations of the Judicial Compensation Committee from the following organizations at the Wednesday, June 19, 2002, meeting:*

*Robb Tonn, Provincial Judges Association Of Manitoba  
Richard Buchwald, Manitoba Bar Association*

**Reports Considered:**

*Your committee has completed consideration of the Report and Recommendations of the Judicial Compensation Committee dated April 19, 2002.*

**Ms. Allan:** I move, seconded by the honourable Member for Dauphin-Roblin (Mr. Struthers), that the report of the committee be received.

**Motion agreed to.**

**Standing Committee on Private Bills  
First Report**

**Ms. Nancy Allan (Chairperson):** Mr. Speaker, I beg to present the First Report of the Committee on Private Bills.

**Madam Clerk (Patricia Chaychuk):** Your Standing Committee on Private Bills—

**An Honourable Member:** Dispense.

**Mr. Speaker:** Dispense.

*Your Standing Committee on Private Bills presents the following as its First Report.*

**Meetings:**

*Your committee met on Thursday, August 8, 2002, at 6:30 p.m. in Room 254 of the Legislative Building.*

**Matters Under Consideration:**

*Bill 301—The Assiniboine Memorial Curling Club Holding Company Ltd. Additional Powers Act/Loi sur les pouvoirs additionnels accordés à l'Assiniboine Memorial Curling Club Holding Company Ltd.*

*Bill 302—The Congregation Etz Chayim Amalgamation Act/Loi sur la fusion de la Congrégation Etz Chayim*

*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*

*Bill 304—The Winnipeg Real Estate Board Incorporation Amendment Act/Loi modifiant la Loi constituant en corporation « The Winnipeg Real Estate Board »*

**Committee Membership:**

*Your committee elected Ms. Allan as the Chairperson.*

*Your committee elected Mr. Rondeau as the Vice-Chairperson.*

*Substitutions received prior to commencement of meeting:*

*Ms. Asper for Mr. Jennissen  
Mr. Rondeau for Hon. Mr. Lathlin  
Mr. Martindale for Hon. Mr. Mackintosh  
Mr. Struthers for Mr. Santos  
Ms. Allan for Mr. Schellenberg  
Mr. Schellenberg for Mr. Aglugub  
Mr. Maloway for Hon. Mr. Smith (Brandon West)  
Mr. Penner (Emerson) for Mrs. Dacquay  
Mr. Maguire for Mr. Rocan  
Mr. Helwer for Mrs. Smith (Fort Garry)*

**Motions:**

*Your committee agreed to the following motions:*

*THAT this Committee recommends that the fees paid with respect to Bill (No. 301) – The Assiniboine Memorial Curling Club Holding Company Ltd. Additional Powers Act/Loi sur les pouvoirs additionnels accordés à l'Assiniboine Memorial Curling Club Holding Company Ltd., be refunded, less the cost of printing.*

*THAT this Committee recommends that the fees paid with respect to Bill (No. 302) – The Congregation Etz Chayim Amalgamation*

*Act/Loi sur la fusion de la Congrégation Etz Chayim, be refunded, less the cost of printing.*

*THAT this Committee recommends that the fees paid with respect to Bill (No. 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 refunded, less the cost of printing.*

**Public Presentations:**

*Your committee heard one presentation on Bill 301—The Assiniboine Memorial Curling Club Holding Company Ltd. Additional Powers Act/Loi sur les pouvoirs additionnels accordés à l'Assiniboine Memorial Curling Club Holding Company Ltd., from the following organization:*

*John Callum, The Assiniboine Memorial Curling Club*

*Your committee heard one presentation on Bill 302—The Congregation Etz Chayim Amalgamation Act/Loi sur la fusion de la Congrégation Etz Chayim., from the following organization:*

*Jack London, Private Citizen*

*Your committee heard one presentation on 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, from the following organization:*

*Ray Taylor, The Salvation Army William and Catherine Booth College*

**Bills Considered and Reported:**

*Bill 301—The Assiniboine Memorial Curling Club Holding Company Ltd. Additional Powers Act/Loi sur les pouvoirs additionnels accordés à l'Assiniboine Memorial Curling Club Holding Company Ltd.*

*Your committee agreed to report this bill without amendment.*

*Bill 302—The Congregation Etz Chayim Amalgamation Act/Loi sur la fusion de la Congrégation Etz Chayim*

*Your committee agreed to report this bill without amendment.*

*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*

*Your committee agreed to report this bill without amendment.*

*Bill 304—The Winnipeg Real Estate Board Incorporation Amendment Act/Loi modifiant la Loi constituant en corporation « The Winnipeg Real Estate Board »*

*Your committee agreed to report this bill without amendment.*

**Ms. Allan:** I move, seconded by the honourable Member for The Maples (Mr. Aglugub), that the report of the committee be received.

*Motion agreed to.*

\* \* \*

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, I move, seconded by the Minister of Finance (Mr. Selinger), that, in accordance with subsection 11.1(5) and (6) of The Provincial Court Act, the report of the Standing Committee on Privileges and Elections respecting judicial compensation received on August 8, 2002, be concurred in.

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

*Motion agreed to.*

\* \* \*

**Bill 204—The Smoke-Free Places Act (Non-Smokers Health Protection Act Amended)**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Member for St. Norbert (Mr. Laurendeau), that,

notwithstanding any rule or practice of this House, Bill 204, The Smoke-Free Places Act (Non-Smokers Health Protection Act Amended), be reinstated during the Fourth Session of the 37th Legislature and be deemed to have been introduced, read a first time and moved for Second Reading.

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

*Motion agreed to.*

## REPORT STAGE

**Bill 17—The Cooperatives Amendment Act**

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, I move, seconded by the Minister of Consumer and Corporate Affairs (Mr. Smith), that Bill 17, The Cooperatives Amendment Act, as reported from the Standing Committee on Law Amendments, be concurred in.

*Motion agreed to.*

**Bill 19—The Mines and Minerals Amendment Act**

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, I move, seconded by the Minister of Industry, Trade and Mines (Ms. Mihychuk), that Bill 19, The Mines and Minerals Amendment Act, as reported from the Standing Committee on Law Amendments, be concurred in.

*Motion agreed to.*

**Mr. Mackintosh:** Mr. Speaker, would you please call the remaining bills listed for report stage on the Order Paper?

**Bill 35—The Child and Family Services Authorities Act**

**Mr. Glen Cummings (Ste. Rose):** Mr. Speaker, I have three amendments. The first amendment by leave, I presume.

**An Honourable Member:** You do not need leave.

**Mr. Cummings:** Okay. I move, seconded by the Minister of Family Services,

*THAT Bill 35 be amended by adding "and recognize the traditional role of women in making decisions affecting family and community" at the end of the third paragraph of the preamble.*

**Motion presented.**

**Mr. Speaker:** The motion is in order, and we may proceed.

\* (03:30)

**Hon. Tim Sale (Minister of Family Services and Housing):** Mr. Chairperson, let me say I express my thanks to the critic. He has been very involved in this bill from the beginning. I have shared information with him about it, and we have worked diligently with our Aboriginal partners in drafting this bill in a way that meets their needs. I think this amendment, as I have been pleased and honoured to second it, strengthens this bill, and I appreciate the critic's work in this regard.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is amendment to Bill 35.

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

**Mr. Cummings:** Mr. Speaker, I have a second amendment.

I move, seconded by the Minister of Family Services,

*THAT Bill 35 be amended by adding the following after clause 19(e):*

(e.1) establish hiring criteria for persons to be hired to provide child and family services, and ensure that those criteria are implemented by agencies that it has mandated;

**Motion presented.**

**Mr. Speaker:** The amendment is in order and we may proceed.

Is the House ready for the question?

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is second amendment to Bill 35.

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

**Mr. Cummings:** I move, seconded by the Minister of Family Services,

*THAT Bill 35 be amended by replacing clause 19(g) with the following:*

(g) ensure that child and family services are provided

(i) in a manner that is responsive to the needs of the children and families receiving the services, and

(ii) where practicable, in the language in which those children and families ordinarily communicate with each other.

**Mr. Speaker:** It has been moved by the honourable Member for Ste. Rose, seconded by the Minister of Family Services

*THAT Bill 35 be amended by replacing clause 19(g) with the following:*

(g) ensure that child and family services are provided—

**An Honourable Member:** Dispense.

**Mr. Speaker:** Dispense.

The amendment is in order and we may proceed.

**Mr. Cummings:** I want to make sure we are procedurally correct to indicate that I will not be introducing another amendment that I had to subsection 6 so that that can be recorded for the purpose of the Clerks. I wish to express a word of appreciation to the minister. This has been an unusual process where he has had to deal with a number of third parties. I would recommend these amendments to the House.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is the third amendment to Bill 35.

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

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Family Services and Housing (Mr. Sale), that Bill 35, The Child and Family Services Authorities Act, as reported from the Standing Committee on Law Amendments and subsequently amended, be concurred in.

*Motion agreed to.*

**Bill 40—The Highway Traffic Amendment Act**

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, I move, seconded by the Minister of Transportation and Government Services (Mr. Ashton), that Bill 40, The Highway Traffic Amendment Act, as reported from the Standing Committee on Law Amendments, be concurred in.

*Motion agreed to.*

**Bill 46—The Elections Finances Amendment Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Finance, that Bill 46, The Elections Finances Amendment Act, reported from the Committee of the Whole, be concurred in.

*Motion presented.*

**Mr. Speaker:** 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.

**Bill 48—The Legal Profession Act**

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** I move, seconded by the Minister of Finance (Mr. Selinger), that Bill 48, The Legal Profession Act, as reported from the Standing Committee on Law Amendments, be concurred in.

*Motion agreed to.*

**Bill 50—The Resource Tourism Operators Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Finance (Mr. Selinger), that Bill 50, The Resource Tourism Operators Act, as reported from the Standing Committee on Law Amendments, be concurred in.

*Motion agreed to.*

**Bill 51—The Statutes Correction and Minor Amendments Act, 2002**

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** I move, seconded by the Minister of Finance (Mr. Selinger), that Bill 51, The Statutes Correction and Minor Amendments Act, 2002, as reported from the Standing Committee on Law Amendments, be concurred in.

**Mr. Speaker:** Could the honourable Minister of Finance please take his seat?

*Motion agreed to.*

**Bill 54—The Legislative Assembly and Executive Council Conflict of Interest Amendment (Conflict of Interest Commissioner) Act**

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** Mr. Speaker, I move, seconded by the Minister of Finance that Bill 54, The Legislative Assembly and Executive

Council Conflict of Interest Amendment (Conflict of Interest Commissioner) Act, as reported from the Standing Committee on Law Amendments, be concurred in.

*Motion agreed to.*

\* \* \*

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, is there leave to deal with third readings of the bills that we have just dealt with out of report stage?

**Mr. Speaker:** Is there leave of the House to deal with third reading of the bills that we just dealt with in report stage? *[Agreed]*

### THIRD READINGS

#### Bill 17—The Cooperatives Amendment Act

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Consumer and Corporate Affairs (Mr. Smith), that Bill 17, The Cooperatives Amendment Act, be now read for a third time and passed.

*Motion agreed to.*

#### Bill 19—The Mines and Minerals Amendment Act

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Industry, Trade and Mines (Ms. Mihychuk), that Bill 19, The Mines and Minerals Amendment Act, be now read a third time and passed.

*Motion presented.*

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I just want to say briefly that though I support this, we had an extraordinary event at the committee—

**An Honourable Member:** Not now, Jon.

**Mr. Gerrard:** Sure, this is third reading. We had an extraordinary event at committee stage—

**An Honourable Member:** Do not talk too long.

**Mr. Gerrard:** I will not. When Grand Chief Flett came with an MOU that had been clearly

signed by this Government which they had completely, completely disregarded, it was a most shameful event that this Government did not follow through with an MOU that they had signed early in their administration. I just wanted to make sure that that was on the record, Mr. Speaker.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is Bill 19, The Mines and Minerals Amendment Act.

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

\* (03:40)

#### Bill 35—The Child and Family Services Authorities Act

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Family Services and Housing (Mr. Sale), that Bill 35, The Child and Family Services Authorities Act, be now read for a third time and passed.

*Motion presented.*

**Hon. Jon Gerrard (River Heights):** I just want it recorded, Mr. Speaker, that I support this effort.

**Hon. Eric Robinson (Minister of Aboriginal and Northern Affairs):** Mr. Speaker, I am very pleased to speak briefly on Bill 35, The Child and Family Services Authorities Act. This is the result of a historic agreement that is unprecedented in Canada, and it is a major step forward in this regard. I have been very proud to be involved with the negotiations and implementation of this agreement.

It is a logical and necessary progression from the ending of the Sixties Scoop following the report of Judge Kimelman. The legacy of the sixties scoop is with us today: more than 3000 Manitoba Treaty and Métis children were adopted out of the province, and out of the

country, during this period of time. More than 25 percent of these adoptions were placed in the United States, and Manitoba was the only province in the country still permitting this practice until it finally ended in 1982.

Fully 70 percent or higher of the Aboriginal adoptions went to non-Aboriginal families. The cost to the children was horrendous. They and their relatives bear the scars of this flawed policy which was rightly called cultural genocide by many, including Judge Kimelman. The damages from this policy continue to haunt many of the victims who lost their sense of cultural identity.

Mr. Speaker, I was very proud to work to a small degree on this initiative. Child welfare is a very major issue, was a major issue and continues to be, especially during the hearings and in the final report of the AJI in 1991, which strongly endorsed Aboriginal child welfare agencies. I was very pleased that, shortly after taking office in 1999, we were able to create the Aboriginal Justice Implementation Commission to act on the Aboriginal Justice Inquiry report.

I want to commend the Minister of Family Services (Mr. Sale), the Grand Chiefs of the Assembly of Manitoba Chiefs, Dennis White Bird; Margaret Swan of the Southern Chiefs Organization, Francis Flett of the MKO, and President David Chartrand of the Manitoba Métis Federation, along with their respective staff—and staffs from the Minister of Family Services' department and the department that I am responsible for—who have worked out this historic agreement. Also, allow me to commend the efforts put forth by the member from Ste. Rose. Indeed, he has made a significant contribution in this initiative.

We are not only talking about the four Child and Family Services' authorities. We are talking about the transfer of more than \$100 million of money to these agencies, and it is a transfer that will provide long-term benefits for literally hundreds of children and their families, and, over time, we will see major changes in communities that had lost generations of children under these sixties scoop and previous laws that existed in the past.

This bill, I believe, restores self-government to Aboriginal people that was taken away by

past governments. It will have a long-lasting positive legacy for enhancing communities in Manitoba, and I look forward to continued progress on implementing this landmark agreement and encourage the Legislature to pass this legislation. Thank you.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is Bill 35, The Child and Family Services Authorities Act.

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

#### **Bill 40—The Highway Traffic Amendment Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Transportation and Government Services (Mr. Ashton), that Bill 40, The Highway Traffic Amendment Act, be now read a third time and passed.

*Motion agreed to.*

#### **Bill 46—The Elections Finances Amendment Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Finance (Mr. Selinger), that Bill 46, The Elections Finances Amendment Act, be now read for a third time and passed.

*Motion presented.*

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I just rise to say very briefly that this bill, which brings things into a situation where there are individual donors rather than corporate donors and where there is reporting of leadership, is a bill that I might amend, but in this case I will support it, in distinct difference from my colleagues to my right.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is Bill 46, The Elections Finances Amendment 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. Chairperson:** All those opposed to the motion, say nay.

**Some Honourable Members:** Nay.

**Mr. Chairperson:** In my opinion, the Yeas have it.

**Mr. Marcel Laurendeau (Official Opposition House Leader):** On division, Mr. Speaker.

**Mr. Speaker:** On division.

#### Bill 48—The Legal Profession Act

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** I move, seconded by the Minister of Finance, that Bill 48, The Legal Profession Act, be now read for a third time and passed.

*Motion agreed to.*

#### Bill 50—The Resource Tourism Operators Act

**Hon. Gord Mackintosh (Government House Leader):** Moved, seconded by the Minister of Finance that Bill 50, The Resource Tourism Operators Act, be now read for a third time and passed.

*Motion agreed to.*

#### Bill 51—The Statutes Correction and Minor Amendments Act, 2002

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** Moved, seconded by

the Minister of Finance, that Bill 51, The Statutes Correction and Minor Amendments Act, 2002, be now read for a third time and passed.

*Motion agreed to.*

#### Bill 54—The Legislative Assembly and Executive Council Conflict of Interest Amendment (Conflict of Interest Commissioner) Act

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** Moved, seconded by the Minister of Finance, that Bill 54, The Legislative Assembly and Executive Council Conflict of Interest Amendment (Conflict of Interest Commissioner) Act, be now read for a third time and passed.

*Motion presented.*

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I support this legislation as a step forward.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is Bill 54, The Legislative Assembly and Executive Council Conflict of Interest Amendment (Conflict of Interest Commissioner) Act.

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

\* \* \*

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, would you canvass the House to see if there is leave to deal with report stage and third readings of bills as reported from the committees?

**Mr. Speaker:** Is there leave of the House to deal with report stage and third reading of the bills that have been reported from the committees? *[Agreed]*

#### REPORT STAGE

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

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Member for

Assiniboia (Mr. Rondeau), that Bill 301, The Assiniboine Memorial Curling Club Holding Company Ltd. Additional Powers Act, as reported from the Standing Committee on Private Bills, be concurred in.

*Motion agreed to.*

**Bill 302—The Congregation Etz Chayim  
Amalgamation Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Member for Burrows (Mr. Martindale), that Bill 302, The Congregation Etz Chayim Amalgamation Act, as reported from the Standing Committee on Private Bills, be concurred in.

*Motion agreed to.*

\* (03:50)

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

**Hon. Gord Mackintosh (Government House Leader):** Moved, seconded by the Member for Burrows (Mr. Martindale), that Bill 303, The Salvation Army William and Catherine Booth College Incorporation Amendment Act, as reported from the Standing Committee on Private Bills, be concurred in.

*Motion agreed to.*

**Bill 304—The Winnipeg Real Estate Board  
Incorporation Amendment Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Member for Dauphin-Roblin (Mr. Struthers), that Bill 304, The Winnipeg Real Estate Board Incorporation Amendment Act, as reported from the Standing Committee on Private Bills, be concurred in.

*Motion agreed to.*

**THIRD READINGS**

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

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Member for

Assiniboia (Mr. Rondeau), that Bill 301, The Assiniboine Memorial Curling Club Holding Company Ltd. Additional Powers Act, be now read for a third time and passed.

*Motion agreed to.*

**Bill 302—The Congregation Etz Chayim  
Amalgamation Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Member for Burrows (Mr. Martindale), that Bill 302, The Congregation Etz Chayim Amalgamation Act, be now read for a third time and passed.

*Motion agreed to.*

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

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Member for Burrows (Mr. Martindale), that Bill 303, The Salvation Army William and Catherine Booth College Incorporation Amendment Act, be now read for a third time and passed.

*Motion agreed to.*

**Bill 304—The Winnipeg Real Estate Board  
Incorporation Amendment Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Member for Dauphin-Roblin (Mr. Struthers), that Bill 304, The Winnipeg Real Estate Board Incorporation Amendment Act, be now read for a third time and passed.

*Motion agreed to.*

\* \* \*

**Mr. Mackintosh:** Is there leave to move motions for the refunding of fees paid on the private bills?

**Mr. Speaker:** Is there leave for a motion to be brought forward for a refund for fees paid to the private bills? [*Agreed*]

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

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Member for

Assiniboia (Mr. Rondeau), that the fees paid with respect to Bill 301, The Assiniboine Memorial Curling Club Holding Company Ltd. Additional Powers Act, be refunded, less the cost of printing.

*Motion agreed to.*

**Bill 302—The Congregation Etz Chayim Amalgamation Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Member for Flin Flon (Mr. Jennissen), that the fees paid with respect to Bill 302, The Congregation Etz Chayim Amalgamation Act be refunded, less the cost of printing.

*Motion agreed to.*

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

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Member for Burrows (Mr. Martindale), that the fees paid with respect to Bill 303, The Salvation Army William and Catherine Booth College Incorporation Amendment Act, be refunded, less the cost of printing.

*Motion agreed to.*

**REPORT STAGE**

**Bill 31—The Medical Amendment (Physician Profiles and Miscellaneous Amendments) Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Finance (Mr. Selinger), that Bill 31, The Medical Amendment (Physician Profiles and Miscellaneous Amendments) Act, as reported from the Standing Committee on Law Amendments, be concurred in.

*Motion agreed to.*

**Bill 36—The Drinking Water Safety Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of

Finance (Mr. Selinger), that Bill 36, The Drinking Water Safety Act, as reported from the Standing Committee on Law Amendments, be concurred in.

*Motion agreed to.*

**Bill 37—The Non-Smokers Health Protection Amendment Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Finance (Mr. Selinger), that Bill 37, The Non-Smokers Health Protection Amendment Act, as reported from the Standing Committee on Law Amendments, be concurred in.

*Motion agreed to.*

**Bill 41—The Manitoba Hydro Amendment Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Finance (Mr. Selinger), that Bill 41, The Manitoba Hydro Amendment Act, as reported from the Standing Committee on Law Amendments, be concurred in.

*Motion agreed to.*

**Bill 49—The Purchase of Winnipeg Hydro Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Finance (Mr. Selinger), that Bill 49, The Purchase of Winnipeg Hydro Act, as amended and reported from the Standing Committee on Law Amendments, be concurred in.

*Motion agreed to.*

**THIRD READINGS**

**Bill 31—The Medical Amendment (Physician Profiles and Miscellaneous Amendments) Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Finance (Mr. Selinger), that Bill 31, The Medical Amendment (Physician Profiles and Miscellaneous Amendments) Act, be now read for a third time and passed.

*Motion presented.*

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I support this bill. I hope that the Government and the Minister of Health (Mr. Chomiak), when this is implemented, will take into account the very helpful comments of Dr. Bill Pope and Christine Mirus as they were given in committee stage.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is Bill 31, The Medical Amendment (Physician Profiles and Miscellaneous Amendments) Act.

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

#### **Bill 36—The Drinking Water Safety Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Finance, that Bill 36, The Drinking Water Safety Act, be now read for a third time and passed.

*Motion agreed to.*

#### **Bill 37—The Non-Smokers Health Protection Amendment Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Finance, that Bill 37, The Non-Smokers Health Protection Amendment Act, be now read a third time and passed.

*Motion presented.*

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I support this effort. I think that there could have been some better agreement, or working with business perhaps on it, but I think that this is a step forward in terms of improving health.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is Bill 37, The Non-Smokers Health Protection Amendment Act.

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

**Some Honourable Members:** No.

**Some Honourable Members:** Yes

\* (04:00)

#### **Voice Vote**

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

**Some Honourable Members:** Yea.

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

**Some Honourable Members:** Nay.

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

**Mr. Marcel Laurendeau (Official Opposition House Leader):** On division, Mr. Speaker.

**Mr. Speaker:** On division.

#### **Bill 41—The Manitoba Hydro Amendment Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Finance, that Bill 41, The Manitoba Hydro Amendment Act, be now read a third time and passed.

*Motion presented.*

**Mr. John Loewen (Fort Whyte):** Well, Mr. Speaker, it is not unusual that the Government would try to pass this bill in the middle of the night. The timing of this speaks for itself.

This is a bill that is four pages long. It is going to cost the ratepayers of this province, Manitoba Hydro, \$70 million a page, and for what? To simply allow this Government to say that they have bailed themselves out of an operating deficit.

The genesis of this bill goes back to March 2001, when this Government failed to recognize that the economy all across North America was slipping into recession; when this Government sat idly by, and refused to make any hard

decisions on which programs they could afford to fund, on which programs that they had established for budgetary purposes that were efficient and which ones were inefficient. As a result of this Government's refusal to understand the ramifications of an economic downturn, and as a result of their failure to understand that downturn would result in dramatic decreases in corporate income tax revenue, Manitoba Hydro and the ratepayers of Manitoba Hydro are being forced to suffer the consequences.

This Government has shown that they cannot manage spending in their departments. Right across their departments, since this Government has taken office, we have seen spending increase dramatically. This is a government that has operated on the basis of how and what they can do to deceive the public of the province of Manitoba. Right from day one, when this minister stood in this House and indicated that his Government intended to delink their income tax rates and that would provide a benefit to Manitobans, when, in fact, he knew, and the numbers proved, that the delinking a year early simply meant that this Government was going to be able to preserve its revenue on the backs of taxpayers in Manitoba. This Government and that one step set the stage for what we see happening in this bill today.

*Ms. Bonnie Korzeniowski, Acting Speaker, in the Chair*

In spite of dramatic increases in personal income tax revenue, in spite of dramatic increases in federal transfers, this Government has failed, over and over, to live within its means. The result of that is that, this fall, they found themselves in a terrible position. This Finance Minister had to admit, in December, that his Government was going to have to dip into the rainy day fund to the tune of \$185 million, simply because they failed to recognize and failed to take action in the spring for the coming economic downturn.

They got significant feedback, even though they tried to float that idea at the end of December, when most Manitobans had other thoughts on their minds; when a lot of Manitobans were away on vacation, and were enjoying time with their families as they were on

holidays and children were out of school. This Government tried to slip this through, but the public responded loud and clear.

They sent a message to this Government, they sent a message to the Finance Minister, and they sent a message to the Premier (Mr. Doer) that this Government, if the best they could do was to drain the rainy day fund of \$185 million, there would be serious political ramifications.

So what did this Government do? Did they take that message, and go back and say, well, we have got to tighten our belts, we have got to look at what programs are inefficient; we have got to look at what we can do without, we have got to live within our means?

No. Instead, they set their political advisers, Eugene Kostyra and Vic Schroeder, set them to work and said, gentlemen, we are the NDP, we are about spending. If there is a problem, we have a solution: throw more money at it. Even though that is not working, they could not face the music. So what did they do? They looked for other means to generate revenue, and they looked for other deceptions that they could put on the backs of Manitobans.

*Mr. Speaker in the Chair*

What did they come up with? They came up with a scheme to force Manitoba Hydro to pay \$288 million to the Government of Manitoba. So they asked Manitoba Hydro, in December, what effect this would have on Manitoba Hydro, and how paying a dividend would translate in the books of Manitoba Hydro.

Manitoba Hydro came back, very clearly, I believe, and told the minister, told the chairman, Mr. Schroeder, told Mr. Kostyra, told the Premier (Mr. Doer) that, in fact, although the corporation was benefiting tremendously from increased revenues, and although they would have profits of over \$200 million, quite likely, by the end of their fiscal year in March 31, they told this Government quite clearly that they had no cash.

So you would think, upon being advised of that, that the Government would turn around and say, well, we had better scrap that plan. Hydro

does not have any cash, so we are going to have to look elsewhere.

But they did not even have the decency to do that. They simply went back to Manitoba Hydro and said, well, hey, we are guaranteeing your debt; you might as well just go out and borrow more money, shift it over to us, and we can plug that in as general revenue.

\* (04:10)

Can you imagine that? Manitoba Hydro, you go borrow more money so that we, the Government, can take it from you and plug it in as general revenue. I mean, if that is not off-balance-sheet financing, I do not know what is. This Government talks about all the audits that they get Deloitte & Touche to do. Well, maybe they should ask Deloitte & Touche to give them an opinion about whether forcing Manitoba Hydro to borrow \$288 million simply to cover their overspending is not, in its simplest form, off-balance-sheet financing. Deloitte & Touche would tell them clearly that it is that type of financial mismanagement that has got many, many corporations into serious financial difficulty; and, in fact, it will be a significant burden on the ability of Manitoba hydroelectric corporation to manage its financial affairs on into the future.

Did this Government, at budget time, stand up and admit what was going on, admit what was happening? Not even close. The first thing they did was take the nine-month financial statement of Manitoba Hydro, which clearly showed that the corporation did not have the cash to come up with \$150 million they were demanding from last year, in spite of having generated over \$154 million in profits for the first nine months of the year. The first thing they did was to break the rules of the Canadian Institute of Chartered Accountants and refuse to restate that third quarter report to indicate to everybody in the financial community that the Government was planning to take a dividend and the obvious result was that Manitoba Hydro was going to have to borrow money to fund the dividend that the Province was demanding. Did they admit in this House under questioning that Manitoba Hydro did not have the cash? No, they did not.

They came up with this concocted story that Manitoba Hydro had record profits over the

course of the last five years and they were simply taking the cash out of the record profits that Manitoba Hydro had managed to generate. Did they tell Manitobans that in spite of those record profits that Manitoba Hydro had used all of the cash that had been generated to fund with needed capital expenditures? No, they refused to admit that in this House.

Finally, when the Public Utilities Board, at the end of May and early June, was going through its five-year review of Manitoba Hydro the truth came out. At the Public Utilities Board, official, after official, after official of Manitoba Hydro went before the board and in sworn testimony, under oath indicated clearly that not only would Manitoba Hydro have to go out and borrow the entire \$288 million, but in fact there would be a borrowing cost associated with that which would mean that the cost to Manitoba Hydro of that dividend was in fact \$564 million.

That tells a story right there. The ratepayers of Manitoba Hydro, particularly those corporations and citizens that purchase electricity from Manitoba Hydro, are going to be saddled with a cost of \$564 million simply to cover the operating deficits in the next two years that this NDP government, that Gary Doer's government is going to run.

As I indicated in second reading I feel some compassion for the Finance Minister, who is also the Minister responsible for Manitoba Hydro because his Premier has put him in an untenable position. His Premier has put him in the position where he is horribly conflicted between what is right in terms of what the NDP government needs and what is right in terms of the finances of the Province of Manitoba, and, more particularly, what is right for Manitoba Hydro in the long-term.

Quite clearly, if this minister was solely responsible for Manitoba Hydro he would have no option but to stand up and defy the Premier and indicate to him that under no circumstances would it make any sense to force Manitoba Hydro to go out and borrow \$288 million simply because the Premier and his ministers could not manage a budget.

It was not just an extraordinary expense, and it was not as this minister has tried to indicate in a bill, the tragedy of September 11. It had nothing to do with a federal accounting error. It

had everything to do with department, after department, after department overspending. They not only overspent to the point where this Government had to move \$150 million retroactively.

This Government also had to cut close to \$100 million of slush fund expenses that they had put into last year's Budget. They had to drop their proposal to spend \$40 million upgrading the floodway, took it right off the books, but did it lapse? No. They spent her. They just allowed other departments, Department of Justice, Family Services and Housing, Health, those are some of the worse offenders, but those departments just went out and overspent their budget, and this Government, this Finance Minister, this Premier and all of those at the Cabinet table did not have the strength to stand up to those ministers and say: Look, you have to manage within your means.

So the message they try to deliver to Manitobans through their Budget is not that Manitobans should manage within their means. The leadership they are showing is that if you get in financial difficulty, you just force someone else to go out and borrow. Do not worry about the consequences. Do not worry what it is going to do to Manitoba Hydro.

Mr. Speaker, this is compounded by the fact that, in addition to the dividend, this Government doubled the water rental rate. It doubled the amount that it is collecting in guarantee fees. It introduced a management cost of a million dollars, and it did nothing else to reduce any of the taxes that Manitoba Hydro had. So what do we have now?

Not only, as a result of the Doer government, are we the highest taxed province west of Québec. We also have the distinct pleasure of our hydro-electric company, our crown jewel, now paying close to 30 percent of its total revenue. Not 30 percent of its profits, but 30 percent of its total revenue is going directly to the Province of Manitoba through a dividend, through increased water rental rates, through a guarantee fee, through capital taxes, through surcharges and through other transfers.

Most other hydro-electric companies across Canada are in the neighbourhood of 7-12

percent, in terms of the amount of their revenue that has flowed through their provincial governments. This Government has forced the hydro-electric company to be in the range of 25-30 percent, year after year. They say: Well, it is only for three years.

But, Mr. Speaker, I do not think this Government will be able to stop the process, because, last year, they depended on Hydro for \$150 million to balance their books. This year, they are relying on Hydro for a minimum of \$75 and maybe closer to \$100 million to balance their books. What are they going to do in the year after? Of course, from a political perspective—

**An Honourable Member:** Call an election.

**Mr. Loewen:** Exactly. As the member indicates, before they have to be accountable for this, they are going to call an election, and they are going to come up with some other spin. They are going to come up with some other excuse to say, oh, no, we will not need it. Revenues are going to increase dramatically. The economy is turning, the gross domestic product is growing, and we will be all right. But they will not have the courage to sit in this House and try and prove it out.

\* (04:20)

So what can Manitobans expect from the Doer government? They can expect more deception. They can expect more mismanagement, and they can expect bigger and bigger deficit financing. Let us not think for one minute, that this Government, this Doer government, will not go to any length to cover up the fact that they are running operating deficits, year after year after year.

As a matter of fact, we have seen them already try to hide the fact that they increased taxes. We have seen them try to hide the fact that they have significantly increased program spending. They have tried to do that by simply ignoring the fact that, in the first year of their mandate, they took one-time write-offs of close to \$231 million. The next year, they took their operating expenses and they just had the gall to say: Well, forget that \$231 million that we took

in one-time expenses. Our operating expenses have only gone up a little bit.

Well, people who analyze the numbers see through it. Economists see through it. It will come back to haunt this province in terms of the rates that Manitobans are going to have to pay and the increased debt charges that are going to accrue to this province, as we see not only an increase in the interest rate, but an increase in the premium that this Government is going to have to pay for its borrowings.

In 1996, the Government of Manitoba took \$103 million out of Manitoba Hydro. In 2002, this Government, excluding the dividend, took \$217 million out of Hydro. They increased their take by well over 100 percent. On top of that, they added \$150 million. They are taking close to a million dollars a day out of Manitoba Hydro simply to balance their books. We are seeing, directly, we see it today in Bill 56, where Manitoba Hydro is requesting borrowing authority for \$309 million for capital expenditures, which contradicts their policy, which they met last year of funding all of their capital expenditures from internal sources. They will not meet that policy objective this year. In fact, they will not even be close. The reason they will not be close is because this Government cannot manage its financial affairs.

We as Manitobans and our children will pay a heavy price for this Government's refusal to stand up and deal with the issues as they come forward. We have, and we will continue to use every means possible to defeat this bill. This is a bad bill. This is a bill that serves no purpose other than to bail out this Finance Minister and to bail out this Government. This is a bill that damages Manitoba. This is a bill that damages Manitoba Hydro.

This is a bill that the Government is trying to fob off on the people of Manitoba as something that was recommended by the Business Council of Manitoba. In fact, the Business Council had to send a letter to the Minister of Finance (Mr. Selinger) and explain to him that he should not, in any way, try to indicate to the people of Manitoba that they supported this dividend. They told him explicitly that, if he was going to take a dividend from the

Province of Manitoba, he had to look at the long-term ramifications. He had to look at what effect it would have on capital, and he had to do a thorough analysis of how Manitoba Hydro would be affected by a dividend policy.

We believe this bill should be pulled. We believe the Government should do the right thing, the right financial thing. They have not managed to manage the finances, but now that they have made such a mess of it, they should do the honourable thing. Take what they need out of the rainy day fund to balance their books for last year, and get on with the business of cutting expenditures, matching expenditures with revenue so that future generations of Manitoba are not saddled with debt simply because this Government, the Minister of Justice (Mr. Mackintosh), the Minister of Family Services and Housing (Mr. Sale), the Minister of Health (Mr. Chomiak), the Minister of Transportation (Mr. Ashton) can get out and spend, spend, spend. Go back to the drawing board, gentlemen and ladies. Look at your programs and make the tough decisions that need to be made for the benefit of all Manitobans.

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I oppose this legislation. I think it is a sign of poor management. Clearly, the NDP has increased the transfer from Manitoba Hydro to the Government, in a variety of ways, so that it is now taking more than \$200 million even before this grab of \$288 million. It comes at a time when Manitoba Hydro must borrow the extra money, and clearly this is a deceptive way around the balanced budget legislation, when the NDP could not go, under the terms of balanced budget legislation, and borrow the money on behalf of the Government itself.

I listened to the comments of the Minister of Finance at the committee stage, and his explanation for doing this was: it was okay for us to be deceptive, because the Tories were very deceptive in the way they handled the finances for Manitoba Hydro in the government before.

That is not a good excuse for being deceptive in the way that you handled the finances, and clearly the Minister of Finance has not got a good reason for what he has been doing.

Mr. Speaker, my case rests. I oppose this legislation.

**Mr. Stuart Murray (Leader of the Official Opposition):** Mr. Speaker, I rise to speak in opposition of this bill. I would like to take a minute to say that the honourable Member for Fort Whyte (Mr. Loewen), who understands this situation and has spoken on the record, has summed it up very, very well. I think he has put it very well into perspective.

The one comment I would like to make is that if you read the bill, which is, I think, poorly written—because they talk about two clauses, WHEREAS. I think the biggest clause that is missing is the reason that they have to change the Hydro legislation. They should have put in the bill WHEREAS the NDP Doer government ran a deficit of \$150 million last year. We are forced to raid a Crown corporation to cover off that deficit, Mr. Speaker. That is the clause that is missing in this bill.

The fact of life is it is well documented that this Government has a spending problem. We know that close to \$1 billion of new revenue has come into Manitoba. That is the good news. The bad news is that the NDP Doer government has spent every last plugged nickel, and then some, and it has forced them to—surprise—in the middle of the night go out and raid Manitoba Hydro for money that Manitoba Hydro does not have, and, in turn, has to go out and borrow.

That is chaotic, Mr. Speaker. It is bad public policy. It is bad for the future of Manitobans. It is bad for the future of Manitoba Hydro, and it is a legacy that unfortunately they are taking away from our young Manitobans, our children; and it is a legacy that the NDP is going to be well known for, because it is starting to do away with the future of our young people in Manitoba. We believe that this is bad public policy, and I certainly, in the very strongest terms, oppose it. Thank you, very much.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question for the House is Bill 41, The Manitoba Hydro Amendment Act.

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

**Some Honourable Members:** No.

**Some Honourable Members:** Yea.

#### Voice Vote

\* (04:30)

**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 has been requested. Call in the members.

The question before the House is Bill 41, The Manitoba Hydro Amendment Act.

#### Division

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

#### Yeas

*Allan, Ashton, Asper, Barrett, Caldwell, Cerilli, Chomiak, Dewar, Doer, 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, Derkach, Driedger, Dyck, Enns, Faurshou, Gerrard, Hawranik, Helwer, Laurendeau, Loewen, Maguire, Mitchelson,*

*Murray, Penner (Emerson), Penner (Steinbach), Pitura, Reimer, Schuler, Smith (Fort Garry), Tweed.*

**Madam Clerk (Patricia Chaychuk):** Yeas 30, Nays 21.

**Mr. Speaker:** The motion has been carried.

\* \* \*

### **Bill 49—The Purchase of Winnipeg Hydro Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Finance (Mr. Selinger), that Bill 49, The Purchase of Winnipeg Hydro Act, be now read for a third time and passed.

#### ***Motion presented.***

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I just want it recorded that I support this legislation.

**Mr. John Loewen (Fort Whyte):** Mr. Speaker, I want to reiterate that we will be opposing this bill. While we support the purchase of Winnipeg Hydro by Manitoba Hydro, we are deeply disappointed that this Government and this minister, once again, have tried to slide this through in the dark of night without going through the regular Tory approval that is required by The Public Utilities Board Act, particularly section 82 as it pertains to Winnipeg Hydro.

We believe that the people, the organizations that came to committee today and demanded the right to have this purchase of asset agreement go for a full and thorough review by the Public Utilities Board, should be heard. This Government and this minister and this Premier (Mr. Doer) should do the honourable thing and, prior to the closing of this transaction, the Public Utilities Board should have an opportunity to do a full and thorough review, and advise the ratepayers and all those interested in this transaction, as to the adequacy of the financial and other terms involved in this agreement. For

that reason, we will be opposing this bill. Thank you.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is Bill 49, The Purchase of Winnipeg Hydro 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.

\* (04:40)

**Mr. Marcel Laurendeau (Official Opposition House Leader):** On division, Mr. Speaker.

**Mr. Speaker:** On division.

\* \* \*

**Mr. Mackintosh:** Mr. Speaker, would you please canvass the House to see if there is unanimous consent to present the Third Report of the Standing Committee on Industrial Relations and the Third Report of the Standing Committee on Municipal Affairs?

**Mr. Speaker:** Is there unanimous consent to present the Third Report on the Standing Committee on Industrial Relations and the Third Report of the Standing Committee on Municipal Affairs? *[Agreed]*

## REPORT STAGE

### Bill 2—The Security Management (Various Acts Amended) Act

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** Mr. Speaker, I move, seconded by the Minister of Finance, that Bill 2, The Security Management (Various Acts Amended) Act, as amended and reported from the Standing Committee on Law Amendments, be concurred in.

*Motion agreed to.*

### Bill 20—The Adult Learning Centres Act

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Education (Mr. Caldwell), that Bill 20, The Adult Learning Centres Act, as amended and reported from the Standing Committee on Municipal Affairs, be concurred in.

*Motion agreed to.*

### Bill 21—The Partnership Amendment and Business Names Registration Amendment Act

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Consumer and Corporate Affairs (Mr. Smith), that Bill 21, The Partnership Amendment and Business Names Registration Amendment Act, as amended and reported from the Standing Committee on Law Amendments, be concurred in.

*Motion agreed to.*

**Mr. Mackintosh:** Would you please call report stage, Bill 23?

### Bill 23—The Pesticides and Fertilizers Control Amendment Act

**Hon. Rosann Wowchuk (Minister of Agriculture and Food):** Mr. Speaker, I move, seconded by the member from Emerson,

*THAT Bill 23 be amended by adding the following after the proposed subsection 4(1.1), as set out in subsection 5(3) of the Bill:*

#### **Warrant to enter a dwelling place**

**4(1.2)** An inspector may not enter a dwelling place except with the consent of the occupant or under the authority of a warrant.

#### **Authority to issue warrant**

**4(1.3)** A justice who is satisfied by information on the oath that

(a) the conditions for entry described in this section exist in relation to a dwelling place;

(b) entry to the dwelling place is necessary for a purpose relating to the administration of this Act; and

(c) entry to the dwelling place has been refused or there are reasonable grounds to believe that entry will be refused;

may at any time issue a warrant authorizing the inspector and any other person named in the warrant to enter the dwelling place, subject to any conditions that may be specified in the warrant.

*Motion presented.*

**Ms. Wowchuk:** We had discussion on this particular amendment during the committee stage, and there was concern that the amendment might have the opposite effect of what the member was proposing in the amendment. We consulted with legal counsel, and, although the issue is covered off in the act, legal counsel advised that it would be suitable to bring this amendment forward. In the spirit of co-operation that we have had with the Opposition on the securities bill, The Animals Diseases Act and now on the pesticide act, Mr. Speaker, I am pleased that we are able, jointly, to bring this amendment forward.

**Mr. Jack Penner (Emerson):** Mr. Speaker, first of all, I want to say to the Legislative Assembly that we appreciate that finally the legal advisers agree that the amendment that we were putting forward was, in fact, acceptable and should be implemented in this bill.

Secondly, I want to say to this House that this is probably one of the most frivolous

attempts to ensure the general public that we are doing, and how we are handling manure, is, in fact, needed to be amended by a legislation.

I will read you one section of the act as it currently exists, without the amendment that is being proposed by this Government. This says simply that fertilizer means—and I think everybody needs to listen to this—any substance, or mixture of substances containing nitrogen, phosphorous or potassium or other plant food manufactured, sold, or represented for use as a plant nutrient.

What better describes manure than that? That is currently in the act without any amendment. There is no other part of the act that pertains to what we are doing or adding to the process of agriculture today, except, Mr. Speaker, this is a money grab. It forces people to be licensed, and that will give the provincial government revenue.

We will support this bill, Mr. Speaker, not from the aspect that it is needed, but because the general public will see this as a move towards the protection of the environment, which it really does not do. But I say to you again, this is a frivolous attempt by this Government to try and demonstrate to the general public that they are doing something to protect the environment.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is the amendment to Bill 23.

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

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Agriculture, that Bill 23, The Pesticides and Fertilizers Control Amendment Act, as reported from the Standing Committee on Law Amendments and subsequently amended, be concurred in.

*Motion agreed to.*

#### **Bill 24—The Securities Amendment Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of

Consumer and Corporate Affairs (Mr. Smith), that Bill 24, The Securities Amendment Act, as reported from the Standing Committee on Law Amendments, be concurred in.

*Motion agreed to.*

#### **Bill 38—The Public Health Amendment Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Health (Mr. Chomiak), that Bill 38, The Public Health Amendment Act, as reported from the Standing Committee on Law Amendments, be concurred in.

*Motion agreed to.*

\* (04:50)

**Mr. Mackintosh:** Mr. Speaker, would you please call report stage on Bill 42.

#### **Bill 42—The Off-Road Vehicles Amendment Act**

**Mr. David Faurshou (Portage la Prairie):** I move, seconded by the honourable Member for Arthur-Virden (Mr. Maguire),

*THAT subsection 25(2) be amended by adding "that must not be before September 1, 2004" at the end.*

*Motion presented.*

**Mr. Faurshou:** I believe the amendment is a very straightforward one. It was language that was discussed at committee. It was agreed at committee that it would be brought forward at this time. It allows sufficient period of time for both the manufacturers and the working group already involved with the study of decals for snowmobiles, and the design that goes into that—sufficient time in which to be thoroughly discussed and examined.

**Hon. Steve Ashton (Minister of Transportation and Government Services):** This refers to the decal recommendation in terms of snowmobiles. The amendment was brought forward yesterday in a preliminary form by the member opposite. This is one element of the bill

which was intended not to be proclaimed immediately. This is an example of where the committee hearing was very useful. Snoman's presentation was very instructive in this matter. I thank the member opposite. We will be supporting the amendment on this side. We think it makes the bill, which is a good bill to begin with, a better bill.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is the amendment.

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

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Transportation and Government Services (Mr. Ashton), that Bill 42, The Off-Road Vehicles Amendment Act, as reported from the Standing Committee on Law Amendments and subsequently amended, be concurred in.

*Motion agreed to.*

#### **Bill 53—The Common-Law Partners' Property and Related Amendments Act**

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** I move, seconded by the Minister responsible for the Status of Women (Ms. McGifford), that Bill 53, The Common-Law Partners' Property and Related Amendments Act, as amended and reported from the Standing Committee on Law Amendments, be concurred in.

*Motion agreed to.*

### **THIRD READINGS**

#### **Bill 2—The Security Management (Various Acts Amended) Act**

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** I move, seconded by the Minister of Finance (Mr. Selinger), that Bill 2, The Security Management (Various Acts Amended) Act, be now read a third time and passed.

*Motion presented.*

**Hon. Jon Gerrard (River Heights):** I just want it recorded that I support this legislation. I think that there were some helpful comments provided at committee, which could have provided a comprehensive framework for emergency management, and there are some issues that need to be addressed. But I do support the legislation.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is Bill 2, The Security Management (Various Acts Amended) Act.

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

#### **Bill 20—The Adult Learning Centres Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Education Training and Youth (Mr. Caldwell), that Bill 20, The Adult Learning Centres Act, be now read a third time and passed.

*Motion presented.*

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I just want it recorded that I support this legislation. I think it is unfortunate that the Government did not introduce it in the first year of their mandate, when there was clear evidence that there were problems in the system. It would have saved a lot of difficulty in divisions like Morris-Macdonald. I do support the legislation coming now.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is Bill 20, The Adult Learning Centres Act.

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

#### **Bill 21—The Partnership Amendment and Business Names Registration Amendment Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Consumer and Corporate Affairs (Mr. Smith),

that Bill 21, The Partnership Amendment and Business Names Registration Amendment Act, be now read for a third time and passed.

*Motion agreed to.*

**Bill 23—The Pesticides and Fertilizers Control Amendment Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Finance, that Bill 23, The Pesticides and Fertilizers Control Amendment Act, be now read a third time and passed.

*Motion presented.*

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I just want it recorded that I support this. I am pleased that the Minister of Agriculture listened to the presentation of the reeve from the R.M. of Morris and made the change in the amendment as a result. Thank you.

**Mr. Jack Penner (Emerson):** Just a few brief comments. Again, I say to you, Mr. Speaker, and the rest of this House, this is a frivolous bill. We believe that this only does one thing. This causes the farm community to have to go through a whole bunch of hoops that need not be necessary. This is only a bill that is being drafted to give comfort to those that are opposed to and/or cautious about the livestock industry expansion in this province.

I say to you that the definition of fertilizer describes manure perfectly in all aspects. When you look at the area of substance or mixture of substance containing nitrogen, phosphorus, potassium and other plant food manufactured, sold or represented for use as plant nutrient, which is currently contained as the definition or one of the definitions of this bill describing fertilizers, this is one of the most natural fertilizers that you could buy.

I think this is simply an attempt by this Government to demonstrate to those that are opposed to the livestock industry that they are actually trying to do something which does nothing except grab money for the Province of Manitoba.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is Bill 23, The Pesticides and Fertilizers Control Amendment Act.

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

**Bill 24—The Securities Amendment Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Consumer and Corporate Affairs (Mr. Smith), that Bill 24, The Securities Amendment Act, be now read for a third time and passed.

*Motion presented.*

**Mr. Speaker:** 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—

\* (05:00)

**An Honourable Member:** Cannot hear the motion.

**Mr. Speaker:** You cannot hear?

**An Honourable Member:** Do the motion again, Mr. Speaker.

**Mr. Speaker:** I do not know what is going on, because I have my lights on.

It has been moved by the honourable Government House Leader, seconded by the honourable Minister of Consumer and Corporate Affairs (Mr. Smith), that Bill 24, The Securities

Amendment Act, be now read for the third time and passed.

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I am opposed to this legislation. I think it should be deferred for a year and get more consideration. Clearly, that were some major concerns raised with this legislation at the committee stage, a concern that it would cause problems with the capital markets in this province, stifle innovation and growth, and there is a problem with removing the appeal process. So I will vote against this, because I believe that it should be deferred for more consideration.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is Bill 24, The Securities Amendment 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.

**Mr. Marcel Laurendeau (Official Opposition House Leader):** On division, Mr. Speaker.

**Mr. Speaker:** On division.

#### Bill 38—The Public Health Amendment Act

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of

Finance (Mr. Selinger), that Bill 38, The Public Health Amendment Act, be now read a third time and passed.

#### *Motion presented.*

**Mr. Harry Enns (Lakeside):** Mr. Speaker, I take this opportunity to rise on a matter that has concerned all of us who have examined the Estimates of the departments of government. We have specifically asked: What are the vacancy rates in their departments? We have found out that they are running at the direction of the Minister of Finance, minister of Treasury Board at 7, 8 and 9 percent. I asked the Minister of Agriculture very specifically, whose vacancy rate is 8.7 percent. I asked her, is she meeting the deadlines as established by the chairman of the Treasury Board? She readily admitted, oh yes, oh yes, I am meeting the deadlines as the Minister of Finance's directive.

So, Mr. Chairman, my simple point is, this Government has had great success in passing legislation, bringing forward legislation, press releases that sound good, feel good. In this case, the safety of our drinking water, but if the departments are running with 9-10% vacancies, who is going to monitor? Who is going to look after these issues that we passed? This is a sham. This Government is running at a 8-9% vacancy rate, and, on top of that, they have added 15 Doer days, dark Doer days. *[Interjection]*

**Mr. Speaker:** Order. I dealt with this issue during Question Period. I would just like to remind all honourable members—

#### Point of Order

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

**Mr. Marcel Laurendeau (Official Opposition House Leader):** On the matter that you are bringing to the House at this time, I am referring to the Doer days. It was repeated a number of times in the House, Mr. Speaker, and, as a matter of fact, when it was said the last time, it was responded to by that side that we had initiated Filmon Fridays. Filmon Fridays quite often were referred to when you were not the Speaker, and they were allowed to carry on using Filmon

Fridays in this House without being chastised for that. So I would like to see the rulings against the Filmon Fridays that were used in the House if we are not going to be allowed to use Doer days.

**Mr. Speaker:** Order. For the clarification of the House, I checked the list of past Manitoba practices of previous Speakers. It is not listed as being unparliamentary, but I will let you know why I am concerned about it as the Speaker today. I cannot be accountable for previous speakers, but I still have to follow precedence set by previous Speakers.

What I am afraid of happening, and I hope it does not happen, is if we continue allowing that practice, say for example Filmon Fridays, Doer days, what happens if a minister of the Crown today, 10 years from now, 20 years from now, introduces say a tax on, I am just using for an example, say to do with education that it now is becoming a property—so the minister of that day, will that be their tax? I am only using this as an example. Would members refer that to as the Hickes tax, like during Question Period? That is what I am afraid of happening.

**Mr. Laurendeau:** I understand your dilemma, Mr. Speaker, but this issue had been brought before the House. As a matter of fact, I was in the Chair when somebody had risen to challenge one of the members on that side of the House for using Filmon Fridays. If you check back you will see that I ruled that it was not unparliamentary usage, because it had been used a number of times by the opposition of the day, and they had challenged it and I supported it as the Deputy Speaker. I cannot see any reason that we today could not continue in the same practice as they did when they were in opposition with Filmon Fridays and we can call them Doer days.

**Mr. Mackintosh:** Mr. Speaker, in light of the advice, perhaps it is advisable to check the record and make your ruling after that kind of examination.

\* (05:10)

**Mr. Speaker:** I have perused all the words that Speakers have deemed unparliamentary, and that was not one of the words, but I was just letting the House know what I was concerned about,

because I do not want it to escalate into where it is going to create a bigger problem for me as the Speaker later on. I cannot be accountable for what happened, like other Speakers. I am just trying to set a guideline and I was just asking the co-operation of the House.

If the members use it, it is not in the list of unparliamentary words. But I just did not want it to escalate into a huge, huge problem down the road.

\* \* \*

**Mr. Enns:** Mr. Speaker, I have no desire to engage in any argument with you, but I want to assure you that my dear wife, Eleanor, will have a dour opinion of me coming home at six or seven o'clock in the morning when she was expecting me five or six hours earlier. I would suggest that maybe in the interim, with the capable help of our chief Clerk, you consult Webster or Oxford on the word "dour." "Dour" is a prominent word, adjective, in the English language that describes a certain situation.

My only point in rising was this Government running with an 8%, 9%, 10% vacancy in the department. We just passed a bill, Mr. Speaker, on the management, the monitoring of the distribution of manure. I listened to my colleague the Member for Emerson (Mr. Jack Penner) in questioning the Minister of Agriculture. There is not a single additional staff component to carry out that program, not a single one. There is not a single staff component that the Minister of Health (Mr. Chomiak) has got in this bill to ensure the safety of our drinking water. This is smoke and mirrors, good politics. This is NDP sham at its best.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is Bill 38, The Public Health Amendment 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.

**Bill 42—The Off-Road Vehicles  
Amendment Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Finance (Mr. Selinger), that Bill 42, The Off-Road Vehicles Amendment Act, be now read a third time and passed.

***Motion presented.***

**Mr. Larry Maguire (Arthur-Virden):** Mr. Speaker, I would just like to put on the record that the Snoman organization had concerns about the kind of legislation that was coming forward in regard to the identification decal provisions being put forth separate from the mandatory registration issue.

They have been working with the Snowmobile Safety Working Group. Blair Woods, their president, has spent a great deal of time on this, along with Dawn Gratton, as well, their executive director. They have made suggestions in regard to the timing of the bill coming in, that it would be more pertinent to do it at the time of the amendment that came forward, giving the industry time to adjust.

I congratulate them on their efforts in bringing in this legislation. Thank you.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is Bill 42, The Off-Roads Amendment Act.

**An Honourable Member:** Question.

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

**Bill 53—The Common-Law Partners' Property  
and Related Amendments Act**

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** I move, seconded by the Minister responsible for the Status of Women (Ms. McGifford), that Bill 53, The Common-Law Partners' Property and Related Amendments Act, be now read a third time and passed.

***Motion presented.***

**Mrs. Joy Smith (Fort Garry):** Mr. Speaker, I would like to put just a few comments on the record because this is a very worrisome bill. It is very poor legislation, and it is the type of bill that will be an administrative nightmare in the court system here in Manitoba.

Bill 53 deals with complex property issues. This is so for a number of reasons. First, the bill establishes two ways of becoming a common-law partner, either by registering or by cohabiting in a conjugal relationship for the time period set out in a particular required time line.

Mr. Speaker, this bill borders on being absurd because there is a one-year or a three-year time line when people can either agree to live together or agree to sign a declaration of commitment saying that they are common-law couples, but if one of the partners passes away, there is danger of fraudulent claims from relatives, from caregivers, from other people who knew the person who was deceased. This could end up with many cases in the court.

Tonight, in the early morning, as many common-law couples are waking up, they are unaware that their status in life has changed, and in Manitoba we have had much pride in the fact that we have freedom of choice. Some people choose to live common-law because they do not want to intertwine their property, their finances. They want to take some time and perhaps make that decision to go into a marriage contract later, which by law encompasses property, encompasses a whole lot of different things that are tied in. Now across Manitoba, as I said before, many

common-law couples do not know that within a very short period of time, within three years, that this will all be changed.

I have to say that this is a very irresponsible piece of legislation. Literally it has come in through the darkness of night and passed in the early morning. I have to tell you, Mr. Speaker, that I am very unhappy about this. There are many lawyers across the province who have contacted me and said how displeased they were with this legislation.

So members on this side of the House will be voting against this bill. It is a very regrettable situation in the province of Manitoba. Thank you.

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I support this legislation. I think that at the committee stage we heard a helpful presentation by Karen Busby who had polled and evaluated the situation with 100 common-law couples, and 99 of these, in fact, felt that this legislation was already there. I think that the kinds of changes that this makes, in fact, will protect people who are in common-law relationships.

The people who are in common-law relationships have options. The option is to do nothing and this will apply after three years. They can opt in at an earlier time frame, or, in fact, they can decide to opt out of the property commitment. I think that this legislation is, in fact, reasonable, given the circumstances of today, and I support it.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is Bill 53, The Common-Law Partners' Property and Related Amendments Act.

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

**Some Honourable Members:** Yes.

**Some Honourable Members:** No.

### Voice Vote

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

**Some Honourable Members:** Yea.

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

**Some Honourable Members:** Nay.

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

**Mr. Marcel Laurendeau (Official Opposition House Leader):** On division, Mr. Speaker.

**Mr. Speaker:** On division.

### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

#### Standing Committee on Industrial Relations Third Report

**Mr. Daryl Reid (Chairperson):** Mr. Speaker, I beg to present the Third Report of the Committee on Industrial Relations.

**Madam Clerk (Patricia Chaychuk):** Your Standing Committee on Industrial Relations—

**Some Honourable Members:** Dispense.

**Mr. Speaker:** Dispense? Dispense.

*Your Standing Committee on Industrial Relations presents the following as its Third Report.*

#### Meetings:

*Your committee met on Thursday, August 8, 2002, at 3 p.m. in Room 254 of the Legislative Building.*

*On August 8, 2002, the Standing Committee on Municipal Affairs commenced public presentations on Bill 27 which was transferred to your committee to continue public presentations and clause by clause consideration.*

**Matters Under Consideration:**

*Bill 27—The Safer Workplaces Act (Workplace Safety and Health Act Amended)/Loi visant à accroître la sécurité dans les lieux de travail (modification de la Loi sur la sécurité et l'hygiène du travail)*

**Membership Resignations / Elections:**

*Your committee elected Ms. Korzeniowski as the Vice-Chairperson.*

*Substitutions received prior to commencement of meeting:*

*Ms. Korzeniowski for Mr. Aglugub  
Hon. Mr. Robinson for Mr. Santos*

*Substitutions received during the committee proceedings, by leave:*

*Mrs. Smith (Fort Garry) for Mrs. Dacquay*

**Public Presentations:**

*Your committee heard 13 presentations on Bill 27—The Safer Workplaces Act (Workplace Safety and Health Act Amended)/Loi visant à accroître la sécurité dans les lieux de travail (modification de la Loi sur la sécurité et l'hygiène du travail), from the following individuals and/or organizations:*

*Pete Walker, Private Citizen*

*Shelly Wiseman, Canadian Federation of Independent Business*

*Harry Mesman, United Food and Commercial Workers Local 832*

*Diana Ludnick, MFL Occupational Health Centre*

*Paul Labossiere, Manitoba Employers Council  
Loren Remillard on behalf of Dave Angus,  
Winnipeg Chamber of Commerce*

*Graham Starmer, Manitoba Chambers of Commerce*

*Ellen Olfert, Workers of Tomorrow Health and Safety Campaign*

*Wayne Bergen, Local 500, CUPE*

*Ed Huebert, Mining Association of Manitoba*

*George Fraser, Manitoba Home Builders Association*

*Jim Carr, Business Council of Manitoba*

*David Martens, Manitoba Building and Construction Trades Council*

**Written Submissions:**

*Your committee received one written submission on Bill 27—The Safer Workplaces Act (Workplace Safety and Health Act Amended)/Loi visant à accroître la sécurité dans les lieux de travail (modification de la Loi sur la sécurité et l'hygiène du travail), from the following organizations:*

*Marcel Hacault, Manitoba Pork Council*

**Bills Considered and Reported:**

*Bill 27—The Safer Workplaces Act (Workplace Safety and Health Act Amended)/Loi visant à accroître la sécurité dans les lieux de travail (modification de la Loi sur la sécurité et l'hygiène du travail)*

*Your committee agreed to report this bill, on division, with the following amendments:*

*THAT the proposed subsection 36(6), as set out in subsection 31(2) of the Bill, be amended by striking out clause (a) and substituting the following:*

*(a) any worker who is directly affected by the order is entitled to the same wages and benefits that he or she would have received had the stop work order not been issued; and*

*THAT subsection 31(2) of the Bill be amended by adding the following after the proposed subsection 36(6):*

**If alternate work not available**

*36(7) If the employer provides satisfactory evidence to the director that alternate work is not available, the director may order that clause 6(a) does not apply for any period that the director specifies in the order, but until the director makes an order the employer is required to provide a worker with all wages and benefits under that clause.*

**Appeal**

*36(8) A person affected by an order of the director under subsection (7) may*

appeal it to the Board. In that case, section 39 applies with necessary changes.

THAT section 32 of the Bill, be amended by adding the following after the proposed subsection 38(1):

#### Reasons

**38(1.1)** The director must give written reasons for a decision to refer an appeal to the Board under subsection (1).

THAT the proposed subsection 40(11), as set out in section 32 of the Bill, be amended by striking out "his or her duties" wherever it occurs and substituting "his or her duties as a committee member".

THAT the proposed subsection 41(6), as set out in subsection 33(2) of the Bill, be amended by striking out "his or her duties" wherever it occurs and substituting "his or her duties as a representative".

THAT the proposed clause 46.1(1)(a), as set out in section 38 of the Bill, be amended by striking out "technically qualified person specified by the director;" and substituting "person who has the professional knowledge, experience or qualifications specified by the director;"

**Mr. Reid:** Mr. Speaker, I move, seconded by the honourable Member for Flin Flon (Mr. Jennissen), that the report of the committee be received.

**Motion agreed to.**

#### Standing Committee on Municipal Affairs Third Report

**Mr. Tom Nevakshonoff (Chairperson):** Mr. Speaker, I beg to present the Third Report of the Committee on Municipal Affairs.

**Madam Clerk (Patricia Chaychuk):** Your Standing Committee on Municipal Affairs—

**Some Honourable Members:** Dispense.

**Mr. Speaker:** Dispense? Dispense.

Your Standing Committee on Municipal Affairs presents the following as its Third Report.

#### Meetings:

Your committee met on the following occasions:  
Thursday, August 8, 2002, at 8:30 a.m. in Room 255 of the Legislative Building  
Thursday, August 8, 2002, at 11:00 p.m. in Room 254 of the Legislative Building

#### Matters Under Consideration:

Bill27—The Safer Workplaces Act (Workplace Safety and Health Act Amended)/Loi visant à accroître la sécurité dans les lieux de travail (modification de la Loi sur la sécurité et l'hygiène du travail)

Bill 39—The City of Winnipeg Charter Act/Loi sur la Charte de la ville de Winnipeg

Bill 41—The Manitoba Hydro Amendment Act/Loi modifiant la Loi sur l'Hydro-Manitoba

Bill 49—The Purchase of Winnipeg Hydro Act/Loi sur l'achat de Winnipeg Hydro

#### Committee Membership:

Your committee elected Mr. Aglugub as the Vice-Chairperson at the August 8, 2002, at 8:30 a.m. meeting.

Substitutions received prior to commencement of the August 8, 2002, at 8:30 a.m. meeting:

Mr. Aglugub for Ms. Allan

Mr. Reid for Mr. Struthers

Hon. Ms. Barrett for Hon. Mr. Caldwell

Hon. Mr. Selinger for Ms. Asper

Hon. Ms. Friesen for Mr. Rondeau

Hon. Mr. Lemieux for Hon. Ms. McGifford

Mr. Loewen for Mr. Enns

Mr. Reimer for Mr. Maguire

Mrs. Mitchelson for Mr. Pitura

Substitutions made, by leave, during committee proceedings at the August 8, 2002, at 8:30 a.m. meeting:

Hon. Ms. Wowchuk for Hon. Ms. Barrett

Hon. Mr. Smith (Brandon West) for Mr. Reid

Mr. Cummings for Mr. Schuler

#### Public Presentations:

Your committee heard five presentations on Bill 27—The Safer Workplaces Act (Workplace Safety

*and Health Act Amended)/Loi visant à accroître la sécurité dans les lieux de travail (modification de la Loi sur la sécurité et l'hygiène du travail), from the following individuals and/or organizations:*

*Chuck Fossay, Keystone Agricultural Producers  
Cindy Skanderberg, Private Citizen  
Peter Wohlegemut, Manitoba Teachers' Society  
Paul Moist, President, CUPE Manitoba  
(Canadian Union of Public Employees)  
John Doyle, Manitoba Federation of Labour*

*Your committee heard 14 presentations on Bill 39—The City of Winnipeg Charter Act/Loi sur la Charte de la ville de Winnipeg, from the following individuals and/or organizations:*

*Paul Moist, CUPE Manitoba (Canadian Union of Public Employees)  
Ken Simpson, Concerned Condominium Owners of Winnipeg  
Mayor Glen Murray, Mayor, City of Winnipeg  
Julia VanDeSiegle, Private Citizen  
Nick Ternette, Private Citizen  
David Sanders, Colliers Pratt McGarry  
Dave Angus, Winnipeg Chamber of Commerce  
Chuck Chappell, Private Citizen  
Harry Lehotsky, New Life Ministries Organizations and the West End Community Improvement Association  
Shannon Watson, Spence Neighbourhood Association  
George Fraser, Urban Development Institute - Manitoba Division  
Iris Ingram, Private Citizen  
Michael J. Mercury Q.C., Private Citizen  
Shelly Wiseman, Canadian Federation of Independent Business*

*Your committee heard five presentations on Bill 41—The Manitoba Hydro Amendment Act/Loi modifiant la Loi sur l'Hydro-Manitoba, from the following individuals and/or organizations:*

*Bill Bage, President of Local 7106USWA - United Steel Workers of America  
Ray Berthelette, Thompson Labour Committee  
Michael Anderson, Manitoba Keewatinowi Okimakanak Anderson  
Gloria Desorcy, Manitoba Branch of the Consumers Association of Canada  
Charles Cruden, Manitoba Society of Seniors*

*Your committee heard four presentations on Bill 49—The Purchase of Winnipeg Hydro Act/Loi sur l'achat de Winnipeg Hydro, from the following individuals and/or organizations:*

*Gloria Desorcy, Manitoba Branch of the Consumers Association of Canada  
Charles Cruden, Manitoba Society of Seniors  
Paul Moist, CUPE Local 500 (Canadian Union of Public Employees)  
Patrick English, W.A.P.S.O. - Winnipeg Association of Public Service Officers*

#### **Written Submissions:**

*Your committee received two written submissions on Bill 27—The Safer Workplaces Act (Workplace Safety and Health Act Amended)/Loi visant à accroître la sécurité dans les lieux de travail (modification de la Loi sur la sécurité et l'hygiène du travail), from the following organizations:*

*Maureen Hancharyk, President Manitoba Nurses' Union  
Arlene Draffin Jones, Manitoba Lung Association*

*Your committee received one written submission on Bill 39—The City of Winnipeg Charter Act/Loi sur la Charte de la ville de Winnipeg, from the following organization:*

*Doug Forbes, Canadian Condominium Institute*

#### **Bills Considered but not Reported:**

*Your committee heard presentations but did not commence clause by clause consideration on the following bills:*

*Bill 27—The Safer Workplaces Act (Workplace Safety and Health Act Amended)/Loi visant à accroître la sécurité dans les lieux de travail (modification de la Loi sur la sécurité et l'hygiène du travail)*

*Bill 41—The Manitoba Hydro Amendment Act/Loi modifiant la Loi sur l'Hydro-Manitoba*

*Bill 49—The Purchase of Winnipeg Hydro Act/Loi sur l'achat de Winnipeg Hydro*

#### **Bills Considered and Reported:**

*Bill 39—The City of Winnipeg Charter Act/Loi sur la Charte de la ville de Winnipeg*

Your committee agreed to report this bill, with the following amendments:

THAT the definition "affiliated body" in section 1 of the English version be amended by adding "or" at the end of subclause (b)(ii).

THAT subsection 304(2) be amended by striking out "a sinking fund in respect of the securities" and substituting "the relevant sinking fund account".

THAT subsection 306(1) be amended by striking out "and" at the end of clause (a) and by adding the following as clause (a.1):

(a.1) pursuant to an agreement entered into by the city under clause 290(b), lend securities held in the sinking fund; and

THAT subsection 306(2) is amended by adding "relevant" before "sinking fund account".

THAT the following be added after subsection 409(3):

**When notice and hearing not required**

409(4) Subsections (1) to (3) do not apply to a local improvement proposed by a petition signed by all of the registered owners, other than the city, of the total real property to be benefited by it.

THAT the following be added after section 519:

**Sinking Fund Trustees continued**

519.1(1) Despite the repeal of the former Act,

(a) "The Sinking Fund Trustees of the City of Winnipeg" is continued as a body corporate and the corporation and its trustees continue to have the same rights, privileges, powers, duties and obligations that they have on December 31, 2002

(i) under the former Act, another Act or a by-law passed under the former Act, or

(ii) in respect of an agreement entered into by the city; and

(b) the city continues to have the same rights, duties and obligations set out in the former Act to

(i) pay money into, and receive money from, the sinking fund, and

(ii) appoint and remunerate the trustees of The Sinking Fund Trustees of the City of Winnipeg.

**Trustees continued**

519.1(2) The persons who are, on December 31, 2002, trustees of The Sinking Fund Trustees of the City of Winnipeg shall remain so until council appoints new trustees.

**Limitation**

519.1(3) This section applies only in respect of the sinking fund for debentures issued pursuant to a debenture by-law passed under the former Act, or the refinancing of them.

**Investments and liabilities**

519.2 Except as otherwise provided in section 519.1, all funds administered by The Sinking Fund Trustees of the City of Winnipeg before the coming into force of this Act shall be transferred by the trustees to the city, and all rights, duties and liabilities of the trustees in respect of those funds vest in the city and the funds shall be administered in accordance with this or any other applicable Act.

\* (05:20)

**Mr. Nevakshonoff:** Mr. Speaker, I move, seconded by the honourable Member for The Maples (Mr. Aglugub), that the report of the committee be received.

**Motion agreed to.**

**REPORT STAGE**

**Bill 27—The Safer Workplaces Act  
(Workplace Safety and Health Act Amended)**

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, I move, seconded by the

Minister of Labour (Ms. Barrett), that Bill 27, The Safer Workplaces Act (Workplace Safety and Health Act Amended), as amended and reported from the Standing Committee on Industrial Relations, be concurred in.

***Motion presented.***

**Mr. Speaker:** 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.

**Bill 39—The City of Winnipeg Charter Act**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Conservation (Mr. Lathlin), that Bill 39, The City of Winnipeg Charter Act, as amended and reported from the Standing Committee on Municipal Affairs, be concurred in.

***Motion agreed to.***

**THIRD READINGS**

**Bill 27—The Safer Workplaces Act (Workplace Safety and Health Act Amended)**

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Labour, that Bill 27, The Safer Workplaces Act (Workplace Safety and Health Act Amended), be now read a third time and passed.

***Motion presented.***

**Mr. Ron Schuler (Springfield):** It now being 5:25 Friday morning, we have had a lot of

opportunity to hear presentations on Bill 27. We have had the opportunity to go clause by clause. We have also had the opportunity to reflect on the legislation. This legislation is, for many in our community, in our province, a great disappointment in that it had its foundation when the minister asked business and labour to meet and come forward with recommendations on how to make the workplace safer, over sixty recommendations came forward, and what was remarkable is they came forward in a unanimous format.

It is one of those rare opportunities that a politician, an individual with leadership has an opportunity to take the chance, to grasp the opportunity and move on something that would be meaningful, that would be important, that would be good for the province and do it in an unanimous fashion. Instead, we have seen Bill 27 turning its back on the labour and management recommendations and inserting items into the bill that were never discussed, that came clearly out of the blue, that surprised all of those who were involved in the process.

For many of them it was a direct shock. We heard it over and over again. We took the opportunity to point out to the minister and give a lot of opportunities for the minister and her colleagues opposite to move on amendments that would have focussed this bill where the consensus report wanted it to be.

The No. 1 issue that was brought up by both labour and management was education, something Bill 27 completely turns its back on. We had a wonderful report given by Ellen Olfert. She works with the Workers of Tomorrow health and safety campaign. I would like to quote from page 1: We are currently comprised of two full-time staff, one temporary staff person and over 120 volunteer speakers who are based throughout Manitoba. What they do is they go to the schools and they start with Manitobans at a young age discussing safety.

I suggested to the minister I complimented Ellen and her colleagues in the labour movement on what they are doing here. This is the opportunity she had to build on something like this, where we would go and we would start teaching our young people, because most of these accidents or a large part of the accidents

are occurring when young people enter the workplace. If we get them at the younger ages, if rather than allowing them to enter the workplace and then being educated on safety if we get them before that, we talk often in education terms about early intervention, if we can get them when they are in the school system, like this program deals with, and we can talk to them about safety that is where Bill 27 should have been focussing, building on the strengths, on the programs that are in place, enhancing on those and moving towards safety.

We had a very moving and compelling presentation by Cindy Skanderberg. *[interjection]* This is a serious issue and I would appreciate if the Member for Interlake (Mr. Nevakshonoff)—maybe heckling, it is not the appropriate time right now. Heckling is for another time. Now is maybe not the time.

She mentioned from the bottom of a mother's heart what it is to lose a child. I have three children. I have not lost a child. I can only imagine what that is like. *[interjection]*

Mr. Speaker, again, this is a very serious issue. Maybe I can ask the Speaker at this point in time if he could call the member to order. We are dealing with a serious issue. It is serious. I think we should treat it in serious fashion. We do not have to agree on it but I would appreciate it if you would call the Member for Interlake to order.

**Mr. Speaker:** I would like to remind all honourable members that decorum is very important in the House, and I ask the co-operation of all honourable members.

**Mr. Schuler:** Earlier on in committee today I spoke about an incident that happened in Alberta. My cousin's son, working for a family firm, was out in the shop yard when a steel beam, 40 feet long, four feet high, became unstable. What he did not realize because he did not have the knowledge, he was not educated, steel is uncompromising. When steel starts to shift or it moves it cannot be stopped. A young man, 17 years old, tried to stop the beam from shifting and four days later we buried him: Mark Jeske.

\* (05:30)

That is a very, very hard thing for a parent because it seems to be such a senseless way for a young person to die. Having gone through that whole funeral, really, as a parent, my heart bled for Cindy and the kinds of things she talked about.

I pointed out to the minister that safety is about an ounce of prevention to a pound of cure, that if we would deal with safety on the educational side up front that we would gain many benefits on the back end, Mr. Speaker. What we have instead is not a bill that deals with safety but rather with punishment. It does not deal with education, it deals with penalties. The whole focus of this bill became ideological rather than practical. Instead of focusing on the consensus report, it pulled issues out of thin air. Unfortunately, I have to tell Cindy and all those individuals who lost young people that the penalties prescribed in this legislation once the accident has taken place will not bring their loved ones back.

This is after-the-fact legislation and there is nothing preventive in it, there is nothing safety in it. It lacks all of the components that were proposed by the unanimous agreement. Unfortunately for Cindy and those parents, this is not a safety bill, this is a punishment bill. We laid that out in committee for the minister and for her colleagues, and she chose to ignore it as I am sure she chooses to ignore it now.

We heard very many compelling arguments. One of our former colleagues from the Business Council of Manitoba indicated that safety is everybody's business. He mentioned that business looks for good public policy, and he said this bill has no logic or argument for safety. One of the most intriguing statements that I heard basically in the whole committee, he posed the question: Does this put us as a province at a disadvantage for a good reason? In other words, it could be a disadvantage but it would make the province safer, and he answered it by saying: No, it does not pass that litmus test.

Mr. Speaker, one after the other presenters got up and said this absolutely comes out of the blue. The minister had an opportunity, an opportunity to address the concerns of Cindy Skanderberg, to address the concerns of all of those that have an interest in this. The minister

chose to bypass all of that and we have the bill that we have today.

There is another one, and I will be closing very shortly. One of the presenters said they were looking for a plan, not for punishment. They were looking for a plan, a time frame, education and that was generally where the presentations came from. My concern is that this is a desperate act of the minister in the end days of her ministerial career who is attempting to make her mark, any mark, on labour legislation in Manitoba. At what price and what cost makes no difference to her.

I would say that for all of those individuals who worked hard on the consensus, for the parents who are looking to government for safety legislation, who were looking for an ounce of prevention, an education program being the pound of cure, tonight or early this morning this bill will be passed by the Government, and this can only be termed as the night of the long knives. This is where all those individuals are stabbed in the back by the Government, were stabbed in the back by this minister, and the minister said: Oh, but after this, we want to work on consensus, after this we want to have further discussions. The minister has broken that trust.

There was a golden opportunity, a golden opportunity to build on something that labour and management agree to that would have been good for the workers, that would have addressed the concerns of the parents who have lost young ones. Instead, that was squandered away for ideology, for personal politics. Those individuals feel betrayed and it has become a back-stab.

With great concern I want to lay out and then I will finish the two areas that give the most concern. We raised these with the minister and she laughed. She found all this lighthearted and entertaining.

It is section 49.1: "A safety and health officer, a person assisting a safety and health officer, the chief occupational medical officer, the director, or any other person acting under the authority of this Act or the regulations, is not a compellable witness in a civil action or proceeding—other than an inquest or inquiry under *The Fatality Inquiries Act*—respecting any document, information, or test obtained,

received or made under this act or the regulations, and may not be compelled to produce any such document."

I then point members to the Administrative Penalties section. You can get charged with administrative penalty, but when you go to clear your name you have no right for recourse because you cannot call any witnesses. I asked the minister at committee, I asked this House and I asked the minister again: Where does any of this have anything to do with safety?

It has everything to do with punishment politics. It has everything to do with punishing business and it has nothing to do with the safety of the worker. This is all dealing with after the fact. This is all punishing after the fact. This is all trying to find a victim. This is always trying to find someone to point the finger at to blame.

These two sections, we told the minister, these two sections are the litmus test that will prove if this minister is even serious about safety, or if it is purely an ideological personal politics driven bill. We gave her the opportunity to rescind these two, to make it an education bill, to make this a safety bill. The minister chose to laugh and to heckle and to have fun and to enjoy herself and not take it seriously.

We on this side of the House will not be supporting this bill because this is bad legislation. When the minister is ready to bring in safety legislation, we are ready to be here as are the business and labour communities that came forward with consensus documents. The minister should have grasped the opportunity that she had which she has now squandered, and she should have put a real safety bill that would have addressed the concerns that Ms. Skanderberg had and other parents had and not produced Bill 27 which is in front of right now. Thank you, Mr. Speaker.

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I will support this legislation. I will do so because I do believe that there are some elements which will enhance worker safety and enhance safety in the workplace.

On the other hand, I have some very serious reservations about how this legislation was put

together. I believe there are some elements in this which are poorly designed and poorly put together and poorly based in research and in background material.

\* (05:40)

The approach that the Minister of Labour took to putting together this legislation starting with the Fox-Decent committee and report, that part was good. There were a substantial number of recommendations which, working together with business and labour, could have made a balanced and effective piece of legislation.

Sadly, the minister picked and took certain items and not others, added all sorts of items that were not in the initial list and ended up with a piece of legislation which does not have the balance or effectiveness that it really should have had. It was an opportunity lost, an opportunity missed in terms of what could have been done.

I would mention one area where there really was not the background work done, the background information available. The minister indicated that 30 percent of the improvement orders are not complied with but, despite repeated requests from a number of individuals and groups, indeed groups as prestigious as the Manitoba Chamber of Commerce. The background information and the background detail for this claim was never provided, was never substantiated. So to base a lot of effort and punitive penalties on this claim without providing the background detail was poor public policy and poor drafting of a bill.

We heard very clearly from Chuck Fossay, with the Keystone Agricultural Producers, that the last thing a farm family who has tragically lost somebody needs to be thinking about is the possibility of administrative penalties because something was not done precisely correct. I think that farmers and other businesspeople are very concerned about making sure, as are workers, that there is safe workplace.

The background that has been provided to many studies of safety suggest that it is very important to get the processes right. It is also very important not to create the kind of punitive

environment that will push people to not report, to cover up, because that is the absolute worse thing that can happen. One needs to have the open reporting. One needs to have everybody working together to have an effective safety program in the workplace. I think the sad part is that the opportunity to do something that was much better was not taken.

We have a piece of legislation which I will support because I do think that there are some positive pieces here, but I think the sad part is that it does not really achieve and it does not do for Manitoba what it should have done.

**Mr. Stuart Murray (Leader of the Official Opposition):** Mr. Speaker, I just would like to rise to put a couple of comments on the record with respect to Bill 27.

There were a number of very, very well-thought-out presentations that we heard at the committee this afternoon. The one issue I believe that is a line in the sand, if you will, that will not allow us to support this bill is the fact that the Government, despite having a consensus, a group coming together of stakeholders of management and labour getting a consensus report, once they left the table, then it was left up to the Minister of Labour and the NDP government to put their labour spin on this legislation.

Specifically, the concern is that they want to introduce Administrative Monetary Penalties, or AMPs, Mr. Speaker, and the fact of life is that every business group that came forward could see not one single reason (a) why it would be introduced after there was a consensus, and (b) that it has absolutely no bearing on safety in the workplace.

The Manitoba Business Council, I thought gave the best representation where they said, and I quote from their report: While the Government has picked AMPs, Administrative Monetary Penalties as a solution in this regard, it is not articulated why the solution was picked among the four that were offered. They are absolutely saying that they are not aware of any evidence that AMPs provides improved workplace safety.

The issue, Mr. Speaker, I believe, is simply this: you bring a group of stakeholders together

under different areas, management and labour. They work on a consensus. The Government should accept that consensus. They should not go out and then put their NDP ideology on this bill because it is bad for business. We heard that loud and clear today. It is bad for business; it serves no purpose other than to be punitive. We believe that if this minister would listen and do the honourable thing: listen to the business-people that put a lot of time and effort into doing their homework and their research. Fortunately, unlike the minister, these people came with facts about how much the administrative penalties would harm business in Manitoba.

So, Mr. Speaker, I just want to say briefly that we absolutely oppose this section of the bill. It is unfortunate that the minister would not listen to those people that create employment and ensure that Manitoba moves ahead. She is denying them an opportunity to do that. I wish she would do the right thing and remove this clause from this bill.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is Bill 27, The Safer Workplaces Act (Workplace Safety and Health Act Amended).

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

**Some Honourable Members:** Yes.

**Some Honourable Members:** No.

#### Voice Vote

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

**Some Honourable Members:** Yea.

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

**Some Honourable Members:** Nay.

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

\* (05:50)

#### 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 the proposed motion Bill 27, The Safer Workplaces Act (Workplace Safety and Health Act Amended).

#### Division

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

#### Yeas

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

#### Nays

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

**Madam Clerk (Patricia Chaychuk):** Yeas 31, Nays 19.

**Mr. Speaker:** The motion is accordingly carried.

#### Bill 39—The City of Winnipeg Charter Act

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Intergovernmental Affairs (Ms. Friesen), that Bill 39, The City of Winnipeg Charter Act, be now read for a third time and passed.

#### *Motion presented.*

**Mrs. Bonnie Mitchelson (River East):** I just wanted to put a few comments on the record about the new City of Winnipeg Act, indicating we will be supporting the legislation, but I am rather disappointed with the process that was undertaken to get us to this point today.

Mr. Speaker, Bill 39 was some five years in the works. There was a lot of time, effort and energy that went into bringing a very significant bill forward. I believe it is certainly a step in the right direction. The disappointing part is the fact that something that took five years to pull together was released and the taxpayers in the city of Winnipeg had some five or six weeks to look at a piece of legislation that will significantly impact their lives. It is unfortunate. It is unfortunate that this Government chose to bring in legislation of this significance in the summer months when many organizations that I called and spoke to indicated they did not even have a chance to pull their membership together because they did not normally meet during the summer months. As a result there were organizations and individuals who did not make representation, who did not have the chance to look through in detail a bill that is so significant for the city of Winnipeg.

I think the taxpayers in the city of Winnipeg deserve better. They deserve to have the opportunity for some meaningful input into something of this significance. I know it is only the first step and this Government has committed to phase 2 of this legislation that will look at financial changes to The City of Winnipeg Act, possibly giving the City of Winnipeg more powers, but I want to make it very clear that we on this side of the House will be watching very carefully to ensure that the taxpayers of the city of Winnipeg are not the ones who bear the brunt of any financial changes, that if in fact changes are made that give the City of Winnipeg more power it should not be on the backs of the taxpayers who deserve to have property tax reductions, not property tax increases.

Mr. Speaker, we will be watching carefully. With those comments I want to indicate we will be supporting the bill, a lot of hard work went into it, but we will be watching carefully to ensure it is the taxpayers of the city of Winnipeg who are the beneficiaries, not the two levels of government.

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I will be supporting this legislation. I think with the length of this bill it was a pity there was not a little bit more consultation. We have rushed it very quickly in the last couple of

days from committee to here. I think it would have benefited from a little bit more lengthy and more careful consideration. I think not only the NDP but the Tories can be faulted a little bit for some of that.

However, what is important in this legislation is that it is only a small step in terms of where we need to go. We still have a City of Winnipeg act which is too long and too cumbersome and too prescriptive. What we need is a more effective charter for the city of Winnipeg and a better working relationship between the City and the Province. We have a long way to go from where we need to be in terms of modernizing that relationship, as, in fact, is occurring in many other cities which are moving faster than we are. Thank you.

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

**An Honourable Member:** Question.

**Mr. Speaker:** The question before the House is Bill 39, The City of Winnipeg Charter Act.

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

#### House Business

**Hon. Gord Mackintosh (Government House Leader):** On a matter of House business, Mr. Speaker. I understand the Lieutenant-Governor will be entering the Chamber in just a couple of minutes, but perhaps, meanwhile, I think it is all important that on behalf of all the members of the Chamber, a hearty congratulations and heartfelt appreciation for the tireless work of the pages, of the Chamber staff, Hansard and the Clerks. Thank you.

#### 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:*

\* (06:00)

**Mr. Speaker:** Your Honour:

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

**Madam Clerk Assistant (Monique Grenier):**

Bill 2—The Security Management (Various Acts Amended) Act; Loi sur la gestion de la sécurité (modification de diverses dispositions législatives)

Bill 17—The Cooperatives Amendment Act; Loi modifiant la Loi sur les coopératives

Bill 19—The Mines and Minerals Amendment Act; Loi modifiant la Loi sur les mines and les minéraux

Bill 20—The Adult Learning Centres Act; Loi sur les centres d'apprentissage pour adultes

Bill 21—The Partnership Amendment and Business Names Registration Amendment Act; Loi modifiant la Loi sur les sociétés en nom collectif et la Loi sur l'enregistrement des noms commerciaux

Bill 23—The Pesticides and Fertilizers Control Amendment Act; Loi modifiant la Loi sur les produits antiparasitaires et les engrais chimiques

Bill 24—The Securities Amendment Act; Loi modifiant la Loi sur les valeurs mobilières

Bill 27—The Safer Workplaces Act (Workplace Safety and Health Act Amended); Loi visant à accroître la sécurité dans les lieux de travail (modification de la Loi sur la sécurité et l'hygiène du travail)

Bill 31—The Medical Amendment (Physician Profiles and Miscellaneous Amendments) Act; Loi modifiant la Loi médicale (profils des médecins et modifications diverses)

Bill 35—The Child and Family Services Authorities Act; Loi sur les régies de services à l'enfant et à la famille

Bill 36—The Drinking Water Safety Act; Loi sur la qualité de l'eau potable

Bill 37—The Non-Smokers Health Protection Amendment Act; Loi modifiant la Loi sur la protection de la santé des non-fumeurs

Bill 38—The Public Health Amendment Act; Loi modifiant la Loi sur la santé publique

Bill 39—The City of Winnipeg Charter Act; Loi sur la Charte de la ville de Winnipeg

Bill 40—The Highway Traffic Amendment Act; Loi modifiant le Code de la route

Bill 41—The Manitoba Hydro Amendment Act; Loi modifiant la Loi sur l'Hydro-Manitoba

Bill 42—The Off-Road Vehicles Amendment Act; Loi modifiant la Loi sur les véhicules à caractère non routier

Bill 46—The Elections Finances Amendment Act; Loi modifiant la Loi sur le financement des campagnes électorales

Bill 48—The Legal Profession Act; Loi sur la profession d'avocat

Bill 49—The Purchase of Winnipeg Hydro Act; Loi sur l'achat de Winnipeg Hydro

Bill 50—The Resource Tourism Operators Act; Loi sur les exploitants d'entreprises touristiques axées sur la nature

Bill 51—The Statutes Correction and Minor Amendments Act, 2002; Loi corrective de 2002

Bill 53—the Common-Law Partners' Property and Related Amendments Act; Loi sur les biens des conjoints de fait et modifications connexes

Bill 54—The Legislative Assembly and Executive Council Conflict of Interest Amendment (Conflict of Interest Commissioner) Act; Loi modifiant la Loi sur les conflits d'intérêts au sein de l'Assemblée législative et du Conseil exécutif (commissaire aux conflits d'intérêts)

Bill 301—The Assiniboine Memorial Curling Club Holding Company Ltd. Additional Powers Act; Loi sur les pouvoirs additionnels accordés à l'Assiniboine Memorial Curling Club Holding Company Ltd.

Bill 302—The Congregation Etz Chayim Amalgamation Act; Loi sur la fusion de la Congrégation Etz Chayim

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

Bill 304—The Winnipeg Real Estate Board Incorporation Amendment Act; Loi modifiant la Loi constituant en corporation "The Winnipeg Real Estate Board"

**Madam Clerk (Patricia Chaychuk):** In Her Majesty's name, His Honour assents to these bills.

**Mr. Speaker:** Your Honour:

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

**Madam Clerk Assistant (Monique Grenier):** Bill 56—The Loan Act, 2002; Loi d'emprunt de 2002. Bill 57—The Appropriation Act, 2002; Loi de 2002 portant affectation de crédits

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

\* \* \*

**Hon. Gord Mackintosh (Government House Leader):** Your ruling on singing has certainly had an effect, Mr. Speaker.

I move, seconded by the Member for St. Norbert (Mr. Laurendeau), that when the House adjourns today, it shall stand adjourned until the time fixed by Mr. Speaker upon the request of the Government.

*Motion presented.*

**Mr. Harry Enns (Lakeside):** Thank you, Mr. Speaker, for recognizing me. I simply ask is this motion debatable?

**Mr. Speaker:** Yes, it is debatable.

**Mr. Enns:** Well, then I would like to debate the motion. Mr. Speaker, I regret that for the past decade we have forgone a 90-year tradition of this House, which is simply that on normal occasions the House would prorogue and you hear from Her Majesty's representative a

message, an expression of appreciation and thanks for our diligent work. That has disappeared from this Legislature, over the past 10 years, I might add, and I regret that.

I believe this House should prorogue, not at the call of the Government House Leader or of someone like that, but when this House, this business, should prorogue. I simply regret a passing of tradition. Quite frankly, I know that our Lieutenant-Governor is overworked, but it would be nice to hear from him express his opinion about what we have accomplished on behalf of the people of Manitoba during this lengthy session.

\* (06:10)

**Mr. Stuart Murray (Leader of the Official Opposition):** Mr. Speaker, I would like to thank all of the staff, the pages, the interns on both parts of our caucus and the NDP caucus for allowing us to do the work that we did and staying the hours that you did. You made it possible for us to get through under very tiring circumstances. So I would certainly like to read into the record to ensure they understand we appreciate their help.

Mr. Speaker, when this session began I made some comments about the Throne Speech. At the time I said this NDP government had no plan for Manitoba. They had no plan to deal with run-away spending. They had no plan to deal with the real concerns of Manitobans, for making Manitoba competitive by welcoming investment and encouraging population growth, to health care, to education, to safety and there was no plan for rural Manitoba. This is a government without vision.

Just prior to the Budget being introduced, we made a few predictions. We predicted there would be tax and fee increases, that the Government would spend more money than it took in and that Manitoba would continue to fall further behind other provinces. Well, Mr. Speaker, we were right.

We were right when we said that young people were leaving Manitoba at an alarming rate since this Government took office. The numbers are on the rise. This year the trend

continued with a net loss of 4549 people. The Minister of Industry, Trade and Mines (Ms. Mihychuk) claims this is just a coincidence, and the Premier is proud to educate the workforce of Alberta and B.C. On this side of the House, we believe this is a cause for real concern. The first time in history, under the NDP Doer government, that young men and women have left Manitoba for every province except Saskatchewan. I say, shame on the Government.

So what was the response for all of these young men and women leaving Manitoba? What did they do? They are putting out a glossy brochure asking them all to come back. Well, let me repeat. It is high taxes and the lack of real jobs, lasting jobs, that are driving people to the other provinces. A glossy brochure is not going to get any of those young men and women back.

We were right when we said that there was no plan to make Manitoba more competitive on taxes for individuals or for the businesses who create real and lasting jobs for Manitobans.

Middle-income Manitobans now pay the highest taxes west of Québec. A middle-income family of four, Mr. Speaker, now pays \$800 more in tax to live than that same family pays in Saskatchewan. I say again, shame on this Government. So what did the NDP Doer government do? They levied more and more taxes and fees on small businesses and individuals and they introduced more red tape.

We were right when we said that the NDP Doer government had no plan for health care. Hallway medicine is alive and well. In fact the numbers for the last week of July are the highest in the past four years. That is their record. Across this province, patients are waiting months for cardiac surgery. They are waiting up to three months for an MRI and up to five months for an ultrasound. They are waiting for hip and knee surgery and for cataract surgery.

Mr. Speaker, Manitobans simply want to know what has this NDP government done? Did the NDP Doer government create more full-time opportunities for new nurses? Did they look for ways to attract more doctors and nurses to the province? Did they look for opportunities to expand care in the province? Did the NDP Doer

government listen to the people of Manitoba, to the thousands of Manitobans that have voiced their concern and their desire for real improvements in the care they receive? No. The NDP Doer government tried to build a sandwich factory. That was their answer.

We were right when we said they had no commitment to improving education and transparency by committing to standards tests. In fact, the Minister of Education (Mr. Caldwell) was too busy handing out property tax increases through his forced school board amalgamation to notice that the Grade 3 test results showed that 6 out of 10 of our Grade 3 students could not add or subtract up to 10. What did we hear about that, Mr. Speaker, from the minister or from the Premier? We heard that they thought those results were fairly positive.

On forced amalgamation, this Premier stood up and said it was not the Manitoba—it would not happen. Well, again we saw a huge flip-flop on that issue from this Premier.

We were right when they said they had no plan to address rising crime in Justice. According to the recent *Juristats* in Canada, Manitoba ranks first in homicide, first in robbery, first in motor vehicle theft and first in offensive weapons. Winnipeg tops the list in violent crime and sexual assault.

So what did the NDP Doer government do? Well, they made some announcements, but it has been 443 days since they announced the cyber tip line and it is nowhere to be seen. They slap car thieves on the wrist. In the car theft capital of Canada, if you are convicted of stealing a car three times, you could lose your licence, what I would call being tough on crime.

We were right about the NDP Doer government's inability to deal with rural Manitoba, even though the Government promised to promote rural development. Instead, Stats Canada reports that the greatest decline in the number of farmers occurred in Manitoba. What did the Doer government do? Not much, not much at all. Grow Bond issues and REDI program grants are virtually non-existent.

We said they would run a deficit and they did run a deficit, but there were some things

even we could not have predicted. We thought the NDP would raid the rainy day fund because they could, but the Premier took a poll of Manitobans and realized if they went into the rainy day fund it would be a death knell for this Government. So what did they do? They raided Manitoba Hydro. We know their spending is out of control but there is nobody who would have predicted their latest act of desperation: Doer days. They have run out of options. They are now going to Doer days.

Not even halfway through the fiscal year and they are scrounging for cash. The actions of threatening our Crown corporations. Autopac and Workers Compensation reported numbers not seen since the current Premier (Mr. Doer) was the Minister responsible for Crown Corporations. Manitobans have a long memory when it comes to this Premier's inability to deal with Crown corporations. We could not have predicted that this Government would cut chiropractic care for children and reduce its support to patients. Only after receiving tens of thousands of letters from patients did they finally relent, but only halfway. They only restored coverage for children. Every time a patient sees a chiropractor it costs them more. For some that means no chiropractic care at all.

We could not have predicted the Government would decide to wipe out harness racing in Manitoba, but they tried. Only through diligent work by the Member for Carman (Mr. Rocan) was there ability to see this industry try to make a comeback.

On this side of the House we have hope for rural Manitoba. We thought they would protect the interests of Manitoba farmers when negotiating a new long-term federal-provincial farm program. Instead, Mr. Speaker, they have refused to sign the Agricultural Policy Framework. I would like the Premier and the Agriculture Minister to explain why it is acceptable for our farmers to get 40 percent less assistance under the APF than their counterparts in the other regions of the country. We on this side, unlike those members over there, do not believe our farmers are 40 percent less valuable.

\* (06:20)

We thought they would put up a better fight for Manitoba farmers when the United States government announced the \$73.5-billion farm bill, a farm bill that could take a \$345-million toll on our producers. Instead, the Premier of Manitoba said farmers would experience, and I quote, short-term income pain. That is what farmers, their suppliers and creditors really want to hear, that there will be short-term income pain. We thought the Premier would finally honour his promise of more than a year ago to lead farm, business and municipal leaders to Ottawa to address the challenges facing the agriculture sector. Any place, any day, any time, was the quote the Premier said. We are still waiting.

Mr. Speaker, we thought they would respect the integrity of Manitoba's provincial parks. Instead, they are bound and determined to slice a chunk out of Clearwater Lake Provincial Park, despite the fact that the provincial parks act says park lands are not to be sold or otherwise disposed of.

We thought they would come up with a concrete solution and plan to move forward with flood protection initiatives. After all, they have been going on about building a floodway practically since they took office. Instead the all-party flood committee has not met in months and there is absolutely no sign of sod being turned on flood protection projects in the near future.

We thought the Deputy Premier would remember that she had been appointed to the all-party committee to advise the Government on flooding protection. She forgot, or her staff forgot to tell her. We are not sure.

Mr. Speaker, we now find ourselves in a position, we have talked about Bill 27, how this Government is shutting down business. We would have thought they might have learned from Bill 18, when business came in and said: If you take these measures, we cannot build our short-line railroads in this province. It is an impediment. We have seen actions of that. You would think this Government would learn and listen to business, but instead they put up roadblock after roadblock.

What do we see? We see a government that is lurching from one crisis to another crisis. We

see no direction at all for Manitoba. As a matter of fact, we see this province slowly slipping further behind.

Mr. Speaker, I am sure we will see some new faces on the front benches when we return to the House in the fall. So for those who will not be answering questions we wish you well. I believe there is no question, for those of you who have tried in your role as ministers, I think we can say, on our side of the House, nice try.

We do say, as this session ends, that we on this side of the House will be going out to our constituencies, listening and working with our constituents and we will be taking a view that, rather than a Premier who refuses to call for an inquiry, to do the right thing and clear the air, to call for an inquiry, we are going to be going out and listening to Manitobans because we are the PC Party of Manitoba.

We are a proud party that established the first Manitoba agriculture college. We established the first Manitoba technical college. We were there when there was the incorporation of the University of Manitoba. We introduced crop insurance, we introduced farm credit, services for the deaf, student loans, social allowance, medical insurance, income assistance, the Winnipeg floodway, fiscal responsibility. That is what the PC Party of Manitoba is all about. That is what we stand for. That is what we are going to be taking as a message to Manitobans this summer. We are going to be proud to do it because that is the foundation on which Manitoba has become a great province. Thank you very much.

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I want, first of all, to extend my thanks and those of the other members of the Legislature I think for all the people who have worked at the Legislature, the staff, the support people. I would extend that to those who have worked very diligently on behalf of Manitoba within the civil service. I would like to compliment the pages, the Clerk and the staff who work in the Clerk's Office. Thank you.

I would characterize this session as a session where we have seen a loss in the opportunities, the opportunities that might have been. I will acknowledge and compliment on some modest

progress on certain social issues. The bill introduced Child and Family Services changes for a Métis and Aboriginal Child and Family Services that I think represents progress and empowerment of the Aboriginal community. Hopefully, it will result in improvement in services and in looking after children.

But I see continued evidence of major problems with the NDP approach dealing with fiscal issues, the net result of which we are now seeing with young people leaving the province with less economic growth than we should have and less prosperity than we really should have.

Let me start with the economic position. We have seen in this Legislature provisions in Bill 24, The Securities Amendment Act, which will mean less vibrant capital markets in Manitoba, a stifling of innovation and growth. We have seen legislation passed by the NDP in an earlier year which this year has impeded the conversion of the rail line to Selkirk and Gimli to a short-line railway and has threatened the future of the line and the future of businesses in Selkirk and Gimli. It could have been easily solved. There were just four employees and they have jobs, apparently, with CP. This could have been easily handled, but it has been poorly handled by this Government.

There has been a lack of action by the Premier (Mr. Doer) in carrying through on his promise to have an all-party effort to support and promote the future of Pinawa. The Premier has spoken eloquently about the future of a hydrogen economy, but when it really comes to something concrete that could have been done, working cooperatively with the federal and provincial government and the other parties to do something positively for Pinawa, for a hydrogen economy, the action was not there; the carry-through was not there.

The NDP government has acted to take \$288 million from Manitoba Hydro in a way that Manitoba Hydro will have to borrow, a poor example to other areas of spending in government. There have been changes made by the NDP government to extend liquor sales to Sunday, and in the words of George Andrews of River Heights, an example of government running a business in a way that seems directed to putting private-sector enterprises out of business; also extends the sale of alcohol, and

when we have a report recently from the Minister of Child and Family Services (Mr. Sale) that the number of children born and diagnosed with fetal alcohol syndrome continues to be at a rate of about a hundred a year and shows no sign of diminishing, this is not a good direction to go from a health, from a future-of-young-people point of view in this province.

We see ongoing poor costing and programming. The Health Department overran its budget by \$99 million. We have seen in the Department of Conservation, a year ago it was a problem with a dam in The Pas and \$250,000 in extra costs; most recently, spending \$30,000 for a sewer line for which there was an agreement and an understanding that this was to be paid for by the private sector. It is these small incremental expenditures in many areas which are adding up and causing the Government and this province problems.

We have seen the NDP operate with little regard to the cost of the bills. We have seen the Minister of Education (Mr. Caldwell) saying that he was going to save \$10 million from school board amalgamation and yet unable to table the information clearly when asked, and many of us and many citizens in this province expect that it is going to cost a lot more than it is going to save.

We have seen the NDP with Bill 27 deal with measures, although perhaps well-intentioned and with some benefit in terms of safety, certainly with some measures there which I suspect are going to make it more problematic for businesses to operate in this province without significant benefits in certain areas of that bill, the punitive administrative penalties being one example, not founded in good sense and probably going to cause problems for businesses operating in this province without necessarily contributing to safety.

\* (06:30)

Certainly, it is not only in the area of economic prosperity that we have seen shortcomings. I would suggest to this Legislature that there were lost opportunities when dealing with issues of democracy, fairness, transparency and accountability. I will compliment the Government for extending the voting to

members of the armed forces who are moving around. I will compliment the Government for the measures dealing with firemen and cancers in respect of Workers Compensation. I have supported the Government with Bills 34 and 53, which bring us into compliance with the Charter of Rights and Freedoms.

But, on the other hand, what we have seen in Bill 14 was a removal of the normal appeal process for changes to school division boundaries and school divisions. What we have seen in Bill 24 was the removal of the normal democratic right of appeal. What we have seen in the Department of Conservation is the release of private information to people outside of government, a very serious breach of the normal processes of privacy protection in government, which are very important.

We have seen in photo radar that the Government is going to convict cars instead of people, a move away from the fundamental importance of people and of human beings.

We have seen with the Manitoba Hydro a deceptive move in the way that \$288 million was taken out and added to the debt in a way that Hydro will have to borrow.

We have seen a government which even on occasion has resorted to fogging people without normal notice in Wolseley at three in the morning. So there have been some negative things happening very clearly in the area of fairness, transparency and democracy and much room for this Government to improve.

In the area of agriculture, very important to this province, there has been a positive passage of The Animal Diseases Act clearly acknowledging a major, major provincial role in dealing with tuberculosis and foot and mouth disease, a role which the Minister of Agriculture has repeatedly said that there was not a provincial role when, in fact, her own bill shows very clearly that the Province has a vital role in making sure that incidents like the TB in Riding Mountain National Park are looked after properly.

We have also seen the passage of the bill dealing with the manure-spreading licensing, positive from the point of view of the large hog operators in providing guarantees of good

practices, but there has not been full implementation of the Tyrchniewicz report in spite of the fact that that came down about two years ago, and it should have been addressed and fully implemented.

There has been most inadequate attention to drainage and water management. There has been a lot of lip service, perhaps a few extra dollars, but when it comes to real delivery, it has been short. In southeastern Manitoba, we saw a lot of extra water on the land. The reality is that when I went down there with some people who are knowledgeable, probably as much as 80 percent of that could halve the damage to agricultural areas, could have been prevented if the provincial drains and the watershed management had been up to standards and the water enabled to come off quickly.

We had the big agriculture committee hearings a year ago, and they could have been the basis for a business plan in agriculture in this province, but they have not been, and that is too bad because what an opportunity which was missed.

On flood protection, we have had the all-party meetings, but no action now for four months. Major concerns were raised if we have a 700-year flood, a flood like 1826. There is no clarity on what happens yet with the area around Selkirk. We know that in 1826 the water expanded outside of the Red River. There were three rivers, one going toward the Oak Hammock Marsh, one going somewhere around, over and beyond I think Birds Hill and one in the traditional channel. We need clarity on what will happen. We need clarity on what will happen so that we can have a solid proposal.

On health care there has been some progress on first episode psychosis, for which I compliment the Health Minister, in anti-smoking measures rhetoric, and some things done on fetal alcohol syndrome, but in fact when the numbers are in, no progress.

There is a lot of need in epilepsy. When it came to hormone replacement therapy, clearly there was a message that we should make sure we are doing more good than harm and that we need to make sure that we are using the best

evidence, the best information that we have got and not wasting resources on things which are causing more harm than good.

The physician profiles is a positive step forward, but the back and forward on terms of support and non-support on chiropractors was most confusing. Clearly, there was no plan and no direction in where they wanted to go. I would suggest that after my questioning and bringing up points, that there has been more attention to suicide, particularly in the North. I would suggest that there is still a lot that needs to be done in terms of health care, spending smarter, with the running over budget of almost \$100 million.

We have seen in education the adult education bill two years too late. When it could have in fact prevented a lot of problems in Morris-Macdonald and Agassiz, now it comes after that fact. Although it will be good for the future, it still leaves a legacy and a sour taste in the mouths of a lot of people living in the area of Morris-Macdonald School Division.

We have seen some progress and improvement with the Province, relative to the city of Winnipeg, but there is still a long way to go. The Capital Region plan still is not here, and it is not clear yet how solidly committed this Government is to that.

We have seen all sorts of things happening with the casinos. The cost overruns have kept getting higher. There has been a lack of building operating permits. There have been ventilation systems not certified and recently all sorts of things with the VLTs and Dakota Tipi. Very confusing exactly where the Government is going and what it is doing, back and forth in saying one thing one day and another thing the next.

When it comes to the environment, this Government has had falling grades from the Canadian Nature Federation, from a B-minus when they were elected, to a D; from the Sierra Club, from a D-plus, down to a D-minus now. Clearly, they are not living up to the promise that many thought that they might be able to deliver. They have not done so. They in fact have got a worse record on the environment than when they were elected.

There is, as I wind up, Mr. Speaker, not far from here in the Pool of the Black Star, a hallmark of the emptiness of the vision in the plans of the NDP. A year ago or almost a year ago, the NDP decided that they were not going to have that used for art, they were going to have some other plan for the space. But we have seen from January to now, almost all the time that space has been empty and not used. It typifies where the NDP are on all sorts of things and sends, I think, a very strong message to people in this province that they have thrown out some things, but they really have not got a plan for where they are going.

It is the lack of planning which started this Legislature about six weeks after the average start date of the Legislature for the last 30 years. It is that which has led us to be sitting well after the normal end date and having to deal with bills in a rushed fashion as we wind up.

It is a sad testament that this is a government which has shown increasingly, and on a number of occasions, a tendency to try and deceive people, to try and be deceptive, a government of deceivers for those who perhaps are looking for deception rather than real change. It is too bad that that is what is happening.

\* (06:40)

I think it is typified by what this Government did when it came to mosquito control. They could not do it with proper notice, with the normal notice, so they snuck into Wolseley in the middle of the night when people still had their windows open because that was the only way that they could do it. It was typical of the approach this Government has done, that they have used deception, not only there but when they are dealing with Manitoba Hydro finances. It is a sad testament that is the direction, that is what has happened after three years of this NDP government.

**Hon. Gary Doer (Premier):** Mr. Speaker, I am going to take a slightly different tack than the preceding negative nabobs who have spoken before me. I want to start by thanking all the staff in whatever capacity. I know you started very early this morning and are finishing very early the next morning. I want to thank you.

Mr. Speaker, the future is bright for Manitoba. This week started with a symbol of our future and our beliefs and values with the ending of the North American Indigenous Games. It made us proud to host that event. It made us proud of the volunteers, the athletes, the culture, the entertainment and the enthusiasm and hope. We are a party of inclusion, we are a Government of hope, not a group of individuals who despair, but rather we are optimistic about the future.

We celebrated this week the return of our troops, troops who had fought just in Afghanistan in the last couple of months and just had returned before that in Bosnia in peace-keeping. I am proud of the fact this Legislature has recognized the difficulties of families working in the military and passed legislation to protect drivers' licences, to protect merit points from different provinces. More importantly, after years of recommendations from the Chief Electoral Officer, we passed legislation to protect the voting rights for the military personnel living in Manitoba. People fighting for democracy should have their democracy enshrined in this Legislature.

Mr. Speaker, just this week as well we had young people coming to this Legislature, probably the first time they have presented a view before a legislative committee, urging us, urging all of us to join with them to do what we can to reduce smoking with youth. I am proud of the fact that we said yes to the young people and I am disappointed that others have said no.

We are confident. We are a confident, optimistic, determined and energetic group. We have in Manitoba come through the 2001 economic slowdown almost in better shape than any other state or province in North America. We are doing so by including all Manitobans. Even today there are examples, the old, outdated partisan rhetoric of the past has been rejected by us as we accept constructive ideas from members opposite.

The Child and Family Services bill has been improved by the Member for St. Rose (Mr. Cummings). We appreciate the advice we received and have incorporated those recommendations. I used to deplore the fact that we

would go to legislative committees, I understood why some of the bad ideas were rejected, but every good idea we had was rejected because it came from the other side. We do not treat people like they are the other side when they have a good idea, the ideas on off-road vehicles, the idea on manure, the ideas on The City of Winnipeg Act, those positive amendments we have passed with you to make legislation better for all Manitobans. Is that not the way people want us to work? That is what we are going to do in government.

Mr. Speaker, I know the member opposite talked about the past, we know in government that the status quo will not build Manitoba for the future. The status quo of school divisions, the status quo of utilities in Manitoba, the status quo of many of our Legislative issues, they will not allow us to go forward in a modern, effective way. Yes, you take a little bit of political flak and a lot of bell ringing, but to take nine school divisions in the city of Winnipeg and reduce it to six school divisions in the city of Winnipeg and reduce the school divisions equally by a third in rural Manitoba and a third in northern Manitoba to modernize our school divisions, to give students more choices, that is a good idea. Status quo is not going to get Manitoba moving in the future.

For generations people have talked about merging Manitoba Hydro with Winnipeg Hydro. For generations people have talked about the idea of this benefiting both the Manitoba Hydro customers and the Winnipeg Hydro customers. It allows us to use the muscle of Manitoba Hydro, particularly with the building of Limestone for the benefit of all our citizens. We believe in a stronger utility. We believe in a stronger utility that builds for the future, sells our electricity and builds Manitoba. We will not mothball or sell Hydro. We will use it for the benefit of all Manitobans.

Mr. Speaker, we knew at the start of this session that we had to have a steady hand on the driving wheel of Manitoba. We pledged ourselves to maintain our promises. We were one of only a very few jurisdictions that kept our word on the tax reductions we had made in last year's Budget. Many provinces delayed, stalled, increased other taxes. We stayed with our long-

term, doable plan. We did not have flip-flops on the way to keeping our promises.

The member opposite talked about the start of the session. I remember the photo shoot, the photo opportunity on the scooter. I remember him saying: Oh, the Government should go further on photo radar. It should go further. If we were in government, oh, we would put a photo radar operation at every highway, byway and back lane all over Manitoba. When it came to arguing or amending the legislation, nothing. That is why I know we had a balanced approach for safety where the intersections, school grounds and work sites, a balanced way to balance off the issues of safety were brought in.

We have kept our election promises. We have reduced taxes in a doable way. There are jurisdictions now in North America, starting with the federal U.S. government that has reduced taxes and increased the deficits dramatically. We reject the idea of reducing taxes and increasing deficits. It does not make any balance sense at all. We are also one of three jurisdictions in North America paying down debt. There are only three. One of them requires \$700 million from Ontario Hydro, for the sale of half the corporation, to pay down debt in Ontario. It remains to be seen if that can happen.

For the first time in 40 years, we are going to pay down pension liability. We are continuing to have a situation where we had a very, very balanced Budget and a balanced approach to health and education in this session of the Legislature. We have not yet taken one dollar out of the rainy day fund since we have been elected; \$500 million withdrawn from the rainy day fund before we were elected in good economic times. The public and the rating agencies know that we are very balanced.

\* (06:50)

As I said, Mr. Speaker, we have brought in safe water legislation, human rights legislation, adult learning centres, Workers Compensation consideration for firefighters, Aboriginal child welfare, fortified gang sites, workplace safety and health, snowmobile legislation, clean water, animal disease act. We have rules for leadership campaigns. We have improved the public

accounts. We have brought in legislation to protect our polar bears. We have brought in a lot of legislation that makes sense for Manitobans.

We are continuing on our plan for health care, hiring more doctors, training more nurses, bringing in more diagnostic equipment. We are increasing the enrolment in post-secondary education by 12 percent. That is good, positive progress in two years.

In terms of economic performance, we may not be perfect but we have the lowest unemployment rate in Canada, Mr. Speaker. That is something worth celebrating. We have brought in new measures, and we have reduced the out-migration of youth under the former government by 50 percent. Every year, more Manitobans stay in this province.

We have brought back the endangered species, the endangered species of Manitoba. The building cranes are starting to return after the dark days of members opposite. The building cranes are now being sighted again in Manitoba. What a wonderful sight. What a wonderful sight for all of us to see.

We are absolutely in favour of flood protection. We have a strong plan. We are waiting for a dance partner. We think that can happen shortly. But we do not have one position in Winnipeg and another position in Selkirk. Now that, Mr. Speaker, is deception, and you know what? People in Selkirk can read what you say in Winnipeg, and people in Winnipeg can read what you say in Selkirk. You know what? They should be able to read it, because you can only take one position on a major issue like flood protection. I guess that is why the Liberals voted against the floodway years ago in this very same Legislature. We should not forget that.

We are absolutely committed to strategies on climate change. We support the Kyoto Protocol. We are proud of the fact we support the Kyoto Protocol. When the members opposite, the Leader of the Opposition (Mr. Murray) was asked about his position on the Kyoto Protocol, was it yes, was it no, or was it yo? It was yo. He did not have a position on the Kyoto Protocol. How do you expect to be a government, an alternative government, if you will not go to a First Ministers' meeting and take a position, Mr. Speaker? You have to have a

position. You have to have a well-thought-out position. This Government does, and I am proud of the fact we are supporting the Kyoto Protocol.

Mr. Speaker, we believe in being generous and being community spirited. We reject the mean-spirited partisanship of the past and so, I might add, do the public. The old mudslinging days are over. People in Manitoba have generous personalities and generous civility towards their fellow citizen.

I want to close by saying that the best example of that generosity was when Manitobans responded to the plane that fell out of the sky on McPhillips and Logan just a few months ago.

This plane fell out of the sky and was still burning on the ground. People from all walks of life dropped everything they had to go to that burning plane and pull out those people that were trapped inside of that burning plane without any consideration to their own safety, but rather they put the safety and lives of others ahead of themselves. Mr. Speaker, that is the spirit of generosity that we should be following, or at least matching, as we as legislators work on behalf of all Manitobans.

I want to say, Mr. Speaker, that in this Legislative Chamber this team of people in government are citizens first.

We will always put the citizens of Manitoba first, and that is why I am proud of this session in the Legislature. Thank you very much.

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

**Some Honourable Members:** Question.

**Mr. Speaker:** The question before the House is that when the House adjourns today it shall stand adjourned until a time fixed by Mr. Speaker upon the request of the Government.

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

**Mr. Mackintosh:** Six o'clock, Mr. Speaker.

**Mr. Speaker:** Before I adjourn the House, I would just like to take the opportunity to wish everyone a safe summer, and enjoy the weather that we have.

Also, I would like to thank the Legislative Assembly for an extremely good job today. It has been really appreciated by all because, as you know, we sat all day, we sat all night.

I am sure in the future I will probably find out that some member probably came prepared and probably stayed all evening in her pyjamas, for all I know. So take care.

The hour being 6 p.m., this House is adjourned and stands adjourned at the call of the Speaker.

# LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, August 8, 2002

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PETER M. LIBA



Lieutenant Governor

PROVINCE OF MANITOBA

ELIZABETH II, Queen of Canada

**PROCLAMATION**



With the advice and consent of the Executive Council of Manitoba, we prorogue the 3rd Session of the 37th Legislature of the Province of Manitoba effective on Tuesday, November 26, 2002, and convene the 4th Session of the 37th Legislature of the Province of Manitoba on Wednesday, November 27, 2002, at 1:30 p.m.

HIS HONOUR PETER M. LIBA  
Lieutenant Governor of the Province of Manitoba  
Winnipeg, Manitoba  
November 20, 2002



Minister of Justice and Attorney General

GORD MACKINTOSH