# Third Session - Thirty-Eighth Legislature

of the

# Legislative Assembly of Manitoba DEBATES and PROCEEDINGS

Official Report (Hansard)

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# MANITOBA LEGISLATIVE ASSEMBLY Thirty-Eighth Legislature

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

# Tuesday, April 19, 2005

The House met at 1:30 p.m.

#### **PRAYERS**

#### ROUTINE PROCEEDINGS

#### **PETITIONS**

#### **Provincial Road 355**

**Mrs. Leanne Rowat (Minnedosa):** I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

The unsafe conditions of PR No. 355 from the western edge of Minto municipality to PR No. 270 (including the hill out of the Minnedosa valley), poses an undue risk to Manitobans who must travel on this roadway.

The steady stream of traffic on this stretch of PR No. 355, which includes automobiles such as "B" train semi-trailer tractors, mail delivery vehicles and school buses, make the roadway in its current state dangerously impassable.

Continued expansion of the regional economy in livestock development, grain storage and transportation and the proposed Mohawk Plant, puts additional strain on PR No. 355 and creates further safety concerns for motorists.

PR No. 355 experiences an increased risk in traffic flow during the spring season when there are weight restrictions on surrounding provincial trunk highways.

For several years, representatives of six municipal corporations, as well as an ad hoc citizens' group have been actively lobbying the provincial government to upgrade and reconstruct the stretch of PR No. 355 at issue.

Manitobans and visitors to the province deserve a better rural highway infrastructure.

We petition the Manitoba Legislative Assembly as follows:

To request the Minister of Transportation and Government Services (Mr. Lemieux) to consider upgrading PR No. 355 from the western edge of the R.M. of Minto to PR No. 270 (including the hill out of the Minnedosa valley).

To request the Premier of Manitoba (Mr. Doer) to consider supporting the said initiative to ensure the safety of our Manitobans and all Canadians who travel along Manitoba highways.

The petition is signed by Linda Morgan, Graham Catlin, Ewan Common and others.

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

#### Pembina Trails School Division-New High School

**Mr. John Loewen (Fort Whyte):** I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

Overcrowded schools throughout Whyte Ridge, Lindenwoods, Linden Ridge and Richmond West subdivisions are forcing Pembina Trails School Division to bus students outside of these areas to attend classes in the public school system.

Elementary schools in Pembina Trails School Division have run out of space to accommodate the growing population of students in the aforementioned areas.

Five-year projections for enrolment in the elementary schools in these areas indicate significant continued growth.

Existing high schools that receive students from Whyte Ridge, Lindenwoods and Linden Ridge are at capacity and cannot accommodate the growing number of students that will continue to branch out of these subdivisions.

Bussing to outlying areas is not a viable longterm solution to meeting the student population growth in the southwest portion of Winnipeg. The development of Waverley West will increase the need for a high school in the southwest sector of Winnipeg.

The government is demonstrating a lack of respect for the students and families in Whyte Ridge, Lindenwoods, Linden Ridge and Richmond West by refusing to provide adequate access to education within the community.

\* (13:35)

The Fort Whyte constituency is the only constituency in the province that does not have a public high school.

NDP constituencies in Winnipeg continue to receive capital funding for various school projects while critical overcrowding exists in schools in Lindenwoods, Whyte Ridge and Richmond West.

We petition the Legislative Assembly of Manitoba as follows:

To request the provincial government recognize the need for a public high school in the southwest region of Winnipeg.

To request the provincial government, in conjunction with the Public Schools Finance Board, to consider adequate funding to establish a high school in the southwest sector of Winnipeg.

Signed by Kurt Tiwana, Walter Spence, Kevin Cawaling and others.

# **Coverage of Insulin Pumps**

**Mr. Kelvin Goertzen (Steinbach):** I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

Insulin pumps cost over \$6,500.

The cost of diabetes to the Manitoba government in 2005 will be approximately \$214.4 million. Each day 16 Manitobans are diagnosed with the disease compared to the national average of 11 new cases daily.

Good blood sugar control reduces or eliminates kidney failure by 50 percent, blindness by 76 percent, nerve damage by 60 percent, cardiac disease by 35 percent and even amputations.

Diabetes is an epidemic in our province and will become an unprecedented drain on our struggling health care system if we do not take action now.

The benefit of having an insulin pump is it allows the person living with this life-altering disease to obtain good control of their blood sugar and become much healthier, complication-free individuals.

We petition the Legislative Assembly of Manitoba as follows:

To request the Premier (Mr. Doer) of Manitoba to consider covering the cost of insulin pumps that are prescribed by an endocrinologist or medical doctor under the Manitoba Health Insurance Plan.

Signed by David Neufeld, Edna Schultz, Lucille Pankiw and many others.

#### **Ambulance Service**

**Mr. Ron Schuler (Springfield):** I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

In May 2004, 46-year-old Peter Krahn suffered a heart attack while exercising in East St. Paul and was pronounced dead just under an hour later after being transported to the Concordia Hospital in Winnipeg. Reports show that it took nearly 18 minutes for an ambulance to arrive for Mr. Krahn.

The Interlake Regional Health Authority claims that 21 minutes is an acceptable emergency response time, whereas the City of Winnipeg uses a benchmark of 4 minutes.

Ambulance coverage for East St. Paul is provided from Selkirk, which is almost 25 kilometres away.

The municipalities of East St. Paul and West St. Paul combined have over 12 000 residents.

We petition the Legislative Assembly of Manitoba as follows:

To request the provincial government to consider providing East St. Paul with local ambulance service which would service both East and West St. Paul.

To request the provincial government to consider improving the way that ambulance service is supplied to all Manitobans by utilizing technologies such as GPS in conjunction with a Medical Transportation Co-ordination Centre (MTCC) which will ensure that patients receive the nearest ambulance in the least amount of time.

To request the provincial government to consider ensuring that appropriate funding is provided to maintain superior response times and sustainable services.

Signed by Peter Sean MacDonald, Cathy Vandenberg, Margaret Vandenberg and many others.

\* (13:40)

# Closure of Victoria General Hospital Maternity Ward

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

The background to this petition is as follows:

It has been decided that the birthing ward at the Victoria General Hospital in Winnipeg, Manitoba, will be closed.

Some say the birthing ward is being closed due to safety issues. It has been proven time and time again that outcomes for normal pregnancies in normal women are better in a community hospital like the Victoria General Hospital than in a tertiary care centre like the Health Sciences Centre and with a general practitioner or midwife rather than an obstetrician. Not a single study has ever shown the contrary.

Obstetrics services at community hospitals can work if the political will is there to make them work.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Health (Mr. Sale) to allow women options when they give birth and to consider stopping the planned closure of the Victoria General Hospital maternity ward.

Signed by Ryan Murdock, M. Cox and Sue Murdock.

### **Generally Accepted Accounting Principles**

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

The background to this petition is as follows:

Manitoba's provincial auditor has stated that Manitoba's 2003-2004 budget deficit was the second highest on record at \$604 million.

The provincial government is misleading the public by saying they had a surplus of \$13 million in the 2003-2004 budget.

The provincial auditor has indicated that the \$13-million surplus the government says it had cannot be justified.

The provincial auditor has also indicated that the Province is using its own made up accounting rules in order to show a surplus instead of using generally accepted accounting principles.

We petition the Legislative Assembly of Manitoba as follows:

To request the provincial government to consider adopting generally accepted accounting principles in reporting Manitoba's budgetary numbers.

Signed by B. Singh, P. Singh and R. Singh.

#### INTRODUCTION OF BILLS

Bill 27-The Horse Racing Commission Amendment and Horse Racing Regulation Repeal Act

Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives): Mr. Speaker, I move, seconded by the Minister of Aboriginal and Northern Affairs (Mr. Lathlin), that Bill 27, The Horse Racing

Commission Amendment and Horse Racing Regulation Repeal Act, be now read a first time.

# Motion presented.

Ms. Wowchuk: Mr. Speaker, under the current Horse Racing Commission Act, the commission must supervise all types of horse racing in the province. The amendment in this bill will require the commission to supervise only those types of horse racing specified in the regulation. The bill will also repeal the existing Horse Racing Regulation Act as its authority to authorize horse racing will now be addressed in The Horse Racing Commission Act.

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

\* (13:45)

#### **Introduction of Guests**

**Mr. Speaker:** Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have with us from Fisher Branch Collegiate 22 Grade 9 students under the direction of Mrs. Leanne Kochan. This school is located in the constituency of the honourable Member for Interlake (Mr. Nevakshonoff).

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

#### **ORAL QUESTIONS**

# Safe Schools Summit Status

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, on March 22, following the tragedy in Red Lake, Minnesota, I asked the Premier (Mr. Doer) to organize a Safe Schools summit where students, teachers, educators, police officers, stakeholders could be brought together in a central forum to talk about successful policies, programs and share information to combat bullying, racism and violence in our schools. At the time, the Premier indicated he would be meeting with teachers shortly and would discuss the idea. He also indicated that he would be discussing such a summit with the Minister of Education.

I wondered if the Deputy Premier (Ms. Wowchuk) could update the House on the status of the Safe Schools summit.

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): Mr. Speaker, as the First Minister did say, it is a good idea and it is something that we will definitely consider. I have had some discussions with Dr. Mary Hall from Safe Schools Manitoba about this issue. We continue to discuss issues around student safety with all stakeholders, and we continue to work with them co-operatively to find solutions for issues of violence in our schools. We will continue to do so.

**Mr. Murray:** Mr. Speaker, when I first raised the idea of holding a Safe Schools summit, the Premier said he recognized that the Province must do more to combat bullying, racism and violence in our schools. He said he would meet with educators, teachers and his minister on how best to move this issue forward.

Mr. Speaker, I would note that in the last two days alone, we have seen two more troubling examples of alleged incidents of bullying and violence; for example, a school's video ridicules a student, and a death threat chills a school. These are very serious incidents.

I would like to ask the Deputy Premier this: Will they commit to a summit today? Will they tell us what their government's actions will do to address this serious and growing problem of bullying and violence in our schools? Will they commit to that today, Mr. Speaker?

Mr. Bjornson: Mr. Speaker, we, as a government, committed to address the issue of bullying a long time ago. We have been very actively involved in a number of initiatives to address that. For example, we are funding early childhood counselling supports which had not been funded by the Province before. We are doing it for the first time. We have a number of other initiatives, a number of different committees of Cabinet, and we continue to work co-operatively with all stakeholders to address this issue.

**Mr. Murray:** Mr. Speaker, for the record, I wrote to the Premier to remind him how quickly these events unfold and just how important they are. I wrote him that letter on April 5, and although I am still waiting for a response from the Premier to that letter,

Manitobans want an answer today from this government.

This is a growing problem that we see in our schools. The issue is simply this. There are other ways we see that people and students are being bullied, whether it is a video under the guise of a school project, Mr. Speaker, or whether we see more access on the Internet. This problem is growing in the province of Manitoba. Ignoring these problems, having the government put their head in the sand will not make these problems go away. They are very serious and parents, teachers and students are very concerned about this issue.

I would like to ask the Deputy Premier if on behalf of the NDP government they will commit to a Safe Schools summit well in advance of the 2005-2006 school year. Will they stand in the House today and tell us how they are combatting these additional waves of bullying, racism and violence in the schools today? Will they commit and tell Manitobans today, Mr. Speaker?

Mr. Bjornson: Mr. Speaker, what we have committed to and what we have delivered on is the Safe Schools Charter. We have delivered on establishing Safe Schools Manitoba, early behaviour intervention grants, additional funding for counselling, locally based anti-bullying or safe schools initiatives we have supported with the co-operative work with our partners. The Roots of Empathy program, the Triple P Positive Parenting Program recently announced are all parts of the bigger picture issue.

\* (13:50)

Mr. Speaker, members opposite, their position has been very clear on this issue. They told us it was a waste of time when we were debating this issue last year. The member from Fort Whyte also said that they, being us the government, actually believe somehow this type of administrative decree from on high will actually result in something happening at the front lines. Lots of things have been happening at the front lines through the leadership of this government and working in concert with our partners in the education system.

# Safe Schools Legislation E-mail and Internet Usage Policies

Mrs. Myrna Driedger (Charleswood): Cyber bullying is the latest weapon in a bully's arsenal. In

fact, a recent survey reported by the CBC found that 14 percent of young Canadian computer users had been threatened while using Internet messaging and 16 percent admitted they posted hateful comments themselves. Mr. Speaker, these numbers are very alarming.

I would like to ask the Minister of Education to tell us how his Safe Schools legislation addresses Internet and e-mail threats that are being made against students and teachers.

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): Mr. Speaker, I very distinctly recall we had some professional development, when I was in the classroom over 12 years ago, around the issue of the Internet and the importance of Internet as a research tool in our schools. I flagged it then individually as someone concerned about the safety of the issue, and certainly, we are concerned. That is why having a clear code, having a clear statement in the code of conduct that we expect from our schools on Internet safety, is part of the Safe Schools Charter. We will continue to work with our partners to address this issue.

Mrs. Driedger: Well, the Minister of Education should now have in his hands the codes of conduct from every single school in the province. Mr. Speaker, in the Safe Schools legislation, schools were actually told, as the minister has indicated, to establish a policy about the appropriate use of e-mail and Internet usage at schools.

I would like to ask the Minister of Education today if he could tell us how many schools actually have in place these particular policies his own legislation dictated they should now have in place.

**Mr. Bjornson:** Mr. Speaker, again we have been working with our partners towards bringing The Safe Schools Charter forward. We have had a number of schools respond—

Some Honourable Members: Oh. oh.

Mr. Speaker: Order.

**Mr. Bjornson:** Thank you, Mr. Speaker. We have had a number of schools respond. I believe there are over 630, if I am not mistaken, that have indicated, at this point, they are in compliance with the code of

conduct and the requirements under The Safe Schools Charter.

Mrs. Driedger: Mr. Speaker, I wish the Minister of Education would take this issue a little bit more seriously. That is not 100 percent of the schools, and his own legislation said that should be in place now. He needs to show more leadership and quit dragging his heels. We are seeing some very, very serious issues around school bullying and school violence, and we have continued to hear more about it right now

I would like to ask the minister, considering how harmful and how dangerous this kind of situation can be, what further will he do. What more will he do and how quickly will he do it to see that his own legislation is in place, and all other measures that can be brought into place are put into place?

**Mr. Bjornson:** Again, Mr. Speaker, this is something we have taken very seriously on this side of the House from day one.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Bjornson: Thank you, Mr. Speaker. I would like to remind the members opposite that the Manitoba Teachers' Society released a press release not too long ago that gives credit to the Education Minister for his leadership in the battle against bullying. The Teachers' Society has said that The Safe Schools Charter has gone further than any efforts of any previous government to address what has always been a persistent problem.

#### Crocus Fund Government Awareness of Devaluation

Mr. Gerald Hawranik (Lac du Bonnet): Mr. Speaker, the directors of Crocus and all Cabinet ministers, through their NDP appointee to the Crocus board of directors, knew on November 18 that the Crocus Fund was being devalued, yet, the sale of Crocus shares continued until December 10. All Cabinet ministers knew overvalued shares were being sold to the public until December 10.

Will the Minister of Industry admit to Manitobans and to the 33 000 Crocus shareholders that he knew the shares of Crocus were overvalued

well before the cease trading order on December 10, and that he did nothing about it?

Hon. Jim Rondeau (Minister of Industry, Economic Development and Mines): Mr. Speaker, the members opposite should know the board of directors' internal information is private. It is confidential. What we do is appoint a member, and when you say it is our member, we have consistently appointed non-political people to the board. We have appointed civil servants to the board, not that that was happening under your watch. We appointed long-term civil servants and civil servants to the board. We have kept it so that we do not manage the fund on every day management.

What we have done is we have acted appropriately. There are two investigations going on now, one from the Attorney General and one from the Manitoba Securities Commission. They are going to find out what has been done properly. We are not going to interfere with the management of the fund or the investigations.

\* (13:55)

Mr. Hawranik: Mr. Speaker, because of the combined effect of the two Securities Commission orders, Crocus insiders are exempt from filing insider trading reports. This NDP, this minister, in fact, all ministers knew through their board appointee that shares were being traded in Crocus until December 10, even though they were grossly overvalued. Since all NDP Cabinet ministers knew about the overvaluation, and because insider trading reports are not required, I ask this minister to provide us with details of trades that he or his Cabinet colleagues, the officers or the directors of Crocus, or their family members made with respect to Crocus shares prior to December 10. What shares were traded?

**Mr. Rondeau:** Mr. Speaker, I would hope the member opposite would start to begin to put accurate and appropriate information on the record.

First, it is the responsibility of the Manitoba Securities Commission, who ruled that these funds should be classed as mutual funds. This was done in 2001, and it is consistent with the Auditor General's report which says that consistent with disclosure rules, both ENSIS and Crocus should follow normal processes where they are considered retail funds, and

these disclosures were not required. That is what the Auditor General has said and that is what the Manitoba Securities Commission has said. These are independent of government. These are not tied to political decisions. We believe these organizations have the professional advice and the responsibility to make judgments on behalf of all Manitobans.

**Mr. Hawranik:** Mr. Speaker, I asked the Minister of Industry to be open and honest with the 33 000 shareholders of Crocus. I remind him of the words spoken by the Premier (Mr. Doer), "The truth shall set you free."

Manitobans deserve the facts, and I ask the Minister of Industry to provide particulars of any trades of Crocus shares he or his Cabinet colleagues or officers, the directors of Crocus, and their family members made from May 2002, when the exemptions from filing insider trader reports came into effect, until December 10, 2004, when shares in Crocus ceased trading. Provide it to us.

Mr. Rondeau: Mr. Speaker, as was done in Wellington West and on the trades of MTS shares, what we have done is follow the appropriate behaviour. What we have done is ensure that the Manitoba Securities Commission, an independent body, looks into this and investigates which is appropriate. As in Wellington West, I would trust there was not political interference when trades of the MTS shares were going on.

What we have done is ensured that the Manitoba Securities Commission and the Auditor General go in, do their jobs, in fact, legitimate, non-political investigations, do their job to protect the shareholders and keep their integrity.

#### Crocus Fund Government Awareness of Devaluation

Mr. John Loewen (Fort Whyte): Mr. Speaker, what this minister and the previous minister, the Member for Brandon East (Mr. Caldwell), have demonstrated is that they are totally incompetent on this file. They are responsible for monitoring the operations and yet each passing day reveals more and more how taxpayers and Crocus unit holders have been fleeced.

Today, we have learned that Mr. Ziegler joined the board on October 12, and was able to discern very, very soon that the fund was overvalued. But apparently, the lawyer Jim Carlson, acting for the fund, told him he had better just keep quiet. This was all going on at the same time, and this government continued to stonewall taxpayers in Manitoba on what they knew and when they knew it.

I would ask the Minister of Finance to come clean with the taxpayers of Manitoba today and inform this House and inform all taxpayers when his government was first informed, when any member of his government or any member of his senior staff was first informed of the impending crisis at Crocus and what action they took immediately.

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, the Manitoba Securities Commission, on December 12, decided to investigate the Crocus Fund. It is only when they put their allegations out there that we had official notice that the body, the quasi-judicial body, the independent body which reviews securities matters in this province, had specific concerns. The Auditor, of course, entered into Crocus to do an investigation with the full support of our revised and improved legislation. In addition, we provided a letter of comfort to the Auditor to assure that he had all the tools and all the discretion he needed to investigate the fund.

We have allowed the agencies of government that act independently of government to do their job in a full and complete way.

Mr. Loewen: Mr. Speaker, this government and this minister have stonewalled. The Auditor General had to ask them for that letter. The Manitoba Securities Commission received absolutely no support from them. This government has let the taxpayers down. They have broad powers to investigate this fund on behalf of taxpayers and unit holders, and they have failed to use them.

Mr. Speaker, unit holders, taxpayers have a right to know if anyone involved with the fund or with government gained an unfair advantage and used that when trading in these shares. I would ask the minister if he, today, would come clean, table with this House a list of any directors, officers, their immediate families, any Cabinet members, any senior officials of government and their immediate families who traded in Crocus shares between the period May 2002 and December 2004. Will he just table that information and do the right thing?

\* (14:00)

**Mr. Selinger**: Mr. Speaker, that is the very purpose of having the Auditor General with the powers he has, powers that he never used to have under the former government. He has the unfettered—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. Honourable minister.

Mr. Selinger: Thank you, Mr. Speaker. The Auditor General has the unfettered authority and discretion to investigate any relationship, any pattern of trading that he or his office considers inappropriate, illegal or unethical and report to the Legislature. When he does provide his report to the Legislature, we will act on it and make sure that we correct the problem.

**Mr. Loewen:** The real question is why was nobody in this government acting in the role that they have to monitor the fund. Why was this government stonewalling and getting in the way?

We find out that Robert Ziegler, a director recently appointed to the board in October, knew immediately, found out immediately that the funds were overvalued. We find out that Wally Fox-Decent admitted the fund was in serious trouble for six weeks prior to December 10. We find out that the lawyer for the fund, Jim Carlson, not only knew there was trouble, but apparently and allegedly was advising board members to keep absolutely quiet about it. We find out the board member that the provincial government appointed, they told nobody.

Mr. Speaker, this impending crisis has been going on for a long time. The only plausible explanation is that this government, possibly through their agent Eugene Kostyra, did everything in their power to ensure this story did not break before December 10, before this House rose.

I would ask the minister what action did his government take to impede the process. Why did this story not come out until December 10?

**Mr. Selinger:** Mr. Speaker, what we did that was never done by the government before us, we strengthened The Auditor General Act of this province to give them the right and the responsibility to chase down any tax dollars in terms of a tax credit to organizations which they were granted.

That power was not there before. This government empowered the Auditor General to go ahead and make a thorough investigation and reenforced that with a special request from the Minister of Finance to follow through on the powers we gave him in the act.

I am confident the Auditor General will investigate any dimension of the Crocus Fund that he or his office wishes to investigate. He will make a report to this Legislature through the Chair, through the Speaker of the House. When that report is tabled, the due process is followed. We will act on the recommendations.

# Flood Control Portage Diversion Collapse

Mr. David Faurschou (Portage la Prairie): Mr. Speaker, last Monday the Minister of Conservation (Mr. Struthers) stood in this house on behalf of the Minister of Water Stewardship and stated, "Prudent operation of the flood control structures, such as Portage Diversion, has maintained a safe level of water flowing through downtown Winnipeg."

However, Mr. Speaker, on Thursday, just three short days later after the minister made his statement about prudent operation of the Portage Diversion, the Portage Diversion failed. More than one kilometre of the west dike collapsed. This significantly reduced the ability of flood control in the province of Manitoba.

This government has shown its incompetence to maintain a vitally important infrastructure here in the province of Manitoba. Will the minister now admit that he mismanaged the operation of the Portage Diversion?

Hon. Steve Ashton (Minister of Water Stewardship): I appreciate that the member did raise concerns about what has happened. Mr. Speaker, I do think this is an unfortunate statement by the member. We have very dedicated staff who make very difficult decisions during the flood process.

I would remind members that indeed, when we deal with situations such as this, we respond accordingly. Members may wish to howl from their seats, but the bottom line is the appropriate decisions were made. This is not the first time this kind of failure has taken place. We have seen other situations

involving Roseau River. Concerns have been expressed about dikes that were put in place there. Our technical staff and this government take that very seriously. We respond accordingly and we take it very seriously.

Mr. Faurschou: Mr. Speaker, this has nothing to do about the competency of the staff. It is about the competency of this government. The staff within the department has informed this government of needed repairs on that vitally important infrastructure. The department has not been keeping up with proper maintenance of the Portage Diversion for a long time, allowing sediment to significantly reduce the capacity of this vital flood control infrastructure.

Furthermore, Mr. Speaker, Water Stewardship's own Web site shows numbers that demonstrate the diversion was operating well above its design capacity. Was ministerial direction given to diversion staff to put more water down the channel than was appropriate?

**Mr. Ashton:** Mr. Speaker, given the fact the member opposite just voted against a budget that is putting significant new resources into Water Stewardship, I find it rather strange that the member would now make political statements.

I can assure the member opposite that I do not know the way his party operated in government. When it comes to the operation of our flood control structures, I do not intervene politically any more than when the member opposite asked me, as minister, to intervene to extend the fishing season. I did not overrule the staff, the Fisheries staff, who said that would be bad for the management of the resources in Lake Manitoba. We do not politically interfere when it comes to those important decisions in this province.

Mr. Faurschou: Mr. Speaker-

Some Honourable Members: Oh, oh.

**Mr. Speaker:** Order. The honourable Member for Portage la Prairie has the floor.

**Mr. Faurschou:** Mr. Speaker, this is a matter of priorities and, in fact, it is a very high priority on this side of the House. This government was in receipt of an engineering report almost five years ago that

detailed important redevelopment of this vital infrastructure.

On Monday, the ministers are telling Manitobans they operate the diversion in a prudent manner, and then on Thursday, the diversion sustained substantial damage to its structure. If the minister cannot manage the issue now, and this is not a flood year, what can we expect of this government's management when there is a flood?

**Mr. Ashton:** I would point out it is this government that is proceeding in terms of flood protection we put in place. In fact, going back the last number of years, there has been \$110 million invested since '97 in flood protection.

We are expanding the capacity of the floodway. In fact, the only thing that members opposite are concerned about is the project manager. We are building the floodway expansion. We have increased funding for drainage maintenance. If the member opposite had not voted against the budget, Mr. Speaker, he would know this. We are putting more money into Water Stewardship than has been put in for any period of time in Manitoba's history.

# Flood Control Portage Diversion Collapse

Mr. Jack Penner (Emerson): Mr. Speaker, it is absolutely inconceivable that the minister will stand in his place and talk about the rebuilding of the floodway without recognizing that it is only part of the infrastructure that protects the communities along the Assiniboine River and the Red River.

I want to ask the minister this: Will the minister admit today that it was his mistakes and his direction regarding the operation of the diversion at Portage la Prairie that led to the damage we are now going to have to pay millions of dollars to repair?

Hon. Steve Ashton (Minister of Water Stewardship): Again, I do not know how members opposite functioned when they were in government, but the decisions involving the operation of any part of our flood protection system are not political decisions, and indeed, that is appropriate. Those decisions should be based on the best technical advice. That is the policy of this government. I do not know what the policy of their government was.

\* (14:10)

**Mr. Penner:** The high water advisory from yesterday that the minister put out states, and I quote, "Flows in the Portage Diversion are being reduced to reduce further damage to the fail safe and the facility repairs," which means, Mr. Speaker, that more water will be flowing down the Assiniboine River to the communities downstream of Portage la Prairie.

The department staff are currently contacting landowners along the river to watch the river very carefully over the next couple of days as there is, according to the staff of the department, a significant risk of flooding, Mr. Speaker. Will the minister tell us why the diversion was operated improperly creating the flood risk where no flood risk existed before?

Mr. Ashton: Mr. Speaker, the operating rules and protocols in terms of flood protection procedures have not changed. In any given year, the decisions that are made, whether it would be in terms of the floodway or the diversion, are made on the best technical advice that is available. It was not a political decision, but I can say on behalf of the department, I certainly take responsibility for the fact that our department has been dealing this year, and this may be news to the member from Portage, with a very difficult situation in terms of the river levels. In fact, thanks to some new initiatives including bringing in new equipment, we have been able to prevent some localized flooding. We are taking new initiatives. This department is protecting Manitobans.

Mr. Penner: Mr. Speaker, this is not a flood year. This is a non-flood year, a non-event year. Last Monday, the Minister of Conservation (Mr. Struthers) told us about the prudent operation of the preventative infrastructure that we have in place in this province of Manitoba. Yet, the NDP's inability to manage that flood protection system has led to expensive repairs of the diversion, reduced flood protection, and now, increased flood risk downstream.

Will the Minister of Water Stewardship today tell us has he warned the City of Winnipeg to expect an additional flow of water that is higher than what had originally been forecast. How is he going to deal with the damage that might occur in the city of Winnipeg?

**Mr. Ashton:** Well, Mr. Speaker, I am certainly not going to take any technical advice from the member who, as critic for Water Stewardship, says that water is in better shape today than it was 20 years ago. I am not taking any scientific or engineering advice from the member.

I point out for the member who talked about this not being a flood year; perhaps the member would care to check some of the flows that we have seen, perhaps even take a walk outside the back of the building. Perhaps check with our technical staff because the bottom line is our staff have been working 24 hours a day to protect the best interests of Manitobans. I trust in their technical judgment ahead of the Member for Emerson's any day.

# Hydra House Government's Awareness of Mismanagement

Hon. Jon Gerrard (River Heights): Mr. Speaker, I table a document showing the outrageous terms of a contract proposed on April 6, 2000, by Mr. L. Manson, chairman of Hydra House, to J. Small and D. Lau. In return for transferring a 19% share in Hydra House, Mr. Manson is demanding a yearly salary of \$250,000, a personal assistant salary of \$60,000 annually, two cars every three years, funding to pay off a mortgage on his condo and a \$40,000 expense account.

With all the new evidence surfacing recently about Hydra House concerns raised in the year 2000, I ask the Minister of Family Services why the concerns of Jim Small were not taken seriously when he first presented them to the department along with a copy of this letter in November 2000.

Hon. Christine Melnick (Minister of Family Services and Housing): Well, Mr. Speaker, I think we have moved far beyond one concern. I think we all know there were several concerns that were dealt with through the AG's investigation. Information was made available to the AG. I accepted the report and all the recommendations on July 6 of 2004, and we are implementing those recommendations. We continue to implement those recommendations so that the situation that derived under the Hydra House umbrella will have much less chance of ever happening again in the province of Manitoba.

**Mr. Gerrard:** Mr. Speaker, truth is stranger than fiction. Whatever else you may take from this letter,

it reveals the sordid detail, the outrageous approach of a for-profit entrepreneur when looking after people with disabilities. The letter shows the glaring problems in having services for those with disabilities provided for by a for-profit corporation like Hydra House.

I ask the Minister of Family Services why the government did not take Mr. Small's concerns seriously when he raised them in the year 2000. Why was only a cursory review done? Why has the government not acted to end the provision of services for people with disabilities by for-profit corporations like Hydra House?

Ms. Melnick: Well, it is true that sometimes truth is stranger than fiction. What is very strange is the member is raising this question today when we have accepted the report from the AG. We are bringing in all of the recommendations, and we are moving forward with service purchase agreements. We are over 90% signed, Mr. Speaker. The member is several years too late, not this government.

# Waverley West Subdivision Advertising Costs

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, on the theme of truth and honesty, there is reality versus myth. In the 2003-2004 budget, we had a deficit of \$604 million, not a \$13-million surplus. Bill 10, a pension bill, has taken so long to get where it is today because of a lazy government and its' inability to have House business. Listen to the Premier (Mr. Doer) when the Premier says, "Well, blame the Liberals and the Tories for holding it up," which is just not true.

Yesterday, and here is the focus of the question, Mr. Speaker. Waverley West, should it be going to a municipal board? Government instead uses tax dollars in order to send out propaganda full of mistruths, intentionally misleading the public.

My question is this: How much is it costing to send out that propaganda piece to tell Manitobans or tell Winnipeggers something that is just not true?

Hon. Scott Smith (Minister of Intergovernmental Affairs and Trade): Mr. Speaker, this government is living within its balanced budget legislation. This government is meeting the commitments of Manitoba in a substantial way, and it does have a

surplus of \$13 million under the balanced budget legislation.

Mr. Speaker, as the City of Winnipeg brings forward amendments to their development plan, it is a level of government, I think, we can all have a great deal of confidence in and a great deal of faith in, as it follows the process bringing it in through their first reading, public reviews after their second reading, to my office.

Mr. Speaker, the answer to the question is it has been referred back to the City of Winnipeg. It has conditions attached to the development of Waverley West. It is a process that we agree the City of Winnipeg, as a responsible level of government, has presented all factual information to my office. I have based my decisions on those facts, and now it is up to the City of Winnipeg.

# Cottage Lot Draw Update

Ms. Marilyn Brick (St. Norbert): Mr. Speaker, spring is upon us. We are blessed this year with breathtaking beautiful weather that has made our grass green, our flowers begin to sprout, our crab apple trees blossom and Manitobans venture into the great outdoors and explore our scenic countryside.

Could the Minister of Conservation inform the House about what steps his department is taking to help more Manitobans enjoy summer at the cottage and the plans his department has for continuing with the successful cottage lot draw?

Hon. Stan Struthers (Minister of Conservation): I am very pleased to be able to report to all of us here in the Legislature that we have offered again to work hard to make sure that as many Manitobans as possible can enjoy the kind of environment the member from St. Norbert just described to us and have an opportunity to purchase a cottage lot.

This is the third draw we have done, Mr. Speaker. We offered over 450 lots in this round this spring. We have targeted different parts of the province. This cottage lot draw will offer lots primarily within a two-and-a-half-hour drive of our capital city and our Capital Region. An example of this would be the beautiful lots, 120 lots of Deer Lake on the west side of Lake Winnipeg, which is a beautiful number of lots that are along the shoreline.

What I want Manitobans to know is we will continue to work hard to offer and to protect—

Mr. Speaker: Order.

\* (14:20)

## Flood Control Portage Diversion Collapse

Mr. Glen Cummings (Ste. Rose): Mr. Speaker, after getting that sandbag message from the minister of natural resources, I recall it is only within the last week that he was providing a statement about how well the government was managing the water situation and the high waters, the spring flood waters in this province.

My question is to the Minister responsible for Water and how it is that when there was good news, we had no trouble getting a statement in this House. There were press releases, well, there were not any balloons, but it was close. Will the Minister of Water now tell us why he did not apprise the public adequately of the situation on the Portage Diversion?

Hon. Steve Ashton (Minister of Water Stewardship): Mr. Speaker, I think the member opposite would care to check the record and the Department of Water Stewardship has been providing regular updates, both in terms of flood risk and also in terms of the flood situations and in terms of any actions that have been taken. Our staff, Alf Warkentin, for example, has been providing regular reports now for the last several months.

So maybe the member has not been paying attention to those reports, but our department has been working very hard, particularly at this time of year. We have had department staff who have been working literally around the clock. Perhaps the member has not seen those updates, but we have been very up front with Manitobans. We have provided that information. It has been standard practice with this government, with previous governments. We share that information through regular flood updates, and I think the member knows that.

**Mr. Cummings:** Mr. Speaker, I am pretty sure that as of 24 hours ago this minister did not know that the dike had been breached in the Portage floodway. I wonder if he notified the City of Winnipeg, the many

potential problems as a result of additional water coming down the Assiniboine.

Mr. Ashton: Mr. Speaker, I would like to point out that one of the functions of what is done during this time is not only providing general information to the public, it has been standard practice. I remember when I was in opposition the same process was there, but also working with any impacted parties and individuals.

I really want to put on the record that in addition to the standard processes that are followed in terms of that, this year we put in place new initiatives. The long time period that this province has faced ice jams by working with municipalities, by taking the initiative as the provincial government, we have been able to put in place new equipment that this year showed promising signs in dealing with the centuries-old problem of ice-jamming. Not only are we dealing with our normal processes, we are dealing with major challenges like ice-jamming. We are taking proactive measures, and I would appreciate it if the member would give credit to the department for doing that.

Mr. Speaker: Time for Oral Questions has expired.

#### **MEMBERS' STATEMENTS**

#### Order of the Sons of Italy

Mrs. Heather Stefanson (Tuxedo): It is my pleasure to inform the House that recently, along with my colleagues, the Official Leader of the Opposition, the Member for Kirkfield Park, (Mr. Murray), and the MLA for Morris (Mrs. Taillieu) and over 800 guests, I had the opportunity to attend the Order of the Sons of Italy, 19th annual fundraising gala at the Fairmont Hotel in Winnipeg.

The evening was an opportunity to celebrate the long-standing community dedication and achievements of the Sons of Italy Garibaldi Lodge. This event also provided an occasion to recognize the power of volunteerism in our communities and positive impact that the United Way of Canada has had on individuals and neighbourhoods across our province. To that end, all proceeds raised at the event will go to support United Way projects in the city of Winnipeg.

This June marks the 100th anniversary of the Order of the Sons of Italy in North America. Over this period, Manitoba's vibrant Italian community has flourished and made significant impacts on countless facets of our province's character, and the Order of the Sons of Italy are no exception.

I learned a very interesting piece of information at the dinner. Every time we sit in this Chamber, we are reminded of Manitoba's Italian community as it was an Italian, Mr. Carlo Fusetti who worked at Villarboito Brothers Woodworking in St. Boniface who carved the Speaker's chair, according to the Sons of Italy.

From engaging citizens in every corner of our city to help improve the lives of individuals and foster a greater sense of community, to sharing their Italian heritage and traditions while promoting greater cultural awareness and understanding, the Order of the Sons of Italy have dedicated themselves to harnessing the strengths of our neighbourhoods and communities to ensure the city of Winnipeg and the province of Manitoba continue down the path of success.

Again, I would like to extend my sincerest congratulations to the Order of the Sons of Italy for their achievements, and I would like to thank them for their commitment to community service and dedication to promoting the multicultural character of our province. I ask all honourable members to join me in wishing them continued success in the years to come. Thank you.

#### Volunteerism

Mr. Harry Schellenberg (Rossmere): Mr. Speaker, volunteers play an important role in our society. They perform many vital community services. When we think of volunteers, we think of our community clubs where members serve many years and the parents and teachers do extracurricular activities in our schools. We think of personal care homes where volunteers bring fellowship to our seniors and of people who fundraise for their local hospital, for cancer research or for the heart and stroke campaign.

We are also reminded of young people who go to Central and South America to build homes, schools and orphanages. We are also reminded of the volunteers who go abroad to assist refugees and citizens of war-torn countries with food, clothing, shelter and comfort. At the same time, we are also reminded of the volunteers and organizations who assist the homeless people on the streets at home.

Mr. Speaker, this week in April, National Volunteer Week is set aside to honour these Canadians who give their time and energy to others. This week is an opportunity to raise our awareness of the indispensable contributions volunteers make. It is a time to officially thank and honour volunteers, past and present, and encourage our young people to get involved in their communities.

Volunteerism is simply service for others at home and abroad. We are raised to be compassionate to our neighbours. Our homes, schools and community have given us both a local and global perspective, as well as the energy and motivation to serve others.

Mr. Speaker, a volunteer is a leader in peace, is a builder of bridges and community and is a model for others. We can take great pride in the fact that, at 36 percent, Manitoba has the highest level of citizen participation in Canada. Before we take that pride, I believe it is incumbent upon us to offer our appreciation.

Mr. Speaker, on behalf of all members of the House, I wish to thank those many individuals, groups and organizations that build and strengthen Manitoba communities and make Manitoba unique. Thank you.

#### **Water Resources Employees**

Mr. Glen Cummings (Ste. Rose): Mr. Speaker, I want to very clearly, on behalf of the people of the province, say a word of appreciation to the employees of what used to be the Department of Natural Resources, those who now are responsible for managing the flood fighting facilities in this province.

The concern, however, is that especially with the Portage Diversion, Mr. Speaker, that the government has not given these men and women the tools that they need to manage what are extreme forces within nature when we have significant water flows, especially in the spring.

Mr. Speaker, the diking, the flood control structures in this province, are a matter of pride and a

matter of some significant folklore almost around the world, after we saw the flood of '97 when we saw what the major structure around Winnipeg could do to protect this city. I think it is most unfortunate that we are currently seeing a lack of commitment and resources to maintaining what is another significant part of our flood fighting capacity, and that is the Portage la Prairie Diversion which helps tame the Assiniboine River along with the Shellmouth Dam.

No one in this city or anywhere in this province should ignore the size, the volume and the importance of the Assiniboine River. The headwaters rise far to the west of this province, and we need to manage them as they come through our province and join up with the Red at The Forks. Part of that is the significant infrastructure of Portage, which should be maintained, which needs investment. I would hope that, given the results and the events of the last few days, we will now see a commitment on the part of this government to shape up and deal with what is a very important issue.

\* (14:30)

#### **Community Services Awards**

Ms. Marilyn Brick (St. Norbert): Mr. Speaker, it gives me great pleasure to rise today and highlight two important events that I attended on Saturday, April 16, 2005. On the morning of April 16, I had the honour of representing the Premier (Mr. Doer) at the 2005 Coaching Manitoba Excellence Awards at their annual brunch held at the Hilton Suites Winnipeg Airport.

In the evening, I had the additional honour of attending the 30th Annual General Council of Winnipeg Community Centres' Past-Presidents Banquet. At this banquet, Dr. Ezzat Ibrahim of Richmond Kings Community Centre and Rick Thiessen of St. Norbert Community Centre both received the City of Winnipeg Community Services Award for their commitment to enhancing recreation programs for adults, children and youth in the constituency of St. Norbert.

These two community centres play an integral part in the lives of many families in my community. Volunteers from both community centres operate a vast array of programs like yoga, pilates, aerobics, tap and jazz dance at Richmond Kings Community Centre and aikido, square dancing, a seniors' hockey

league and a children's week-long, summer play program offered at St. Norbert Community Centre. Both clubs also offer extensive children's sports programs, such as soccer, baseball and hockey, that are organized and coached entirely by dedicated volunteers.

In conclusion, I would like to congratulate Dr. Ezzat Ibrahim and Rick Thiessen on receiving these awards. I would also like to thank President Dean Mills of Richmond Kings Community Centre and Brian Timmerman of St. Norbert Community Centre, along with the many community members who spend countless hours volunteering to ensure our community centres continue to thrive. Finally, I would like to thank all volunteers from both community centres for enriching our lives with their hard work.

#### **Queen's Hotel**

Mrs. Leanne Rowat (Minnedosa): Many small towns have that one special establishment where citizens gather, share stories and build friendships. In a few fortunate Manitoba towns, this watering hole is the same place their parents and possibly even their grandparents gathered. Mr. Speaker, this is not simply a nostalgic tale I speak about today, but rather I rise today to commemorate a piece of Rapid City's history.

Jim and Lianne Christie, the current owners of the Queen's Hotel in Rapid City, were recently presented with the Manitoba Historical Society Centennial Business Award. Their business, the Queen's Hotel, opened in 1902 and celebrated its 103rd birthday this year. Named after Queen Victoria, its name alone reminds us of a time when numerous establishments throughout Manitoba bore the moniker of royalty. The Queen's Hotel now stands as a one-of-a-kind enterprise on the prairie. It is more than a successful business. It is a symbol of times past.

But on a more personal note, I recommend that, if any of my fellow colleagues are ever in Rapid City, anyone who wants a good meal should try the delicious daily specials and weekly buffets at the Christie's restaurant. I can attest to this from personal experience and from the recommendations from their clientele who also speak highly of the delicious meals. It has also been my pleasure to experience the Christie's hospitality when I have hosted a coffee

party at the Queen's Hotel, for which I highly thank them. I congratulate the Christie family for their achievement, commitment to preserve Rapid City's history and running a small town business.

Mr. Speaker, sometimes progress does not mean abandoning the old but rather adapting the past to meet the needs of the present and the future. The Queen's Hotel is a grand old dame that has not been forgotten in Rapid City but still functions as a business to this day, despite the hard times rural Manitoba is facing. I am glad that places like the Queen's Hotel still exist where generations and memories mingle and have dedicated owners like the Christie family.

#### **GRIEVANCES**

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

#### Mr. Jack Penner (Emerson): Yes.

Mr. Speaker, I rise today on a grievance, and I think this matter is clearly an indication of how governments should from time to time heed the warnings of the opposition. I want to refer today to a letter that was published in the *Bismarck Tribune* just a few days ago. The heading of that article says, "We Can Hurt Back."

\* (14:30)

I am going to read the entire article into the record.

"There should be a way to punish Canada and the province of Winnipeg for the nasty obstruction they continue to display towards North Dakota water projects. Devils Lake and Stump Lake have resumed submerging roads, forcing expensive new construction on local state and federal taxpayers, and miles of redirection on school buses, mail carriers and emergency responders.

"Help is on the way in the form of a state outlet for Devils Lake, but with the outlet nearly complete and at least \$20 million in state money already spent on it, our northern neighbours have resumed trying to block it, lobbying the Bush administration and North Dakota's Supreme Court to force a hearing by the International Joint Commission. The commission is a U.S.-Canada board that decides such disputes, but

Winnipeg and Canada declined to submit their weak case to the IJC in 2002 before the state broke ground on the outlet. For them to seek to do so now is nothing but a bad-heartened mischief that we are entitled to resent.

"Adding insult to injury, a flunkey with the Canadian Treasury Board abused U.S. Senator Kent Conrad to the media recently when the senator declined to drop urgent business in North Dakota on the future of the air bases to meet with him in Washington about the outlet. Along with the Canadians' monkey-wrenching of the northwest area water supply project, which now distributes drinking water from Lake Sakakawea to the northern and northwest parts of the state, this makes for a pattern of unneighbourly behaviour that should not be beneath our notice.

"Perhaps a Winnipeg letter writer, *Tribune*, April the 12th, is correct in blaming it all on the silly socialist government up that way, the Liberal Party, national government in Ottawa, and even more extreme New Democratic Party, provincial government in Winnipeg, but people elected those governments, and the writer finds Winnipeg Premier Gary Doer playing to an appreciative crowd of the large number of ideological anti-Americans in Manitoba."

I want you to pay attention to this, Mr. Speaker.

"All in all, it doesn't exactly make a person feel like loading up the old family car and heading north for a vacation, does it? Maybe that is how a North Dakotan says, 'thanks for the memories' by restraining himself from lining the pockets of anti-Americans in Canada this summer.

"In tourism, as with trade and defence, on the hemisphere Canada needs the United States a lot more than United States needs Canada. A North Dakotan doesn't have much say in U.S. trade and defence policy, but he sure can control how he awards his travel and spending. Keep it south of the border this year would be an excellent way of showing that we are paying attention and keeping score."

I think, Mr. Speaker, this article clearly demonstrates what we have said all along, that the Premier of this province and the Government of Manitoba in total should have used a diplomatic approach in dealing with water issues with our best neighbours that we have to the south of us. Those neighbours have been nothing but supportive of initiatives that we have taken from time to time. Yet what we hear from this government is the same kind of rhetoric that we heard when the free trade agreement was first of all initiated and debated in this country of Canada and taken to the international forum and finally agreed to by international countries.

#### \* (14:40)

How have we benefited in Canada from that kind of free trade initiative, the huge employment initiative and all those kinds of things? Which government, or which opposition, which party in this province was totally opposed to it? The NDP party. They were the ones that were the naysayers. They were also, by the way, the ones that stood proudly when there were those people in this province that took it upon themselves to burn the U.S. flag. Some of these NDP members stood staunchly by that group. I think that is now being recognized by our American friends. It behoves me to say this. "We warned you. We told you so." We said, "Use the diplomatic route. Do not use antagonistic court action. Do not use tactics that will antagonize unnecessarily those that we need, those that we want to buy our beef, those that we are begging to open their borders to our trade in pork and our wheat and our softwood lumber and our beef, and how important it is to our farmers and the rest of traders in this province."

Mr. Speaker, these people in Manitoba, this current government, do not really know what it means to try and work through the diplomatic system to set our differences aside and negotiate, negotiate with those that do not always agree with that. We should have as we have recommended time and time again. If we would have gone to North Dakota, and if our Premier (Mr. Doer) would have taken time to sit down properly in a diplomatic manner and sit down with the governor of North Dakota and try to negotiate a term which would allow us to test the water properly, on a scientific basis, in Devils Lake and in the Red River and Winnipeg and do the comparison, that is all we have asked for, and then negotiate how we can deal with the problems that our North Dakota friends are facing at this time. I think it is inconceivable that a government such as this NDP

government has demonstrated to be, over the long term, will not serve us well from an economic sense.

Quite frankly, Mr. Speaker, I am convinced that the North Dakotans, before this year is over, will flow water out of Garrison. What kind of an example can we hold up? We could say that, yes, we went to court. We went to Washington. We do not know who we met with in Washington, but we were in Washington. Yet, at the end of the day, what have we got? A country that is saying no to tourism in Manitoba. A country, a state, where the newspapers are advertising, "Do not go to Manitoba. Whatever you do, do not go to Manitoba."

This is not going to sit well with our tourism industry and our hotel association and all of those that depend on tourism, our cottage lot owners, our cottage industries in this province, our fishery, our freshwater fishery, because I have heard the Americans question whether the fish in Lake Winnipeg are, in fact, safe to eat and keep.

Our Minister of Water Stewardship (Mr. Ashton) has indicated time and time again how polluted our Lake Winnipeg was. I think until this NDP government came into power, we were proud of the clean rivers and the clean lakes and the clean water we had in this province. Yet this minister has singlehandedly, and the Premier of this province has single-handedly, in a few short years, destroyed a friendly relationship. They have called into question the viability of our freshwater fishery and the products that come out of it. I think this minister should reflect very seriously on what he and his government and the Premier and his government have done to the future of our province from a tourism industry standpoint, as well as the economic trade and the opening of the borders to BSE will, in fact, happen. Thank you.

**Mr. Speaker:** The honourable Member for Southdale (Mr. Reimer) on a grievance? No? Okay.

#### **Introduction of Guests**

Prior to calling Orders of the Day, I would like to draw the attention of honourable members to the public gallery. We have the former Member for Lakeside. Mr. Harry Enns.

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

#### ORDERS OF THE DAY

#### **GOVERNMENT BUSINESS**

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, would you please canvass the House to see if there is unanimous consent for the House today to consider Bill 10, which was reported yesterday from committee?

**Mr. Speaker:** Is there unanimous consent for the House today to consider Bill 10, The Pension Benefits Amendment Act, which was reported yesterday from committee? Agreed?

Some Honourable Members: Agreed.

Mr. Leonard Derkach (Official Opposition House Leader): It is agreed, Mr. Speaker, but on a point of order

**Mr. Speaker:** Just wait. I can do one thing at a time.

Is it the unanimous consent of the House, is that agreed to? [Agreed] There is agreement.

#### **Point of Order**

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

**Mr. Derkach:** Mr. Speaker, just on a point of order, I was wondering if I could also seek agreement from the House leader that we would move this bill through to Royal Assent today, as well.

**Mr. Mackintosh:** Mr. Speaker, that is my understanding of the discussions, and my understanding is that the Lieutenant-Governor is being summoned for later this afternoon.

**Mr. Speaker:** So, on the point of order raised by the honourable Member for the Official Opposition, the House leader, he does not have a point of order.

#### REPORT STAGE AMENDMENT

# Bill 10-The Pension Benefits Amendment Act

**Mr. Speaker:** Okay. We will move along. We will deal with Bill 10. I have an amendment that was brought forward. The House is agreed to deal with Bill 10, and I have an amendment that was brought

forward by the honourable Member for Inkster (Mr. Lamoureux), so we will deal with that first. We will deal with the proposed amendment to Bill 10, The Pension Benefits Amendment Act, brought forward by the honourable Member for Inkster.

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, I would move, seconded by the member from River Heights (Mr. Gerrard),

THAT Bill 10 be amended in Clause 12 by adding the following after subsection 21.4(5),

#### **Expiry Date**

**21.4(6)** This section expires four years after the date it is proclaimed.

#### Motion presented.

Mr. Lamoureux: Mr. Speaker, I would like to start off by making it perfectly clear that we do support Bill 10 and the principle of what Bill 10 is wanting to accomplish. In fact, we feel it is most appropriate that this Chamber deal with this bill as quickly as possible. We are glad to hear that the LG will, in fact, be giving Royal Assent to it later on today.

This is something which, Mr. Speaker, we would ultimately argue could have been dealt with at an earlier time. The government had the opportunity, for example, to call us back in last September and, as opposed to dealing with it today, we could have dealt with it months ago and had the same sense of cooperation in seeing the bill pass.

Having said that, Mr. Speaker, the purpose of this particular amendment, and I had indicated as I have on other bills, that quite often after we pass through second reading—not quite often, always—after passing out of second reading, we go into committee stage where we hear presentations. I sat and listened to a number of presentations which really raised a concern. I have seen in the past how government will quite often review something that was done years before in somewhat of a cursory way, not thorough, not really accountable.

\* (14:50)

I think that, given the very nature and the importance of this legislation, through this amendment, in essence what we are doing is we are giving a legislative mandated review in a very tangible, very

real way, Mr. Speaker. In essence, what we are saying is that four years from now we are going to have to review this. The government is going to be obligated to bring it back. I would look to, in particular, my New Democratic colleagues and appeal to them to reflect in terms of what was being said in committee the other night. I think that there is a genuine concern in regard to the pension monies and what could ultimately end up happening.

I was quite impressed with the calibre of presentations that were being made by all sides, and what I found I was doing was reflecting on a time in which we debated final-offer selection inside this Chamber, and I can recall very vividly what type—

#### An Honourable Member: What year?

Mr. Lamoureux: This would be back in 1989, 1990. We had, you know, literally dozens, possibly even hundreds, of individuals who were registered to speak at that time against final-offer selection. Final-offer selection was all about that first contract, and when I contrast that to the bill, to the legislation that we have here today, I would ultimately argue that this legislation dealing with pensions is equally, if not, I would ultimately argue, more important than that legislation. I want to be sensitive, as I was back in 1988-89, when we had proposed amendments back then to try to save final-offer selection, at least in part.

Well, I reflect on the comments that were being made, and there were some individuals who were fairly, clearly concerned. Mr. Speaker, I do not believe that it is a mistake for government to be diligent, and if you are going to make an error, let us err on the right side here, on the side of being cautious and, I guess, this is really what we are asking the government of the day to do through this amendment. If they truly want to listen to some of the presenters who talked about the concerns about unlocking the pensions and the possible impacts that it could be having, I would appeal to the government to listen and read and maybe talk with other members who were there.

In particular, there was one presenter, and it was not at the end, very close to the end, where there was this really high sense of obligation to come forward and say a few words, and you could tell that there was a sense that, yes, this is a direction that we need to move, but there was just enough caution expressed by a number of people that I truly believe it warrants having this meaningful review that would, in fact, be legislatively mandated to come back to this Chamber. I know that the government minister will say, "Well, you know, we are going to have a review. The legislation allows for a review." Well, I would ask for the minister to recognize just how critically important these pensions are, and we do not need an outside or a government review that is not going to ultimately come back into this Chamber in a very real and tangible way. In my opinion, this tightens it up. It protects the interests of Manitobans.

You know, Saskatchewan has opened up the process. It has already been opened up for the last couple of years. Other jurisdictions have moved in this general direction. I think that four years allows us the opportunity to be able to evaluate, and, quite frankly, it is nothing for the government, if it is proven to be the right move as I am anticipating that it will be, if that is, in fact, the case, it is nothing for the government to bring in the required legislation, to repeal this section, and then life goes on.

The urgency is that we pass Bill 10 today. We have recognized that. We would have liked to have seen it dealt with, as I indicated, last fall. It could have and it should have been. Having said that, based on the presentations that we have heard, and wanting to clearly demonstrate that we are listening to what Manitobans are saying, we feel that this is the type of amendment that the government should be supporting. I look forward to hearing the Minister of Labour's (Ms. Allan) comments, because I know she was in committee and she heard the same presentations.

Obviously, Mr. Speaker, the overwhelming support is to pass it, and we are prepared to pass it. We are just asking the Legislature to be a little cautious. We are talking about pensions. Think in terms of what some of those other individuals would be saying that have fought for pensions for many, many years. Many of our predecessors recognized the value of pensions. It was put into place for good reasons, and I think that we have a responsibility to be as diligent as we can. I really and truly do not understand why it is a government would not allow for us to be able to review this in a legislative way some time within the next four years.

I do not see how we have anything to lose. Manitobans have nothing to fear. If this is a good idea, it is not going to prevent anything from happening. In fact, in part, we are the ones that were wanting to see it open up. We recognize this as the people's monies, and they should be able to have access to it. I did feel it was appropriate to introduce this motion, and I look forward to hearing comments from all sides. Thank you, Mr. Speaker.

Hon. Nancy Allan (Minister of Labour and Immigration): I would like to say how pleased I am, Mr. Speaker, that the member opposite, the MLA for Inkster and, I am sure, the MLA for River Heights are supporting Bill 10. I appreciate that. I actually just wanted to pass on a comment. My financial planner, Ken Musick, is with Wellington West. He actually manages the CN pension plan for the members of CN. He has complimented my government in bringing in this legislation and has actually expressed to me that he wished the federal government would show the same kind of leadership in regard to the federally regulated pensions. Perhaps the MLA for Inkster and the Leader of the Liberals would like to pass on those comments to their federal colleagues in Ottawa.

A great deal of consultation, Mr. Speaker, has gone into Bill 10. I have had many meetings with the Manitoba Society of Seniors and the Credit Union Central and the chair of the pension committee and with labour representatives in regard to Bill 10, and particularly around the unlocking provisions. The unlocking provisions in Bill 10 guarantee the pension promise and provide flexibilities for seniors. That was the commitment that we made in this House. I made it and the Premier (Mr. Doer) made it that we would try to develop legislation that would protect the pension promise so that there would be a pension for life but also to provide flexibility for those seniors who wanted to have access to some of their funds and manage them for their future retirement.

This is a very difficult area of pension reform. There is only one other jurisdiction in Canada that has provided unlocking provisions in legislation: Saskatchewan. We believe that the provisions that we have implemented are a compromise with the 50% unlocking, with spousal protection and creditor protection and informed decision making. We believe, Mr. Speaker, that we have brought in a piece of legislation that can be supported by the majority of the stakeholders that we have worked with.

\* (15:00)

I just am very, very curious about this particular amendment, Mr. Speaker. I am very curious about whom the Liberals consulted with in regard to this amendment. I would like to know whom they consulted with other than members at the committee. There were 14 committee presenters at committee the other night. This legislation affects 180 000 people in Manitoba, and I am very curious whom the MLA for Inkster consulted with on this legislation. What seniors organizations did he consult with on this amendment? My guess is, and it is just a guess, but my guess is nobody.

I just want to assure members opposite that we did listen to the committee presenters the other night. There was a divergence of opinion, but we have listened and there is a review of this legislation. There is a review built into the legislation that there will be a review in five years. We believe that is necessary because this is a very difficult area of pension reform and only one other jurisdiction has done it. So we will keep our eye on this very important provision in the legislation. I hate to disappoint the members opposite, but unfortunately we will not be supporting this amendment.

Mr. Ron Schuler (Springfield): Mr. Speaker, I feel compelled to put some comments on the record in regard to this motion. Far be it for myself to give a critique of another political party and their amendments. I very rarely do make any criticisms of the Liberal Party and the kinds of things they—

**An Honourable Member:** Provincially.

**Mr. Schuler:** Well, provincially, anyway, my colleague from Steinbach pointed out to me.

Mr. Speaker, I think this House needs a little bit of a history lesson, and I preface it by saying members on this side of the House and this member, in particular, myself, and the Leader of the Opposition (Mr. Murray) have worked far, far too hard, far, far too long to allow this kind of an amendment to gut what thousands—this is not an issue where we had a vested interest group, the president and the vice-president come in and present us their position on the issue.

#### An Honourable Member: No.

**Mr. Schuler:** No, Mr. Speaker. We had thousands and thousands of letters, e-mails. The phone calls

were unbelievable. Even today, it does not matter where we go, does not matter what function we attend. In fact when we sat in committee on Thursday dealing with Bill 10, I had my assistant, Matthew Pruse, go to the Dugald Costume Museum to bring greetings. I know the good member from Burrows was there. My assistant mentioned that we were in committee dealing with Bill 10. Thank you, Matthew, you did a really good job. Individuals came up and said, "Good. Hurry up with the legislation. We are looking forward to it."

Mr. Speaker, after all that work, we are going to then gut the legislation? I am confounded. I am almost speechless to think that after all that work, all that time, John Klassen standing right outside these doors pinning the Premier (Mr. Doer) against the wall and saying, "Mr. Premier, when these impatiens no longer bloom, no longer will I have patience. We need this bill."

When I think of all the petitions that came in, when I think of the letter-writing campaign, when I think of the hundreds of seniors who were in this gallery when Bill 212 was brought in, when I think of the debates that went on, and then we would agree to gut the legislation. I do not believe that the six heroes—and I will never, ever stop giving them credit for what they did: Chuck Cruden, Brian Peto, John Klassen, Peter and Sabina Long, Audri Wilkinson—I do not believe that any of those would ever consider this legislation, and the thousands and thousands of people that wrote us, that e-mailed us, that called us.

There were days, Mr. Speaker, when I could not take all the phone calls. I had to have staff, and I do not mean one. We had three and four staff calling people back and saying, "We apologize, but the critic for the Conservative opposition, the member from Springfield, does not have the time in a day to call everybody back on this issue. We appreciate what your feelings are. We are going to fight for you, and we will fight hard."

We do not agree with this government on the 50 percent. We would have liked to have seen 100 percent, but at least we got the government to move on this. At least we got them to 50 percent. We do not want 50 percent to expire. We would support a resolution that would say move it to 100 percent forever.

I want to conclude with one comment. If we were to expire the 50 percent in four years, what

would happen is, even those individuals who do not necessarily want to withdraw their 50 percent in the foreseeable future, then, would have to because they do not know what is going to happen after that. They do not know if new legislation would come in. They do not know what is going to happen.

So, Mr. Speaker, what you would have is anybody who could qualify would then withdraw it, even though they probably did not want to, and all of those who did not make the deadline because they were not at a pensionable age, then those people, if the legislation was not changed, those people are out of luck.

Mr. Speaker, I have said it, I have said it to the minister, straight to her face, said it in front of her department, I have said it to her colleagues and I have said it to all members of this House. We would have liked to have seen 100 percent, but we will, on behalf of the seniors, agree to the 50 percent and there will always be another tomorrow. But we want this legislation to go through Royal Assent today, and let people get access to their pensions; those that need them.

I want to close by thanking Doris Mahoney, who phoned and phoned and fought and wanted far more than this. I could never speak to that woman again if I would agree to gutting this in four years. We as the Conservative opposition, unfortunately, cannot support this amendment.

Hon. Jon Gerrard (River Heights): Mr. Speaker, as the Member for Inkster (Mr. Lamoureux) has indicated, we in the Liberal Party support Bill 10. We have supported the unlocking pensions, going back before the last provincial election, and have followed what has happened in Saskatchewan. We believe that seniors should have access to their hard-earned pension dollars. We also support a review, and a review in four years. Unlike the government, which says in their legislation that they want a review, we would make changes in the bill which would require that the Legislature review this.

The important difference is this, that under the New Democratic Party's proposal for a review, it would be all too easy for this government, as they have done with a variety of other areas, to review this in a rather cursory manner which does not do the job that really needs to be done in ensuring that the Legislature comes to grips four years from now with changes that need to be made at that time.

We have seen in the past, and I can give you a number of examples from The Sustainable Development Act, for example, where deadlines have not been followed carefully, where reviews have been very cursory, and we do not believe that we should have a kind of NDP cursory review as we have had for other areas. Pensions are very important. We are talking, as the minister herself has admitted, 180 000 people who are affected at the moment and in the future it will be more than that, as more people become of pensionable age.

So what we are saying that is different from what is being said from the NDP is that, let us have a review and let us make sure that that is a meaningful review, not a cursory review. A cursory review, Mr. Speaker, was what the NDP did when the subject of Hydra House came up in November 2000. They did a cursory review, as the Auditor General said. That was not adequate then, and we do not want a cursory review of something that is as important as pensions to Manitobans.

\* (15:10)

We believe that it is important now to set in place this process for the review. We believe that it would be a good idea because it will mean that, four years from now, we can look at the full range of options, including the option put forward by the MLA for Springfield, who is talking about 100 percent instead of 50 percent. This is a good opportunity to say to the Legislature, you know, here is a chance four years from now to look at the 100% option and take it very seriously. What it would mean is that if this works extraordinarily well, as we all hope and expect, and there are good reasons to believe that we should move to 100 percent, then what this does is provide the time frame for doing that and for the Legislature to provide that option.

All we are doing is putting in place, you know, if there are some things and, quite frankly, there have been a number of people who have come forward and said, this is good, but we really think it could be adjusted and be made better. What this will do is to say, you know, the Legislature will come back in four years and will make sure that we have this thorough look at it. We look at the 100% option, the 50% option and any other issues that may have arisen. Far from doing what the MLA for Springfield has suggested, gutting this, we are putting forward an option that would provide in four years from now

that we have a much-enhanced piece of legislation. So I think that I would caution my colleague from Springfield to be careful in the words that he is choosing, because this is a package that can give an enhancement for seniors and give a time frame at which that enhancement is looked at. That is why we have put forward this amendment. In our view, this is a reasonable one given the circumstances.

Mr. Speaker, I have said, I think, what I need to say, so I will sit down.

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

An Honourable Member: Question.

**Mr. Speaker:** The question before the House is the proposed amendment to Bill 10 moved by the honourable Member for Inkster (Mr. Lamoureux).

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

**Some Honourable Members:** Agreed.

Some Honourable Members: No.

#### Voice Vote

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

Some Honourable Members: Yea.

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

Some Honourable Members: Nay.

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

\* \* \*

**Mr. Lamoureux:** Yes, Mr. Speaker, I would still request, if we could have a recorded vote.

Mr. Speaker: Does the honourable member have support for a recorded vote? The honourable member would need a total of four. Does the honourable member have support? If there is, the members who support please stand up. One. Two. The honourable member does not have support. So I declare the amendment defeated.

#### CONCURRENCE AND THIRD READINGS

#### Bill 10-The Pension Benefits Amendment Act

Hon. Steve Ashton (Deputy Government House Leader): I move, seconded by the Minister of Labour (Ms. Allan), that Bill 10, The Pension Benefits Amendment Act, as amended and reported from the Standing Committee on Human Resources, be concurred in and now be read for a third time and passed.

Mr. Speaker: It has been moved by the honourable Minister of Water Stewardship, seconded by the honourable Minister of Labour and Immigration, that Bill 10, The Pension Benefits Amendment Act, as amended and reported from the Standing Committee on Human Resources, be concurred in and be now read for a third time and passed.

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, I do want to put some words on the record with respect to Bill 10. Particularly, I think it is important to look at how this legislation came into being.

I recall being in my constituency office of Kirkfield Park and meeting with Peter and Sabina Long, who came into my office. At that time, they started talking about this issue about locked-in pensions. The reason they brought it forward as a concern is they cited the fact that in Saskatchewan they had made a change in their legislation under that NDP government to allow individuals, I guess in particular seniors, to have the ability to have access to their pensions rather than have them locked in.

The reason I think the Longs were so emotional about the issue was that there was a health issue. Their concern was that because of their health issue they would not be able to financially afford care, not because they did not have the money. They had the money all right, but the problem was that it was locked in to their pension and they did not have access to it. The Longs were the first contact I had with this issue. I believe it was an issue that tugged at my heartstrings.

Mr. Harry Schellenberg, Acting Speaker, in the Chair

I know that the former member from Turtle Mountain invited some people into caucus to talk about the issue. Ultimately, the member from Springfield got very involved in this issue years ago.

I know the issue became very serious with the Progressive Conservative caucus because when you listen to some of the individuals tell their stories about some of their concerns and the inability for them to access their pension, it is ironic I think when you realize that individuals work hard in their careers.

In a pension program, you have the employer contributing and the employee contributing to that pension so when there is a time of need, one would hope you could rely on something that is put away in the form of pension to ensure that if there is a medical reason, a hardship reason or it just might simply be that two wonderful people who have worked all their lives want to enjoy their retirement years together. Perhaps they want to do something, which the member from Elmwood was opposed to, and that is maybe go out and buy a cottage to spend time together, to invite their grandchildren out to enjoy their time.

Well, Mr. Deputy Speaker, that was one of the reasons we felt so strongly that we should look at doing something, the right thing, for the seniors in the province of Manitoba. That is one of the reasons the member from Springfield and myself, working together, brought in a private member's bill, Bill 212. Again, we believe anybody that has worked hard all their lives and paid into a pension when they decide they want to have access to that pension, that should be their right. It should be their given right. I think we, on this side of the House, believe that people are responsible and they, given the opportunities, will make the right decisions on their own behalf.

It was on that very nature we brought Bill 212 into this Legislative Assembly. Now we know there were a lot of issues around that private member's bill. In fact, our concern was we were not sure it was even going to see the light of day but, nonetheless, we pressed on. We pressed on not because of anything that we were doing. Frankly, it was quite different. The reason we pressed on is that there were so many seniors, so many hardworking Manitobans urging us on their behalf as elected representatives to do the right thing. They continually, whether it was through letter-writing campaigns, whether it was through a series of meetings that we had, it was always those people that I think inspired us, on this side of the House, to try to correct a wrong, to try to improve somebody's life, simply by unlocking their

pensions so that they could do with their pensions as they saw fit.

\* (15:20)

Mr. Deputy Speaker, I know that this was a troubling time for the government because I do not believe that the NDP believe that if people that have put their pensions aside, if they have access to it, that somehow they are going to just spend it without any thought or rhyme or reason as to how to spend it.

If there is to be a difference between the NDP government side and us on this side of the House, that would be perhaps a defining issue. We believe that individuals are responsible, and we respect their rights to do the right thing. On the other side, the NDP side, they want to play a father-knows-best principle to ensure that they do not have access to all of their pensions. So, out of those discussions we saw the government come into this Legislature with Bill 10 which we are discussing today. I think it is fascinating, because as we have seen Bill 10 come today, and I hope that ultimately we are fortunate enough, I believe we will be fortunate enough to pass it in this Legislative Chamber today, because it is the right thing to do for the seniors of Manitoba.

But there have been some interesting developments along the way, and so I would like to put some of those on the record. The first issue I would like to address, and I think it was very surprising for all of us on this side of the House to realize that the Premier (Mr. Doer) was making comments in a public way over public airwaves about Bill 10. Mr. Deputy Speaker, the concern was that the issue being discussed perhaps was not, as it was, the correct mechanism. I am choosing my words carefully because I know that perhaps the Speaker is going to make a ruling on this issue. It is a very serious issue.

The issue is simply that the First Minister of the Province of Manitoba was misleading the people through public airwaves over what was happening with Bill 10. We on this side of the House would like to pass that bill as soon as possible. Why, Mr. Deputy Speaker? As I have said earlier, because we believe it is the right thing to do on behalf of those hardworking Manitobans who can sort of see it is like going to a candy store. They have their pension. They can see it. They know it is there. It exists, but

they do not have access to it. They cannot bring it into their daily lives to help them make a difference.

So we were very troubled on this side of the House, and I believe the other party, the Liberal Party of Manitoba, was also very troubled when the Premier made false accusations about who was holding up Bill 10. Rightly so, I think, we called the Premier on it. I hope that ultimately the Premier, rather than trying to make cheap political points on a very, very serious issue, a very serious bill for Manitobans, I hope that he might do the right thing and apologize because maybe, maybe, and I will be very candid with the Chamber, I would say that the chances of what I am saying are probably not going to hold true, but maybe he misspoke.

Mr. Deputy Speaker, I would like to think that the Premier misspoke and did not mean to mislead all of those people that were listening. I guess, the issue that concerned me, and we heard about it in committee that night, was you have seniors, who for years and years have been fighting to try to get their locked-in pensions freed up. So they are wondering, and they know there is a bill in front of the Legislature, and they know that that bill sits in front of the Legislature. They would go listen on the airwaves and they would hear the Premier of the province say something that was not accurate, and so there would be more angst added on to the seniors. I do not understand why any elected member, let alone the First Minister, would add to the anxiety of the seniors. They are wondering when the bill is going to be passed.

We on this side of the House want it passed as soon as possible. The Premier misleads Manitobans and says something different. So, ultimately, you have the seniors in the province of Manitoba somewhat confused and, quite rightly so, upset.

Mr. Speaker in the Chair

So, Mr. Speaker, I think it is important for the record, and I was delighted on committee night to have the support of the groups that came forward: the Manitoba Society of Seniors, John Klassen and others. I know the member from Springfield, rightly so, referred to them that night as the six heroes of this legislation, and I know that he will do so again. He does it because we on this side of the House know that it was their drive, their enthusiasm, their commitment, their belief in doing the right thing that

ultimately made this Bill 10. Although it is not quite what everybody wanted, it is certainly a step in the right direction.

So, Mr. Speaker, I was very encouraged when we were in committee a couple of nights back to listen to some of those passionate people. As a matter of fact, Chuck Cruden just came out of the hospital that day, and there he was. He had a pacemaker installed that very morning. Heaven forbid that, for example, if he had not had access to his pension, that may not have happened. I do not know that that is the case, but I try to emphasize the point that those were the kinds of issues that I think we were hearing from some of our seniors, saying that is why this bill is so important.

As the honourable member from Springfield talked about, there is a real hero in Manitoba, a real hero representing the Manitoba Society of Seniors. Of course, during the evening we heard from numerous groups. Some had some problems with it; some challenged the minister. Some of the minister's strongest supporters, I think, were disappointed in the minister. Regardless, and I say to the minister, I give her credit. She stood there and she listened. She probably knew what kind of a meeting it was going to be, yet she listened.

So, Mr. Speaker, I think that the important point that we want to say on this side of the House is that the notion, and I refer back to what we were hearing at committee on that evening was the concern, again, that somehow the seniors, and I want to be careful when I mention them as seniors, not all of them are seniors in their upper years. Some of them are, if there was ever such a word, young seniors.

#### An Honourable Member: Vibrant seniors.

**Mr. Murray:** Very vibrant seniors, active seniors. They do a lot for our community today. These are not people that are necessarily in their retirement years, but these are very active Manitobans.

So I was somewhat surprised to hear some of the members of the, I would have to call them some of the members of the labour union movement who were very concerned about this legislation, who somehow felt that those people, those vibrant, energetic, alive seniors would somehow not be able to make decisions on their own, even though for the first 40, 50, 60 years of their lives they have done

just fine, but, somehow, as they cross, there is some sort of magic Rubicon, apparently, that you cross, and then you cannot decide what is right for you or for your spouse.

I say, Mr. Speaker, I do not agree with that, I do not support that. I can speak personally from my aunts and uncles, my parents, my grandparents were all very, very capable people, all very capable of making decisions to support one another. Certainly, I was surprised when I heard some of the language coming from some of the members of organized labour. I was quite taken aback, although maybe it was my first opportunity to hear Mr. Cerilli give his viewpoints. Of course, I know committee people can get quite emotional about their presentation, and that is part of democracy. It should be thus. I mean, I have no difficulty with it. However, I was thankful that the member from Charleswood, after I was attacked by Mr. Cerilli for somehow supporting this, and I was open and honest with him. I just said I appreciated his presentation very much. I said that I could not disagree with him more than what he said. I am totally in disagreement with him, but I certainly do support the fact that he has some passion and wanted to bring it forward.

\* (15:30)

I thought he was completely out of line when he somehow attacked me for attacking women because I supported this bill. As a husband with a wonderful wife, Ashleigh, and two fabulous daughters, Sarah and Hayley, I can tell you that he was so offside and inappropriate with his comments. But at committee is not the time, I do not believe, to sort of do the kinds of things that I felt like, because I was upset. Because I thought that was a personal attack on me, and I thought that was most, most inappropriate.

I know that Mr. Cerilli is not here to defend himself, and so I am not going to go on the attack on him, as tempting as it might be. But the point to be made, Mr. Speaker, is that I absolutely am not any of those things that Mr. Cerilli tried to accuse me of. I think, quite frankly, quite the opposite.

So we find ourselves listening to some of the comments come forward in committee in Bill 10, and I think it was a very spirited debate, and I am glad that there were enough of the public that came forward to that debate to bring forward the reasons why this bill is so important, why they, perhaps,

were somewhat disappointed that it did not go further, but why they were at least happy that they had a chance to take out the initial 50 percent of their locked-in pension and put it into a RIF or an LRIF, Mr. Speaker, because that was very, very important for them.

I want to say that from time to time whether we have the ability, and I think this is the beauty of democracy, I think that because of the heroes that the honourable member from Springfield speaks about, we on this side of the House wanted very much to do the right thing and bring this issue forward.

I say, begrudgingly, the NDP government came along with this bill. Begrudgingly, I think, is not a bad word to use, Mr. Speaker, because we heard the criticism really coming from those members who describe themselves at committee as hard-core NDP members and supporters.

Those are the words that they used; they are not my words. I am using the words that were presented that evening. So they were troubled by this legislation and they were troubled somehow again, because there is an issue that they just do not believe that people, given the opportunity to take responsibility, would relish that. They would look forward to that. They believe that somebody has to tell them what to do; somebody has to look out for them. Mr. Speaker, that, I think, is an unfortunate position for the labour movement to take.

Mr. Speaker, perhaps this is as simple as the labour movement is concerned that if people take their pensions out of labour, then they do not have access to the money. So maybe, and I just say maybe, I do not know, that there is a possibility that rather than allowing and promoting people to do as they see with their pension, what they are saying is, "Oh, my goodness, we are going to be down some pension money, so we better not allow any of the seniors to take money out of their pensions."

I think that is an unfortunate position again, Mr. Speaker, because in the view on this side of the House as Progressive Conservatives, I think any time people work hard in their lives, they put money away in the form of a pension, I think it is very, very important that we respect the hard work that those people put in. We respect the fact that, given the opportunity to withdraw that money, that they are going to do the right things and they are going to

ensure that they look after themselves and, perhaps, grandchildren, children, whatever their choice.

It is about choice, and it is their choice and they should have the ability to do so. Nobody should be in there telling them, "Thou shalt do the following, and thou shalt only do the following." I think that father-knows-best, or mother-knows-best approach, Mr. Speaker, is not one that sends a strong signal of how much we appreciate the hard work that seniors have put into the province of Manitoba.

So, Mr. Speaker, I want to congratulate the member from Springfield. I want to just put one other anecdote because I think this is important. I remember, maybe it is about a year ago, the member from Springfield came into my office, and he had a poster in his hand. The poster he presented to me, I thought. I looked at it, and I saw all of these smiling faces of men and women who are seniors. I thought the government has scooped us, and they have decided they are going to make this bill a reality. I thought, on one hand, there is the government scooping us, but when I looked at the poster, the member from Springfield said, "No, it was not the government doing it." It was the Manitoba Society of Seniors because they were trying to promote what they believed in. I thought, "Good for them. Good for them for doing that. Good for them for taking the time to make an investment so that all members of the Legislature would have these posters as a reminder of how important this legislation was." I was very, very impressed with the way they organized themselves, and I tell you that, as the member from Springfield talks about heroes, wow, did we ever learn something from those heroes.

I would like to conclude my comments on Bill 10 just saying I believe that today, in the province of Manitoba, it is a great day because I believe that we have tried to improve the lives of people. I believe when you get legislation that comes forward, if it was helped to go forward by members opposite and brought forward by the government of the day, so be it, Mr. Speaker.

I think Tuesday, April 19, 2005, will be a great day for all of those hardworking Manitobans who have locked-in pensions who will know by the end of today that they are free. They are free to access something that was not available to them before. They are free to start making decisions on behalf of their families, on behalf of each other. They are free,

I think, to do what is right, and that is to enjoy the fruits of their labour that have been put into pensions that up until today they did not have access to. So I am delighted and privileged to say that I support Bill 10. Let us get it on. Let us move it forward in support of all of those seniors who have worked so hard to do the right thing. Thank you very much.

Mr. Jack Reimer (Southdale): Mr. Speaker, I just wanted to put a few words on the record in regard to Bill 10, The Pension Benefits Amendment Act, that is before us right now. It is something I think that we all have indicated we are in favour of. We are waiting for Royal Assent, which is, I believe, going to happen later on this afternoon. Mainly, I believe I have had the privilege, the honour and the opportunity to be part of the seniors association here in Manitoba as the former Minister responsible for Seniors. I have been fortunate to keep that as a critic responsibility, in the sense that I had an opportunity to meet with a lot of seniors groups.

One of the closest groups I have worked with over the years has been the MSOS and through Mr. Chuck Cruden, who has always been very, very helpful in keeping me up to date and keeping me informed as to what seniors are doing, what their emphasis is and where their concerns are. It is not only the MSOS. I do not want to single them out as the only group that I feel is responsible for this change that is happening with the government's direction. I think it is a lot of seniors groups that have come and talked and been with us and have mentioned either in conversations or in coffee parties, or something like that, that they are very, very concerned about their ability to access their pensions.

#### \* (15:40)

They have become very, very knowledgeable as to what is available and what is not available. The comparisons of Manitoba to other provinces have been brought to my attention quite a few times by groups, people and individuals in regard to what is happening in, say, Saskatchewan, where the seniors have access to 100 percent of their defined contribution plans, pensions. This is something that a lot of the seniors felt that they should have also. I think there was a hesitancy and there was an indication by government here in Manitoba that they figured that there could have been some sort of misdirection, or a direction taken by seniors that, once they had access

to 100 percent of the defined contribution plan, they would be somehow frivolous with their decision making.

Well, it has proven to be unsubstantiated in Saskatchewan. They have not had any problems at all in regard to unlocking the pension plan there. I believe it is also in some other provinces. I believe Alberta has it and some of the other provinces. We would suggest that possibly this government look at going down that road. What they have done is they have indicated that they are willing to look at theand, pardon me, the act does stipulate that 50 percent can now be accessed, which is good. We are in favour of that. We certainly will not be against the bill, but as always, I think there is room for improvement. This may be the time to even look at it and the minister may even look at bringing in an amendment. We are not too sure exactly, but we feel that there is still time for a change, but other than that we know that there is a lot of groups that have been involved. We have had numerous meetings.

The Member for Springfield (Mr. Schuler), in his pursuit of trying to get some resolve on this, introduced Bill 212, which was, in a sense, taking it down the road as was indicated by what has happened in Saskatchewan. A lot of my other colleagues in the caucus have been lobbied and talked to a lot of the seniors groups, not only here in Winnipeg, but also in a lot of the seniors associations and seniors groups throughout Manitoba, because the credit union also was very, very much involved with wanting a change of this legislation.

We met with quite a few of the credit union representatives, their spokespersons and the people that were involved with this, pointing out the direction that they felt should be taken. A lot of very, very defined work was done by them in bringing forth their position, and I congratulate the thoroughness of their campaign, if you want to call it, in trying to get this changed. They were very dedicated, very thorough and very knowledgeable as to what they felt should happen in regard to the defined contribution plan pension that a lot of the members have and other associations subscribe to.

So, Mr. Speaker, I know that there are other individuals that are wanting to speak on this bill. It is just that I felt that it is a bill that we will be supporting. It is a bill that was, in a sense, being forced on to this government to react to because of

the pressure, not only because of their members being lobbied, but our members that were being lobbied. The result was the initiative that was taken by the Member for Springfield with Bill 212, which ultimately gave rise to Bill 10, and it is something that is needed. It is something that has shown that the seniors have the ability to make their own decisions in regard to their hard-earned savings and retirement plans that they have. It will give them access to a source of revenue for expenditures that they feel are appropriate. If anything, I think that is an accruement that a lot of senior will enjoy. They will be able to have some of the enjoyment out or their pension that they plan for and make decisions that they feel comfortable with and that not government is directing them to do with it.

Mr. Speaker, with those short words, I will let some of my other colleagues have some words on Bill 10. So I thank you very, very much.

**Mr. Kevin Lamoureux** (**Inkster**): Mr. Speaker, before Bill 10 passes, I would also like to put a few more words on the record just to make things clear and to give a bit different, possibly, perspective.

I want to start off by giving a very special thankyou to individuals that have ultimately made this bill possible in terms of its passage. You know, the member from Springfield often makes reference to that group of six, and I am sure he will do that again in his third reading.

What I would like to be able to do, Mr. Speaker, is indicate that the importance of pension legislation was brought to my attention in a very significant way at the local McDonald's where I had individual constituents come and share their concerns. In particular, there were three individuals that came, took the time, sat down and explained to me in terms of the impact of the difference between Saskatchewan's legislation on pensions versus Manitoba's legislation and how the incentive in one case was for one person to move, literally move out of the province, unless there was going to be a change, to others that just really felt frustrated because Manitoba was their home, they wanted to stay here, but they did not feel that they were being treated fairly.

That was a part of a broader campaign that, at the end of the day, we are seeing the results. We saw numerous letters that were sent to the office. I was provided opportunity to talk to other people to try to gain more knowledge on the issues so that I could, in essence, raise the issue inside the Legislature. In fact, Mr. Speaker, you will see that it was in April, May of 2004 when I addressed the issue inside the Chamber and tried to get the government more open to the issue.

At the time, the government was very close minded. We were arguing that this is in fact, the people's money, that the government should not be trying to prevent them from being able to have access to their money. We believed there was a need for change. I had given examples of hardships that occur. You want to enable people to have access to those pension monies during that hardship time. The Premier of the day (Mr. Doer) I believe then first acknowledged that yes, he does believe there is some merit. The government has gone a great distance in terms of its initial position of not opening up the pensions to what we see today. I applaud the government in the sense that they did approach the issue after awhile with an open mind.

I think in good part, it had to do with the lobbying efforts of individuals, seniors groups and one group in particular. I know the Credit Union Central really was a valuable resource and a very strong advocate for this change. I just have a tremendous amount of respect for our credit unions. I think they are an incredibly viable option that we need to see more Manitobans explore in a very real and tangible way because they provide something that Manitobans very much needed. When it came to dealing with the pension issue, they came up to bat in a very real and tangible way in terms of providing all sorts of information and lobbying.

Suffice to say, Mr. Speaker, we share a lot of the concern in terms of what has happened over the last week in which the government, in recognizing the need to pass this legislation, has attempted to pass the blame on opposition parties as opposed to taking the blame itself. I think Manitobans have a right to know the truth, and the truth really is that this legislation could have, in essence, been passed as early as June of 2004. There is no doubt that, at the very least, it could have been passed back in September, October of 2004.

\* (15:50)

I really do think there is an obligation for the minister to reflect in terms of some of the things that

1590

happened inside the committee. I had approached the whole debate on the pension issue in a very open fashion, wanting to see it go to committee, to see what people had to say on it, to have time to reflect on the issue itself, and that it is the reason why I thought that it would be appropriate that we have some sort of a legislative mandated review in the future on the pension legislation. I think that we have really lost an opportunity.

I like what the Leader of the Manitoba Liberal Party has stated, that this can be a very positive, proactive approach. It is not just a question of limits, Mr. Speaker. In fact, the Conservatives have argued that it should be 100 percent, as opposed to 50 percent, and those are the types of things that could be taken into consideration.

It is not very often when you have the opportunity to be able to be debating the pension issue to the same degree we are today, Mr. Speaker. In doing that review, it would have provided us the legislative mandated, if you like, review within this Chamber, which is quite different than what the current legislation is proposing in terms of a review.

I do believe that this legislation can, in fact, be made better and more effective. We recognize the value that our seniors have put in, invested in our province over the years. I think that we owe them the respect of reviewing the legislation in the future and being able to fine-tune it where we can, to make the changes where it would become even stronger legislation well into the future.

There are arguments on all sides, and I think that as legislators we need to be very cognizant of those arguments. I sat back after introducing the amendment and listening to the Minister of Labour (Ms. Allan) respond to the amendment, and I could not help but think in terms of some of the individuals, no doubt, that I would have thought would have had some influence on her, individuals like Stanley Knowles or the David Orlikows, or the Tommy Douglases, and others, even if she looks at the brothers and sisters of the unions and some of the leadership and what they had to say about the legislation.

That is why I was a bit surprised in terms of her critique of my amendment. This amendment is not to say that we are moving in the wrong direction at all, Mr. Speaker, that I was proposing. What I would

have liked to have seen happen would have been the minister to acknowledge that there is benefit in terms of bringing this legislation back to the Legislative Chamber, and that is what I would have liked to have seen.

It could have been done in a very positive way. It is not a negative thing. It does not have to take away; it can be a complementary issue. If we find that it has been very, very effective and the seniors as a whole want to see it expanded upon to include higher than 50 percent as an example, well, we do not have to wait for whoever might be the government of the day in order to introduce legislation. It would have been mandated.

I would have thought that that would have been a positive thing, because, you know, if we look at what has happened over the last, well, almost year, year to this day, Mr. Speaker, where the government has done nothing but procrastinate on this issue, and that is when it has been on the front burner. They have somehow been able to procrastinate an issue that has been on the front burner that people and opposition have been pushing for.

The member from Springfield introduced Bill 212, and it is interesting, when you look at the bill summary, you get a sense of different bills by the numbers of speakers who quite often will speak to a bill. I looked up Bill 212 as an example. Bill 212 was introduced for first reading on May 10 of 2004. On May 13 of 2004, three days later, it is given second reading and debate occurs on May 13.

If you look at the number of people that actually debated, and this is a very selective number of days in order to deal with a private member's bill, May 13 was really the first opportunity that we had to deal with Bill 212. You have eight different people that actually spoke to it on that day. May 20, you had another four people that spoke to it. June 3, you had another five people that had spoken to the bill. That is with a private member's bill, which is very rarely actually called, and the reason why it was being debated is because I believe that the Legislature, particularly both opposition parties, recognized how important this issue was, that not only our seniors, but Manitobans as a whole wanted to see the government deal with the pension legislation.

It was very clear back then the type of priority that we wanted to see with this legislation, and that is why I say that, really and truly, I do not know if the government minister should be attempting to assume credit because this is something in which she has been somewhat pushed into, and in an area in which I would have thought that she would have been more responsible. For example, the amendment that was being proposed, the completely resists. She was not listening to the people that came to committee, because I think that this is something that would have made a positive difference.

So I am disappointed. I am glad that the government is finally, at the prodding of both opposition parties, brought forward and we will see the Royal Assent today, but I am sorry to indicate that it was with a great deal of frustration, in many different ways, that we have reached this point.

With those few words, I am prepared to see this legislation pass. As the Leader of the Manitoba Liberal Party had indicated that we are in support of what is happening in terms of the pension bill, we see the value of giving or allowing our seniors to have access to their money and we look forward to it being given Royal Assent today. Our only regret is that it took so long for the government to actually take some form of action.

Mr. Larry Maguire (Arthur-Virden): I wish to as well put some words on the record in regard to The Pension Benefits Amendment Act, Bill 10, as we refer to it in this House.

First of all, I would like to thank the hundreds of citizens of Arthur-Virden who sent me letters in regard to the actions that needed to be taken by Bill 212, in the private member's bill that was brought forward by the member from Springfield in this whole area some year ago in this House, and was tabled by my colleague from Springfield, because we realized the importance on this, the opposition side of the House, the importance of this bill and the requirements and demands that these citizens were making.

Mr. Speaker, it is to be noted that the government feels that they brought in Bill 10 because these citizens were not able to manage 100 percent of their own funds in a responsible manner, and that they still feel that they have to have a Big Brother approach, only allowing them to achieve 50% transfer from their pensions. I think that that is unacceptable in this day and age for the government

to tell these persons how they can best manage their own funds.

\* (16:00)

I want to thank the member from Springfield for bringing forward Bill 212, the private member's bill, a year ago because I think that that process was truly one of being open with citizens and granting them the opportunity to perhaps better their own personal situations somewhat, deal with their family situations, perhaps even do a few things extra for their families or their grandchildren. I think that is very important as we move forward.

I would also like to say just a few words about the fact that these citizens have worked long and hard throughout their lives to build up the pension funds they have in this account. Therefore it is doubly important they should have access to it, to the whole fund, not just to half of it as I have pointed out earlier.

I think the government in their wisdom, if they had looked around Canada at the opportunities that do lie in other areas, other jurisdictions, other provincial areas, they would have seen the wisdom in providing the 100% return of these funds into the accounts of individuals because other provinces do. I want to point out Saskatchewan as being a visionary that has already moved forward in this area.

It is a concern to me, of course. It should be to all Manitobans, regardless of where we live, but where I am on the western side of the province, we are very close to Saskatchewan. It is unfortunate that people who belong to some of the different organizations there today, and I want to open it up, Mr. Speaker, the members of the credit unions, the members of the co-ops in my area, are very strong in their views on being able to access a hundred percent.

I appreciate all of their letters but they can access those funds if they were to take their seniority here in Manitoba and move into Saskatchewan and live there for some period of time. I believe it is somewhere in the neighbourhood of six months. They can access the whole amount of their funds in Saskatchewan after having worked their whole lifetime in Manitoba. I think that is unacceptable.

It is actually atrocious that when this government is out there patting themselves on the

back, trying to put out advertisements to bring citizens back to Manitoba, to attract citizens who have left to come back to Manitoba, they would actually be promoting a bill like this that would enhance them to leave in order to access their own retirement funds. I just think it is despicable that we would actually put a bill in place that would force individuals to do that. Fortunately, these individuals, most of them, 99 percent of them, are not going to do that, I hope. They like Manitoba. They want to live in Manitoba.

I just think it is hypocritical of the government to, on one hand, advertise for people to come back into Manitoba and on the other hand put a bill like this in place that will allow them to go out to access their whole funds in another jurisdiction. [interjection] Not only, Mr. Speaker, in this particular circumstance but also because, you know, forcing them to have to go somewhere else because of this bill.

Why would these people not take another look at it because they are the highest taxed west of New Brunswick if they stay in Manitoba? You know, if they leave and get their full funds, they actually get to pay some smaller amount of taxes in these other jurisdictions. They are actually getting the opportunity to go into have provinces in some other areas instead of staying in a have-not province by a government that does not want to see Manitoba become a have-province, that wants to continue to depend on huge amounts of transfer payments and complains to the federal government when they do not get them.

Mr. Speaker, I want to just say in closing that I am proud to see we have this bill to the point of passing today in the Legislature here in Manitoba. Hopefully, we will be able to move this bill on this afternoon with the Lieutenant-Governor coming in.

I have to say that I am sad to say, though, that the Premier took the opportunity of using cheap politics on the radio the other day to do House business in Manitoba by indicating that it was the opposition parties that were holding this bill up from being passed, Mr. Speaker, when he had full opportunity to move Bill 212 forward last May and provide the citizens of Manitoba with all of their retirement funds. For him to come on now, 11 months later, and say we are holding this up is the most hypocritical thing I have seen the Premier do.

Well, actually, there have been a couple of other areas that I would just like to say that he has not been fully honest with Manitobans. He is saying we had a \$13-million surplus when he really had, Auditor General said he had a \$604-million deficit. We know that the Hydro rates have gone up 10 percent, based, you know, when the Premier said they would not go up even though he had taken some five hundred and some million dollars out of Manitoba Hydro and caused further deficits in that area.

Mr. Speaker, this Minister of Agriculture (Ms. Wowchuk) has even indicated to this House that she has made \$180 million available for the farmers of Manitoba. Then, 18 months later in this budget, this spring, they announced that they had actually spent \$116.4 million of that, \$68 million of that being loans to farmers that will be repayable come this fall.

There is the Crocus Fund, too. You know, this minister says that their Premier says that there is nothing to be concerned about here. We are not covering anything up with the Crocus Fund, and yet they really cannot answer simple questions in this House about when they knew that these funds should have been devalued. We have a couple of ministers that were in place during the period of time last fall before this fund was frozen on December 10, and I just think it is despicable that the government continues to not be as open in answering our questions, but we will have to wait and see what the Auditor General's comments are in the report that is coming forward on it as well.

I would just like to say, as well, that probably a fifth legacy of the Premier will be the forced unionization, the payback to his union bosses from the agreement to build the floodway in Manitoba that is going to add \$20 million to \$30 million of extra costs to a project that does not need to have forced unionization in order to keep the work going.

The previous ditch that was built in the sixties under Duff Roblin, the Premier of Manitoba at that time, certainly did not have one, but you know when you slide Eugene Kostyra into place in the flood authority and really do not announce that to Manitobans, and that you want to kind of just slide that in and hide it under the table. I think that Manitobans are starting to see the comparisons between this government and some of the Ad Scam things that are happening in Ottawa. It is really unfortunate, but I guess if that is the legacy that the

Premier wants, you know, his legacy will be when he is defeated in the next election, whenever he calls that next election, was probably his legacy will be to say one thing and Doer another.

Mr. Speaker, whether it is misleading Manitobans, mismanaging the affairs of the finances of this province or trying to cover them up in some of the circumstances that we are seeing today, I believe that a bill like this, Bill 10, is important to bring forward and to pass in the House today. No one wants to see this held up. It could have been passed a year ago, and I think it is very important that we move this bill forward today so that these Manitobans can begin to deal with their lives in a much more prosperous and predictable manner as they retire. I think that it is very important to move it forward.

I want to say, again, congratulations to the Member for Springfield (Mr. Schuler) for the work that he did on Bill 212 to get it in place a year ago. Unfortunately, we have had to wait until now to move Bill 10 up on the agenda and to provide Manitobans with a greater opportunity, even though this bill only goes halfway to what Bill 212 would have done. So I want to close by just saying that this is well. We will be part of the legacy that the Premier, the member from Concordia, will have to deal with as he moves toward the next election. Thank you very much.

Mr. Peter Dyck (Pembina): I, too, would like to just put a few comments on the record regarding Bill 10, The Pension Benefits Amendment Act. Mr. Speaker, at the outset, I want to thank the many people who sent me letters regarding this issue. Certainly, the majority of them were people who are presently employed or had been employed at the credit unions within my constituency and also, of course, those who have been and are presently involved in the co-operative movements within the province.

#### \* (16:10)

Certainly, Mr. Speaker, I can appreciate the fact that they did want to have some of their pension monies. In fact, they wanted all of them unlocked. On the other hand, I think they could also understand the fact that even though we were pushing to have them totally unlocked, the 50 percent was a good start. So, again, I want to thank my constituents for

the effort they have put into this and of course the time and energy that they took out of their busy schedules to get in contact with us, to lobby with us. I know that they also lobbied with the members of the government.

Mr. Speaker, further, I want to also thank one MLA who is, of course, not here right now, Merv Tweed, who started the discussions within our caucus on this issue. I know it was just very brief, the discussions that we had. Of course, he needed then to move on to a different portfolio. What happened at that point was the Member for Springfield (Mr. Schuler), who, of course, has been taking the issue and has been dealing with it as critic the last while, took on the task of proceeding to work with these groups. I know he personally met with many, many people and organizations as they continued to lobby in this direction.

It came to the point where the Member for Springfield put forward a private member's bill. I think it was at that time that the government of the day, the minister responsible for this, started to see the light regarding this issue, and, then, of course, in the course of events, what they did was we never did get the opportunity to move on the private member's bill we had produced. However, they brought in what we see now as Bill 10. This is good. This is a start. Certainly, I believe we will be addressing at least a part of the issues of these people who are retired or who are looking at retirement, the dollars they will be able to access.

Mr. Speaker, I do, in this whole thing, want to talk and just talk very briefly about a credibility issue that was out there. I think this is something you have heard a number of times this afternoon, but I believe it is important that we continue to put this on the record. It is the fact that the opposition, the Progressive Conservative Party and the Liberal Party, were accused by the today Premier (Mr. Doer) of, in fact, stalling this bill. That is not correct, and I think it is important that we continue to put that correction on record that nowhere in any way were we stalling the movement of this bill. We want all Manitobans to know that it is important that factual and in fact accurate information is put on record.

Those kinds of comments made by the First Minister in the province clearly indicate there is misrepresentation of facts. So-

**Mr. Speaker:** Order. I want to advise the member that pertaining to the topic he is speaking of, I have taken it under advisement. Until I bring back a ruling, I would kindly ask all honourable members to stay off that topic until I bring back a ruling.

**Mr. Dyck:** Thank you, Mr. Speaker, and I do appreciate those comments. So I will just continue in indicating that, certainly, it is important as we continue to discuss this bill, that accurate information be put on record. It does not matter where it comes from. It needs to be accurate.

Again, Mr. Speaker, I want to thank my constituents for the time and effort they have put into sending their letters to us as MLAs. I know they did this on both sides of the House, the government side and also to those in opposition. I want to thank those people for the work they did. Certainly, I am pleased that we can bring this bill to a vote today and that we can then proceed and give these people who have lobbied so hard for the things they are entitled to, that we can bring this to a vote. Thank you very much.

Mrs. Myrna Driedger (Charleswood): I appreciate the opportunity to put a few comments on the record in regards to this legislation. Certainly, Mr. Speaker, a number of us have heard from many of our constituents as they were asking all of us to look at the pension issue and to deal with the issue of locked-in pensions. Certainly, there was a strong movement put forward by many individuals and credit unions in the province. We appreciate hearing from the many people who did put a lot of personal effort into trying to lobby us and to move this issue forward. I am pleased that we were able to listen to them and take this issue here and to see the fruition of it today.

I particularly want to thank many constituents of mine who did approach me and talk to me about this issue. I would also like to acknowledge the work of Merv Tweed, who is a former colleague, who saw the opportunity to address this issue earlier on. Then also, the member from Springfield needs a great deal of credit for where we are today. Even though it is a government bill that we are debating, Mr. Speaker, it was the Member for Springfield (Mr. Schuler) who brought forward a private member's bill which was the precursor of what we are seeing now. It was his efforts and a private member's bill that forced the government to follow suit. Even though the

government has only gone halfway in addressing some of the requests that came forward, it is a good start, and we will acknowledge that and acknowledge the work of the government in moving it forward.

Mr. Speaker, what has been interesting in some of the presentations that came forward was to note that in 1984, The Pension Benefit Act of Manitoba was amended under former Premier Howard Pawley's NDP government to restrict the amount of money permitted to be taken out of a registered pension plan. It was other provinces over the years that made significant changes to their pension legislations. It does seem odd that it was an NDP government in Manitoba that put so many restrictions on this that actually created a lot of hardship for people. I am glad to see that we were able to address this issue starting with members from my caucus and move it forward to now force this NDP government to correct a mistake and some bad policy from 1984 under the former Pawley government.

Certainly, Mr. Speaker, 80 percent of the people we heard from during consultation on this were women. I think there are a lot of women who feel pretty strongly that they need more access to their pensions to help them through times of hardship, particularly nowadays when we see a number of women getting divorced and being left in some incredibly difficult positions. I think, by having more access to their money, and they are quite capable of handling their money, it will certainly be beneficial to them. We do not want to see situations like divorce creating situations where women are made poorer and women are made to be financially strapped because they have to fight the system to try to get access to their own pensions. It seems that this change in legislation should be able to be more meaningful to women and hopefully will provide them with a better opportunity to provide for themselves and their families once they can have access to more of their pension dollars.

Mr. Speaker, on behalf of the women who made the presentations, we have certainly been pleased to be able to take these issues and move it forward, and we look forward later today to the passing of this legislation and look forward to the positive results that it can bring to our constituents and to the women of this province. Thank you.

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I rise to talk briefly about Bill 10 and the Liberal position on Bill 10.

We in the Liberal Party are very supportive of the initiative in Bill 10. We look at this in the context of the needs of seniors in Manitoba, the needs of seniors for financial security, the needs of seniors with regard to the flexibility to be able to each deal with their own individual circumstances. We see that there will be an advantage to individual seniors who are in defined contribution benefit plans or what are called hybrid plans, where there is a mixture of defined contributions and defined benefits and that, in those circumstances where seniors have defined contributions plans, there is an advantage for them to be able to have access to funds which are in the pension so that they can manage them to their best advantage.

#### \* (16:20)

I think this, Mr. Speaker, is a very reasonable approach. This legislation will provide access to 50 percent of those funds and give seniors an opportunity to demonstrate their capability in managing those funds well, and in making sure that they are able to best take advantage of their circumstances and their position in their senior years.

So, for all of these good reasons, we will support this legislation. We are supportive about this legislation. Indeed, we have been supportive of this approach going back to before the last provincial election, when we first took this position that the pensions should be unlocked in a fashion somewhat similar to what has happened in Saskatchewan and been a success, at least, so far, in Saskatchewan.

I think that during this debate, there clearly have been some words spoken on both sides. The Speaker has taken under advisement his ruling with respect to some of the Premier's (Mr. Doer) comments on CJOB, whether these comments have to be looked at very seriously because of the nature of those comments. I am not going to talk about that.

What I want to do is to talk about the fact that it is very clear that the NDP and their approach to this legislation has resulted in significant delays and slowness in considering this bill and it coming forward. Very clearly, the delays which resulted from delays in bringing forward the legislation, delays in having enough poor planning in having enough time last fall to be able to consider this adequately. If we had, indeed, started sitting earlier in the fall, there would have been plenty of time to

look at this legislation carefully as it needed and to have it passed last fall.

Ms. Bonnie Korzeniowski, Acting Speaker, in the Chair

**Mr. Gerrard:** The Premier could have and his government could have brought this forward and could have made sure there was time to debate it, but he did not, and that of course is another story.

There was the opportunity to have it come forward earlier, but at last now, and finally, we are going to get it through, and we expect that it will receive Royal Assent, and that seniors will be able to have access to the money in a way that they are so looking forward to.

Mr. Speaker, or Madam Speaker, I have talked to many, many seniors, had communications with many, many seniors on this legislation writing, and phone and e-mails and in person and so on. After talking with many, many seniors on this issue over the last several years, we believe that the approach here has been a reasonable one. We want to support this moving forward so that seniors can have the opportunities which they justly deserve.

As my colleague, the Member for Inkster (Mr. Lamoureux), has pointed out, in making major changes there is an important need to make sure several years down the line, we suggested four years, that there be a mandated and careful review that could come back with changes. Whether those changes are in the direction that the member from Springfield suggested, 100 percent open, or whether there are other modifications, there is an opportunity to do that review in a careful and thorough way that comes back before the Legislature.

That amendment has not been supported by others in the Legislature, and so we will have a more cursory review. We may not have that opportunity to look at the option from Springfield in quite the same way. That being said, let us celebrate the fact that this is moving forward. Let us join with seniors around the province and be pleased that this is going to improve the lives of many, many seniors.

I think that in making this change it is important that seniors are aware of the responsibility that is now on their shoulders, to look after their own interests well. Of course, that is something which most people are certainly on the lookout for and ready to take care of their interests as seniors.

On the other hand, I think that the message needs to be very clear to seniors that these are now your responsibilities, take them very seriously and make sure that you look very carefully at your financial assets, your position and make these decisions well, because government is not making those decisions for you in the same way. On balance, I think this is a good opportunity for seniors and an opportunity which I hope many seniors will take good planning and advantage of and take good care to make sure they make good decisions.

My colleague and I, as I have said, are in good support of this because, in fact, we believe that this is good legislation. I think that I do not need, at this point, to say anymore and I will move on. We are looking forward to this passing and into receiving Royal Assent today.

**Mr. Ron Schuler (Springfield):** Today, it is very unfortunate that we do not have the media gallery full of cameras and full of media from the province because today is what people are asking for. They say, "Why can the politicians not work together for the betterment of the province?"

Well, may I say, here is a prime case where we do work together. Madam Speaker, years ago the former MLA from Turtle Mountain, the Honourable Merv Tweed, now a Member of Parliament for Brandon-Souris, was approached by individuals, in particular, John Klassen, in regard to defined contribution pension plans and the fact that they were locked in.

I give Merv Tweed a lot of credit, even though he is not here anymore, he has now moved on to the big house. He started the process, handed the issue off to myself and I have had the opportunity to work on this issue. At that time, there were approximately four issues that seniors were asking for, and what they were asking for is that they could move 100 percent of their pension plan into what we would know as an RRSP, rather than it being locked in entirely. They were looking for 100% withdrawal, or they could leave it with the institution, but have access to it, 100 percent.

The second thing they were asking for was rather than a 6% draw, meaning 6 percent of the

entire amount being withdrawn every year, that that be moved up to 8 or 10 percent.

The other thing they were asking for was that anything, currently, anything under approximately \$16,000 is locked in and what they were looking for is that it be anything more than \$30,000, you have an opportunity to withdraw at any point in time.

The fourth area of concern was that, I believe, as it stood currently, that if you could prove that you had within two years to live that you would be allowed to withdraw the full amount. The problem with that fourth provision was that doctors are very hesitant to hand out death certificates. It is not something a doctor wants to do. By and large, they always like to give patients hope. So, actually, that clause needed some working.

\* (16:30)

The government of the day, the Doer government, made it very clear when individuals got up and spoke that they would agree to none of it. Seeing that there was no action coming from the Government, this side of the House, myself and the Leader of the Opposition, the Member for Kirkfield Park (Mr. Murray) brought in Bill 212.

It started off a process where we would meet with a committee, and I call them the six heroes. I will never stop giving them credit for driving this process, and again, as I have once today, I want to list them off. They are Chuck Cruden, Brian Peto, John Klassen, Peter and Sabina Long, Audri Wilkinson. We worked with them through many meetings. We strategized with them on how best to proceed. I remember when they came forward to this House when Bill 212 was proposed, and there were hundreds of seniors in the galleries. It was neat to see.

Certainly, they have put a lot of effort into this and deserve the credit. The government of the day then put up speakers on Bill 212. I reference the member from Elmwood, who as a surrogate for the Premier (Mr. Doer), for the government, got up and indicated that what happens when individuals retire: their cognitive ability to make good decisions, their ability to take care of themselves, dissipates the moment they say, "I retire." He felt that what would happen was individuals would withdraw all their money and just blow it on cottages.

I have said to the member from Elmwood on a lot of occasions, it was not a bad idea. In fact, he should probably become a financial adviser, because right now, I think investing in cottages is a far better plan than saying, "May I suggest investing in Crocus?" for instance. I think you would have been far better off investing in cottages, and not in Crocus or Enron or any of the other companies. I think the member from Elmwood speaks with wisdom.

#### An Honourable Member: But only at times.

Mr. Schuler: But only at times. I think, when you go back in Hansard, you actually can see how far this current government came, and I give them credit. In fact, this current minister, who I have over time had a few disagreements with, and she has certainly expressed displeasure about this particular member out in the hallway in other places. That is fine. From time to time we disagree, but this member actually opened her door and listened. She saw a great opportunity. She saw that Bill 212 actually had traction. Thousands of letters, e-mails, phone calls, personal contacts. I remember when John Klassen approached the Premier here in the hallway with his basket of flowers and said, "Mr. Premier, when these impatiens no longer bloom, I no longer will have patience," and the message got through.

Does Bill 212 address everything that the six heroes were looking for, Manitoba Society of Seniors, credit unions, co-ops and such? No. However, we have moved the minister and her government from being hard-line socialists to basically socialists light. At this rate, we just have to keep pushing this government; well, we will leave it at that. I believe we got the best that we could.

I know Doris Mahoney, who has spoken to me on a lot of occasions, actually wanted to see some more substantial changes. The 50% draw she could have accepted if the minimum amount would have been raised from 16,000 to 50,000, and that anybody with 50,000 or less could withdraw the full amount. I think she makes a compelling case. I appreciate the hard work and efforts that Doris Mahoney put into this as an individual. Not representing any group or community, as an individual she put an awful lot of time and effort in, put a lot of research in. I give her credit for her hard work and her efforts.

If it would have been possible, if I thought we would have had agreement from the minister and

members opposite, even if we could have raised that \$16,000 ceiling up to perhaps \$30,000 maybe that would have helped.

But, you know, there are other times, and we did not want to unnecessarily impede this legislation. I know we are not allowed to reference the Premier's radio show, Blowhard with the Premier, and we are not allowed to reference the comments he made. I will not. I know it is under advisement. Although I felt it was very dishonest what was said, I think it is important that we not reference what was said because it is under advisement.

I would like to just reference a little bit what went on at committee. We had some very interesting presentations. I would like to thank, first and foremost, Chuck Cruden from the Manitoba Society of Seniors. Here is an individual who got so passionate about this issue, who became so passionate about what he was doing, he received a pacemaker implant in the morning and showed up for committee in the evening. He looked very under the weather. However, he still wanted to make his presentation, I know his wife was very concerned, looking fairly frail and looking fairly weak. I appreciate that the minister was agreeable to my suggestion that we allow him to sit and the committee agreed, and he sat and he made a presentation. That just shows the kind of commitment. That just shows the kind of passion.

If I remember correctly, Mr. Cruden is not even affected by this. He does not even have a defined contribution plan. He has an RRSP plan as it is, but he felt on behalf of the Manitoba Society of Seniors and the thousands of people they represent that it be important, very important, that he make his presentation. Again, he states very clearly that the 50 percent is going half way and they were willing to leave it at that.

I also want to thank Jim Neil from City of Winnipeg Retirees' Association. We certainly appreciated his presentation.

Of course, the minister and my great friend Albert Cerilli. I have gotten to know Al over the years, the six years I have been MLA. He loves coming to committee and making presentations and does it with a lot of gusto. He does it with strong beliefs, and I always appreciate seeing Al Cerilli at committee. Certainly, he did not agree with where this legislation was going, made that very clear.

However, we certainly accepted his presentation. We know his health is failing. He also had to sit down. Important, though, to hear from all sides of the issue.

It was great to see DeeDee Rizzo from the Retired Teachers Association of Manitoba and Darlene Dziewit, President, Manitoba Federation of Labour. In fact, she agreed that she and I would have the opportunity to meet in the near future, and I certainly look forward to that. It was great to see Dr. Wesley Stevens from the University of Manitoba, I think, St. Paul's College. I remember him from my university–[interjection]

**An Honourable Member:** Winnipeg. University of Winnipeg.

**Mr. Schuler:** I am sorry, University of Winnipeg. I remember from my university days. It was great to see him.

Bill Turnbull from the Co-operative Superannuation Society Pension Plan flew in all the way from Saskatchewan to make a presentation; great to see. John Klassen, and I just want to reference John. He is one of the six heroes. He was the one that presented the flowers to the Premier. I have this feeling the minister opposite has heard just about all she wants to hear on that particular issue. I really do appreciate the fact that John Klassen has taken an awful lot of time, burning a lot of gas and rubber from Brandon to Winnipeg, to lobby and to be here.

\* (16:40)

I just want to read something to the member from Elmwood because I know he is going to be very interested to hear this. This is John Klassen: "In 1976, I obtained the Certified Management Accounting CMA, designation. I continue to be a member in good standing to this day," even though he is a retiree. I think he will be amply qualified to look after his pension. He mentions here, "For 25 years, I worked within the Manitoba credit union system." The rest of the presentation can be Googled or searched off of Hansard. He certainly has spent a lot of years plotting his pension.

In fact, there is a misnomer in that when you retire, even in the defined contribution, you still are responsible, by and large, for investing. You can still direct the investing of the money, you just cannot access all of it. So he certainly is willing to continue

that. A lot of people will leave their pensions, of course, with the corporation, just to unfreeze part of it

Brian Peto from Credit Union Central certainly did a lot of work. He is one of the six heroes. We appreciated it. Jerry Woods, happy to see him out. Webster Webb, Manitoba Society of Seniors, appreciated his presentation. I mentioned Chuck Cruden, also from MSOS, John Corp, Lori Bourgeois. It was really good to hear from Rob Ziegler from the UFCW. He is also the chair of the Manitoba Pension Commission and basically wanted to get up and give his support for Bill 10 and certainly the efforts of what was being done. We appreciated his comments very much.

I would like to say to all of those individuals in the credit unions, predominantly women, who felt that they wanted to be empowered with their pension plans, wanted to be able to access their pension plans and did not need others to tell them how they should be running their lives and their pensions, to all of those individuals who took an interest, who wanted to be empowered themselves to deal with their pension plans, I know we did not quite succeed with 100% unlocking. I happen to think that five years from now, there is going to be a review of the legislation. We will be able to say to the naysayers, to the doom-and-gloomers, to the would have, should have, could haves, like the member from Elmwood, we will say to them, "Listen, look, it has worked well in Saskatchewan. It is working well in Manitoba."

We believe that it will work well for Manitoba. To all of those individuals who e-mailed, wrote, telephoned, to all of the individuals who participated, those who came to sit in the gallery, those who put on pressure, to the six heroes, and I have mentioned them I think enough times, to all of them, this one is for you.

All members of this Chamber, all members on the government side, on the Progressive Conservative caucus side, the two Liberals, even the member from Elmwood, support this legislation, want to see it move forward, want to see it move toward Royal Assent. As soon as it is proclaimed, they then can continue with their lives, move on with their lives.

I am, as one member of the Legislative Assembly, very proud that I could be part of this

process, to have been one of the individuals, one of many, I might add. The Leader of the Opposition (Mr. Murray), of course, was a key driving force behind this.

To see this get to this point, to do something very positive, to do something that there was this pent-up pressure for that people really wanted to be part of that process, I know that, as I will look back in 30 years, 40 years, when I step out of politics and I look back over my career, I know this will be one of those moments where I will say with a great degree of pride, we stood together as 57 legislators, put forward legislation that was of benefit to all Manitobans and saw the need, reacted to it. I would, with great pride and with a great degree of thanks to all those people who helped, like to see this move on for Royal Assent. Thank you.

**Hon. Nancy Allan (Minister of Labour and Immigration):** Thank you, Madam Deputy Speaker.

**An Honourable Member:** Do you two have the same tailor?

**Ms. Allan:** I know. I would just like to say what a pleasure it is today to wrap up the third reading debate on Bill 10. I would really like to put a few comments on the record on how proud I am as the Minister of Labour and Immigration to have had the opportunity work on this legislation over the last year.

Bill 10 will strengthen and update pension legislation in this province, Madam Deputy Speaker, and it would give senior Manitobans more options for managing their retirement.

This bill will provide a range of new options for Manitobans who are at or nearing retirement and allow them more flexibility in developing their retirement plans. This will be the first significant pension reform in over 20 years, actually, since 1984, when the former minister, Mary Beth Dolin, brought in pension legislation.

It is really an honour to be here today following in her footsteps and bringing in legislation that reflects a modernized pension system in the province of Manitoba and provides a balanced approach, I believe, to the pension promise and providing seniors with more flexibility.

This bill is much more, Madam Deputy Speaker, about unlocking. This legislation amends the act to

implement pension reform recommendations made by the pension committee of Manitoba. The proposed amendments focus on four key areas: clarification of pensions as family assets, protection of the pension promise of an income for life, provision of increased flexibility and updated requirements for the governance and management of pension plans.

The proposed overhaul of the legislation will address a wide range of issues including, of course, permitting the one-time transfers of up to 50 percent of the balance in an individual locked-in retirement benefit plan to a creditor-proof RIF that is not locked in, subject to informed spousal consent, which was very, very important for us that any unlocking had spousal consent, informed spousal consent.

Mr. Speaker in the Chair

It also provides flexible benefits that pension plans could offer members on an optional basis, such as enriched early retirement benefits and cost of living adjustments.

Bill 10 will also make it easier for pension plans to offer ancillary benefits to members, such as disability benefits and pre-retirement death benefits. It also allows phased-in retirement so that older workers can choose with their employers' agreement to receive a benefit while continuing to work part time instead of having to choose only between full retirement and continuing full time work. Phased-in retirement, I might actually suggest that to the MLA for Inkster.

It also requires committee management of certain pension plans so that active members, retirees, and other non-active beneficiaries have representation in the management of their pension plans and require certain joint trustee managed plans to have representation from non-active members and beneficiaries, including retirees, and provides active members, retirees and non-active beneficiaries with a voice in decisions about the disposition of pension plan surpluses.

Also, Mr. Speaker, something very important to Manitoba is the harmonization of this legislation with all other jurisdictions in Canada. This is a real benefit to us and to our economy here in Manitoba. This legislation provides a greater level of control and flexibility for seniors over their pension funds

while ensuring the promise of a lifetime pension income is protected.

Our amendments also balance the desire for more flexibility with the need to respect the rights of spouses and protect pension savings against creditors.

#### \* (16:50)

The 50% level ensures a minimum retirement income for workers, and it requires that there be informed consent before the funds are unlocked. Workers must be provided with useful information about the implications of this critical decision for their future retirement income. It also protects the rights of spouses in any decision to unlock pension funds. Many spouses, mostly women, could have their retirement incomes threatened if funds are unlocked without their informed consent. Unlocked funds are placed in a creditor-protected RRIF from which they can be withdrawn without restriction.

Many people, Mr. Speaker, have had input into this legislation, and I would like to thank the pension review committee that developed a report that allowed us to put that report out and get feedback from the public and from stakeholders. This committee was chaired by Mr. Robert Ziegler. I know Mr. Ziegler was the last speaker, and he spoke as a private citizen at our committee meeting the other night. He spoke passionately about pensions, and I know he has dedicated a lot of his life to pension legislation here in Manitoba. He basically said that a lot of people have not put enough money into their pension plans, and that is one reason why the unlocking provisions are necessary. I agreed with him, and so did the MLA for Springfield.

I would also like to take this opportunity to thank the Manitoba Society of Seniors, Mr. Charles Cruden, or commonly known as Chuck. He is a really committed individual and has been an advocate for the society of seniors for a very long time. One of the beauties of being a minister and making public policy is the individuals that you get to work with that you never would have met if you were not involved in public life, and Charles Cruden is definitely one of those people. I met him, and he really was terrific to work with as we tried to move forward in regard to the unlocking provisions that are in Bill 10.

I also wanted to thank Brian Peto from Credit Union Central. Brian, I actually knew many years ago in one of my other lives when I was working at the Canadian Diabetes Association and he and his colleagues put together a golf tournament as a fundraiser for the Canadian Diabetes Association. Brian and a couple of his senior management people at the Credit Union Central came over to meet with me, and we had an excellent dialogue and shared lots of information in regard to how to move forward on this legislation. I just wanted to publicly thank him for all of his work.

Many individuals have written me passionate letters about pension reform not just on the unlocking provision, but many other provisions in this bill that reflect the modern realities of today. I just wanted to thank them for their passion and for their advocacy in regard to pension reform.

This legislation would not even be possible today if it was not for the incredible work of a woman in our department, the pension superintendent. Her name is Deb Lyon. I have had the opportunity to work with her over the last year on pension legislation, and it has been a learning curve for me, Mr. Speaker. Deb has just been fantastic. She is probably one of the most knowledgeable people in the province of Manitoba in regard to pension legislation. She has been absolutely critical to developing this legislation and I know will continue to work hard in regard to the development of all of the regulations as we move forward with this legislation.

I would also like to thank a group of people that work for legislators and who work for our government that are absolutely amazing, and those are the individuals in Legislative Council who just churn out that legislation down there. These are really a talented group of people, and without them there is absolutely—[interjection]

I appreciate that. I think we should give them a round of applause. I really appreciate that because, Mr. Speaker, without their skills and their expertise on such incredibly complex pieces of legislation, particularly this piece of legislation, and this is also almost 50 pages of legislation, they have been absolutely incredible. Their support has absolutely been integral to Bill 10 being passed today.

I am very pleased that the opposition parties are supporting this legislation and I think, I have a feeling, I am pretty sure this bill is going to be passed unanimously, Mr. Speaker. I am not sure how often that happens, but I think it is a great day for Manitobans.

In committee the other night, Mr. Speaker, we heard several presentations that requested that we consult further on the regulation that will allow the unlocking. We had a gentleman come in from Saskatchewan actually. His name is Bill Turnbull, and he is with the Co-operative Superannuation Society Pension Plan. He made it very clear that the details of the applications, information and processes to achieve unlocking would be determined through changes to the regulation and that the consultation on these changes is desired. I made a commitment in the committee the other night that we would consult on the regulation change that would allow the unlocking because I think it is important that our financial institutions have an opportunity to touch base with us about exactly what that regulation will achieve.

Then, of course, Brian Peto, whom I mentioned earlier from Credit Union Central, one of the recommendations in his report to committee the other night was on a more operational level. It is important that the Manitoba government discuss with financial institutions what changes, if any, need to be made in banking systems to accommodate the new creditorproof RIF. So there is some work, Mr. Speaker, to be done in regard to the mechanisms and in regard to their unlocking regulation. We want to make sure that we do the due diligence on that so that, when seniors are accessing or unlocking their pension funds, those mechanisms have been put into place.

Once again I would like to recognize Deb Lyon, who has worked diligently on this bill. I want to assure my colleagues that I have signalled my department that the work and consultation on the regulation for unlocking must be fast-tracked. I have every confidence that this regulation will be ready in this legislative session as was requested, Mr. Speaker, by the Manitoba Society of Seniors.

There are, Mr. Speaker, 180 000 pensioners who will benefit from this legislation, and I honestly believe, after 20 years of pension legislation not being reviewed in this province and not being modernized, that this pension legislation, Bill 10,

will provide that modernized approach to pensions that we needed in this province. Thank you.

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

An Honourable Member: Question.

**Mr. Speaker:** The question before the House is concurrence and third reading of Bill 10, The Pension Benefits Amendment Act.

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

Mr. Leonard Derkach (Official Opposition House Leader): Mr. Speaker, may we make that unanimous?

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

**Hon.** Gord Mackintosh (Government House Leader): My understanding, Mr. Speaker, is that the Lieutenant-Governor will be coming momentarily.

**Mr. Speaker:** Okay, I had better get ready. Please be seated.

\* (17:00)

#### ROYAL ASSENT

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

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

Mr. Speaker: Your Honour:

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

### Madam Clerk (Patricia Chaychuk):

Bill 10–The Pension Benefits Amendment Act/Loi modifiant la Loi sur les prestations de pension In Her Majesty's name, His Honour assents to this bill.

His Honour was then pleased to retire.

\* \* \*

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, we are intentioned to deal with The Water Protection Act with the time that remains, the report stage amendments, and we will be calling that bill as well tomorrow.

#### REPORT STAGE AMENDMENT

#### **Bill 22–The Water Protection Act**

**Mr. Speaker:** Bill 22, The Water Protection Act amendment.

**Mr. David Faurschou (Portage la Prairie):** Mr. Speaker, I move, seconded by the honourable Member for Pembina (Mr. Dyck)

THAT Bill 22 be amended in Clause 35(5) by replacing the proposed section 9.2 with the following:

# Suspending licence for aquatic ecosystem purposes

- **9.2** The minister may suspend or restrict the rights under licence for a specific period of time if,
  - (a) in the minister's opinion,
    - (i) a ground water level;
    - (ii) a water body level; or
    - (iii) an in-stream flow;

is sufficient to ensure that the aquatic ecosystems are protected and maintained; and

(b) the minister's opinion is based on scientific information about protecting and maintaining an aquatic ecosystem of the type under consideration.

Mr. Speaker: Before I move the motion, I would like to ask the honourable Member for Portage la

Prairie, when he was moving his motion, the amendment, he said, "is sufficient to ensure." In the wording of his amendment, it is "insufficient." Is that what the honourable member, the honourable Member for Portage la Prairie—

**Mr. Faurschou:** Thank you very much, Mr. Speaker. It is as written. My apologies for being incorrect in my reading of it.

**Mr. Speaker:** It has been moved by the honourable Member for Portage la Prairie, seconded by the honourable Member for Pembina (Mr. Dyck),

THAT Bill 22-

An Honourable Member: Dispense.

Mr. Speaker: Dispense?

An Honourable Member: No.

**Mr. Speaker:** *THAT Bill 22 be amended in Clause 35(5) by replacing the proposed section 9.2 with the following:* 

## Suspending licence for aquatic ecosystem purposes

- **9.2** The minister may suspend or restrict the rights under licence for a specific period of time if,
  - (a) in the minister's opinion,
    - (i) a ground water level;
    - (ii) a water body level; or
    - (iii) an in-stream flow;

is insufficient to ensure that the aquatic ecosystems are protected and maintained; and

(b) the minister's opinion is based on scientific information about protecting and maintaining an aquatic ecosystem of the type under consideration.

**Mr. Faurschou:** Mr. Speaker, the bottom line in the efforts to amend Bill 22, as this particular amendment does, is to ensure that the scientific information is used as a premise to restrict the access of licence holders to water to sustain the operations, whether

they be of an agricultural nature or domestic use, residential purposes.

I believe it is vitally important that the minister supports this particular amendment because it, in fact, gives him the reliability of science, which will substantiate the decision to restrict. It is a very serious business, a minister contemplating restricting the use of water by bona fide licence holders because those licence holders will be impacted significantly if, in fact, the water flows or the availability of water is indeed restricted.

I think, personally, from an agricultural producer's side, I am personally licensed to withdraw waters from the Assiniboine River to sustain cropping operations, primarily potatoes. In the area that could be affected by drought and that the minister did, in fact, make issue to restrict the availability of water to a bona fide licence holder such as myself, it would have significant impact on the production of potatoes, as I mentioned.

#### \* (17:10)

So it is vitally important that the minister, when reviewing the options of restricting water usage, that, in fact, the basis of science is considered before the decision is made, because the minister, I am certain, is cognizant that there will be significant impact and perhaps financial duress attributed to restricting water to bona fide licence holders.

Mr. Speaker, this all is in concert with our attempt to make Bill 22 better legislation. This is the last of the amendments that I have proposed, and I believe that the minister has stated on the record that he has not been in support of a number of the amendments. I regret that that is the case because the amendments have been put forward with the consideration of making this legislation better legislation.

At the outset, Mr. Speaker, I believe the legislation was woefully poorly drafted. I believe that the purpose of the bill is one that all of us on this side of the House do, indeed, support because we all want improved water quality. We want to maintain that quality not only for present day use, but for future generations.

So we do support the intent of the bill, but I regret to see legislation so poorly drafted, that leaves so much left to regulation, especially when the bill is

one that will take precedence over other major pieces of legislation, such as The Planning Act, The Environment Act and The Well Water Act.

It also gives a great deal of power to the minister that will have an impact on even those that, today, consider drilling sand points that would serve their own domestic water purposes. This bill does provide for consideration that the Department of Water Stewardship, through Bill 22, will have powers to intervene and to inspect and to potentially curtail the drilling of sand points, which are to this day recognized for personal use as one that individuals using sand points are using it for personal use and would not do anything to the quality of the water because the water will be of their own personal use. No one would want to contaminate water that they were going to consume themselves. So I do not understand why the minister wants to expand powers that would restrict or curtail the access of good quality water for personal use.

Mr. Speaker, I would like to add about water quality and consideration given to the question earlier posed by myself in this Chamber during Question Period about the flows on the Assiniboine. So much reliance has been placed upon the Portage Diversion to channel waters from the Assiniboine River through to Lake Manitoba and alleviate the pressures of increased flows here in the city of Winnipeg.

The waters, if you view them, as I did just a few moments ago from below the statue of Louis Riel, the river waters have a tremendous amount of organic material in suspension. The soil particles that are carried along by the river are a grave concern to everyone that views the river. Even though the water quality, per se, is better now than it was at the turn of the century, more than 100 years ago, it is not viewed in that light by individuals, such as I had opportunity to speak with on the banks of the Assiniboine just moments ago, who remembers as a younger man being able to fish the river and to actually see and observe the fish within the water, which, obviously, is not possible today because of the amount of soil being swept along within the river. I want to encourage the Water Stewardship Minister and all ministers of the Crown to really, truly give a conscientious effort toward the merit of the Holland No. 3 dam.

The Holland No. 3 dam, if constructed, would have a significant impact on the maintenance of

constant flows within the Assiniboine River, and when one achieves a more consistent flow, there is not the wetting and drying of the riverbanks. When the riverbanks, effectively, are damp, wet, the adhesion of the soil particles does not allow for erosion to take place. The river passes along and the riverbank remains stable because it has the moisture within the riverbank, but what does take place, the river does fluctuate, as all prairie streams do, that we end up seeing riverbanks dry out. Then along comes a summer rain or a spring rain or fall rain and the level of the river rises and then the water has access to the dried soil along the riverbank and easily picks up this dry soil and carries it away. Ultimately, we have riverbank erosion and a lot more soil within the flow of the river.

So I believe that if one is really looking at the long-term benefits of the Holland No. 3 dam and constant flows of the Assiniboine River through Winnipeg, we would address not only water quality, but we would address the issue of riverbank erosion, which is of great concern to the City of Winnipeg, which currently is looking at tens of millions of dollars to shore up the banks of the Assiniboine. In fact, that is only part of the required investment, because many property owners all along the Assiniboine have gone to extraordinary efforts to stabilize the banks and to preserve their property from being swept away by the river and are investing in stonework and other measures that stabilize the bank.

So all of this would not be necessary if this government would have the foresight to invest in the Holland No. 3 dam and provide for constant flows. Also, too, within the Holland No. 3 dam, the release of waters would be from a depth of approximately 90 feet and that depth does not allow the sunlight to penetrate and warm the waters which, in turn, allows for the development of algae, which we have seen as a major concern within the river and, ultimately, Lake Winnipeg, which has been detailed in documentation which the minister was presented with not so long ago.

If the algae are not permitted to develop because the water depth of 90 feet is not conducive to such development, ultimately we will not have the algae development further downstream, because it will not get its start. It will be effectively neutralized because of the depth of the water. So, Mr. Speaker, also, I might just look at the Energy Minister knowing that he is wanting to see more development in clean energy resource development. The Holland No. 3 dam would provide for installation of low-head generation of generators of electricity. It is in the initial planning that two 7.5 kilowatt generators would be able to operate from this structure, providing for a constant flow of 15 kilowatt hours of energy, year-round, powering up smaller communities such as Killarney and Boissevain and Souris and, certainly, helping with this province's clean energy resource development. Then, too, providing that other energies might be freed up for export and ultimate further economic benefit to our province.

\* (17:20)

As well, the dam development would spur on activity in our very hard-pressed heavy construction industry here in the province of Manitoba, because currently that industry has been struggling over the last number of years, not only with the challenges of climate on their industry, but also, too, the challenges of restricted government infrastructure reinvestment.

We have seen that the highways and Transportation Department needs upwards of \$340 million of annual investment just to hold the things as they are today, recognizing that this government is moving towards the \$340 million required to hold ourselves in the current stead of things, but what it needs is a willingness of this government to recognize the importance of infrastructure investment and to dedicate the necessary resources toward that. These resources are available. They are just not dedicated, and they are used elsewhere, because the Transportation Department, for instance, is expecting to receive, in transportation-related revenues, close to \$360 million this year.

Now, I know my time is short. I hope that the minister has been listening to my comments today, and that the Holland No. 3 dam will be a topic of discussion, as well as this specific amendment that recognizes the importance of using science to premise one's decisions.

Hon. Steve Ashton (Minister of Water Stewardship): This amendment is consistent with section 9, subsection 1, and the consequential amendments to The Water Rights Act. It will probably even strengthen the scientific decision-making by the

minister and the department. We are prepared to accept this amendment and are prepared to pass it right now, so I thank the member for bringing this forward, and indeed, this is one of the reasons that we do have the report stage process, to identify ways of taking a very good bill and make it, if this is possible, even better. We support this amendment and are prepared to pass it.

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

An Honourable Member: Question.

**Mr. Speaker:** The question before the House is the amendment moved by the honourable Member for Portage la Prairie (Mr. Faurschou).

Is it the pleasure of the House to adopt the amendment? Agreed?

**Some Honourable Members:** Agreed.

Some Honourable Members: No.

#### **Voice Vote**

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

Some Honourable Members: Yea.

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

Some Honourable Members: Nay.

**Mr. Speaker:** In my opinion, the Nays have it. That takes care of that amendment.

\* \* \*

**Mr. Speaker:** Now we will move on to the amendments of the honourable Minister of Water Stewardship (Mr. Ashton).

#### **Point of Order**

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

**Hon.** Gord Mackintosh (Government House Leader): Mr. Speaker, there was a lot of commotion in the House at the time of the question. I know that

this side is indicating support for that amendment. Perhaps if you could ask the question again, just to make sure that the question is clear to the members.

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

Mr. Leonard Derkach (Official Opposition House Leader): It just shows you how disorganized this government is because we have a minister who stands up in this place and says that this is a good amendment and that the government would be prepared to support the amendment; then he sits down, and when the question is asked whether this is an attempt—but you see this is very curious. By him saying that his side will support it without him consulting with his members, of course, that, in his way, is his way of shutting down the debate on this side of the House. But, then, when the question is asked, they do not support the amendment, so you have shut down the debate.

That is a very curious way of dealing with issues in this House, Mr. Speaker. I would ask that the minister who is responsible for this bill would take some responsibility here and either get his members into line when the question is asked so there is not confusion in this House, or whether he would at least make sure that his intent is pure when he stands up in his place.

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

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I believe you did hear right, that there was nay on your right-hand side of the Chamber, indicating that the bill did not have the support. Having said that, I believe you would require leave in order for us to revisit the question. We are prepared to give the leave necessary in order to have another vote on the amendment, because we do believe in the value of the amendment that has been brought forward from the Member for Portage la Prairie (Mr. Faurschou). We would be quite prepared to allow leave to have that vote taken again.

**Mr. Speaker:** Order. I am going to reput the question, but I want to take this opportunity to remind members why it is very important that when I am putting a motion, I need to be able to hear everything. So I am going to re-put the question, as requested.

\* \* \*

**Mr. Speaker:** I ask the House is the House ready for the question. The question before the House is the amendment.

#### **Point of Order**

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

Mr. Derkach: Mr. Speaker, on a point of order, I do not have any difficulty with you recalling the question, but you had put the question twice. In both instances, although the Minister of Water Stewardship (Mr. Ashton) said that he supported the bill, his chair was actually turned to the members of his Cabinet who were saying no. So he knew they were saying no.

So, although we are prepared to accept another vote, I suggest that perhaps the government should get its act together and ensure the way they are voting on a bill when that vote is called. Let us not play games in the House.

Mr. Ashton: Mr. Speaker, I really resent the member opposite attributing motives in this particular case. Clearly, we had a matter that was put forward by the Member for Portage. I, and I know all ministers of this House, take seriously the amendments that are put forward. Indeed, I stated on the record that I supported the bill. I mean, there was no intent to cut off debate. We had many other opportunities to debate this bill and, indeed, there was confusion in the House. That was not unusual with the amount of noise that does take place. The bottom line is we do support the amendment, and that was very clear from the speech.

**Mr. Speaker:** Okay. The hour is getting close to 5:30. I am going to put the question.

\* \* \*

Mr. Speaker: The question before the House-

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

**An Honourable Member:** Is this a second vote?

**Mr. Speaker:** They have all agreed to it. It has been agreed to. This is a new vote, second vote.

An Honourable Member: Mr. Speaker, I think that we can just agree to give leave so that we can have another vote on this. I do not know if it would be procedurally correct to have a second vote without providing leave.

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

The question before the House is the amendment moved by the honourable Member for Portage la Prairie (Mr. Faurschou).

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

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

#### **CORRIGENDUM**

Vol. LVI No. 31 - 1:30 p.m., Monday, April 18, 2005, page 1524, the second column third paragraph inadvertently reads **Hon. Christine Melnick** (Minister of Family Services and Housing):

The paragraph should read Ms. McGifford:

## LEGISLATIVE ASSEMBLY OF MANITOBA

## Tuesday, April 19, 2005

## CONTENTS

ROUTINE PROCEEDINGS		Hydra House Gerrard; Melnick	1572
Petitions Provincial Road 355		Waverley West Subdivision Lamoureux; Smith	1573
Rowat Pembina Trails School Division–New High	1563	Cottage Lot Draw Brick; Struthers	1573
School Loewen	1563	Members' Statements	
Coverage of Insulin Pumps Goertzen	1564	Order of the Sons of Italy Stefanson	1574
Ambulance Service Schuler	1564	Volunteerism Schellenberg	1575
Closure of Victoria General Hospital Mater Ward Gerrard	1565	Water Resources Employees Cummings	1575
Generally Accepted Accounting Principles Lamoureux	1565	Community Services Awards Brick	1576
Introduction of Bills		Queen's Hotel Rowat	1576
Bill 27–The Horse Racing Commission Amendment and Horse Racing Regulation Repeal Act		Grievances	
Wowchuk	1565	Penner	1577
Oral Questions		ORDERS OF THE DAY	
Safe Schools Summit Murray; Bjornson	1566	GOVERNMENT BUSINESS	
Safe Schools Legislation	1577	Report Stage Amendment	
Driedger; Bjornson  Crocus Fund Hawranik; Rondeau Loewen; Selinger  Flood Control	1567 1568 1569	Bill 10–The Pension Benefits Amendment Act Lamoureux Allan Schuler Gerrard	1579 1581 1581 1582
Faurschou; Ashton Penner; Ashton Cummings; Ashton	1570 1571 1574	Bill 22–The Water Protection Act Faurschou Ashton	1602 1604

Concurrence and Third Readings		Driedger	1594
Bill 10–The Pension Benefits Amendment Act		Gerrard Schuler	1594 1596
Murray	1584	Allan	1599
Reimer	1588	Royal Assent	
Lamoureux	1589	Bill 10–The Pension Benefits Amendment	
Maguire	1591		1601
Dyck	1593	Act	1601