



Fourth Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

Member	Constituency	Political Affiliation
ASHTON, Steve	Thompson	N.D.P.
BARRETT, Becky	Wellington	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave	Kildonan	N.D.P.
CUMMINGS, Glen, Hon.	Ste. Rose	P.C.
DACQUAY, Louise, Hon.	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary	Concordia	N.D.P.
DOWNEY, James, Hon.	Arthur-Virden	P.C.
DRIEDGER, Albert	Steinbach	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry, Hon.	Lakeside	P.C.
EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
FAURSCHOU, David	Portage la Prairie	P.C.
FILMON, Gary, Hon.	Tuxedo	P.C.
FINDLAY, Glen, Hon.	Springfield	P.C.
FRIESEN, Jean	Wolseley	N.D.P.
GAUDRY, Neil	St. Boniface	Lib.
GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSON, Gerard	Flin Flon	N.D.P.
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	N.D.P.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McALPINE, Gerry	Sturgeon Creek	P.C.
McCRAE, James, Hon.	Brandon West	P.C.
McGIFFORD, Diane	Osborne	N.D.P.
McINTOSH, Linda, Hon.	Assiniboia	P.C.
MIHYCHUK, MaryAnn	St. James	N.D.P.
MITCHELSON, Bonnie, Hon.	River East	P.C.
NEWMAN, David, Hon.	Riel	P.C.
PENNER, Jack	Emerson	P.C.
PITURA, Frank, Hon.	Morris	P.C.
PRAZNIK, Darren, Hon.	Lac du Bonnet	P.C.
RADCLIFFE, Mike, Hon.	River Heights	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack, Hon.	Niakwa	P.C.
RENDER, Shirley	St. Vital	P.C.
ROBINSON, Eric	Rupertsland	N.D.P.
ROCAN, Denis	Gladstone	P.C.
SALE, Tim	Crescentwood	N.D.P.
SANTOS, Conrad	Broadway	N.D.P.
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STRUTHERS, Stan	Dauphin	N.D.P.
SVEINSON, Ben	La Verendrye	P.C.
TOEWS, Vic, Hon.	Rossmere	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
VODREY, Rosemary, Hon.	Fort Garry	P.C.
WOWCHUK, Rosann	Swan River	N.D.P.
Vacant	Charleswood	

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, March 24, 1998

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Winnipeg Hospitals Food Services—Privatization

Mr. Gregory Dewar (Selkirk): Madam Speaker, I beg to present the petition of Kimberley King, Ann Duchfield, Ken Richards and others praying that the Legislative Assembly of Manitoba urge the Minister of Health (Mr. Praznik) to put an end to the centralization and privatization of Winnipeg hospital food services.

Mr. Jim Maloway (Elmwood): Madam Speaker, I beg to present the petition of Manuel Cron, Elmer Faderon, Lenie Hussein and others praying that the Legislative Assembly of Manitoba urge the Minister of Health to put an end to the centralization and privatization of Winnipeg hospital food services.

READING AND RECEIVING PETITIONS

Winnipeg Hospitals Food Services—Privatization

Madam Speaker: I have reviewed the petition of the honourable member for Broadway (Mr. Santos). It complies with the rules and practices of the House. Is it the will of the House to have the petition read?

An Honourable Member: Dispense.

Madam Speaker: Dispense.

THAT the Urban Shared Services Corporation (USSC) has announced plans to privatize laundry, food services and purchasing for the Winnipeg hospitals; and

THAT it is estimated that more than 1,000 health care jobs will be lost over the next year as a result, with many more privatized in the next two or three years; and

THAT under the terms of the contract, Ontario businesses will profit at the expense of Manitoba's health care system; and

THAT after construction of a food assembly warehouse in Winnipeg, chilled, prepared food will be shipped in from Ontario, then assembled and heated before being shipped to the hospitals; and

THAT people who are in the hospital require nutritious and appetizing food; and

THAT the announced savings as a result of the contract have been disputed, and one study by Wintemute Randle Kilimnik indicated that, "A considerable number of studies have compared costs of service delivery in health care between self-operation (public sector) and privatization. Invariably, privatization is more expensive."; and

THAT no one in Manitoba seems to benefit from this contract, especially patients.

WHEREFORE YOUR PETITIONERS HUMBLLY PRAY that the Legislative Assembly of Manitoba urge the Minister of Health to put an end to the centralization and privatization of Winnipeg hospital food services.

TABLING OF REPORTS

Hon. Rosemary Vodrey (Minister of Culture, Heritage and Citizenship): Madam Speaker, I am pleased to table the Departmental Estimates for Manitoba Culture, Heritage and Citizenship 1998-99.

Introduction of Guests

Madam Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the loge to my left where we have this afternoon Mr. Herold Driedger, former member for Niakwa constituency. On behalf of all honourable members, I welcome you this afternoon.

Additionally we have seated in the public gallery forty-three Grade 9 students from General Wolfe

School under the direction of Mr. Herold Driedger. This school is located in the constituency of the honourable member for Wellington (Ms. Barrett). On behalf of all honourable members, I welcome you this afternoon.

ORAL QUESTION PERIOD

Speech Pathology Waiting Lists

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, my question is to the Premier (Mr. Filmon). Two health care ministers ago, the Premier when he cut the language and speech programs for children stated that the priorities of this government would now be in dealing with preschool children. In 1994 I asked the Premier that very same question, and the waiting lists at that time were a year and a half long. The government has since had the Postl report. I would like to ask the Premier: has he reduced the waiting list for preschool children in dealing with the needed assessment programs for speech and audiology programs that are necessary for children's development?

Hon. Darren Praznik (Minister of Health): Madam Speaker, the Leader of the Opposition has identified an area where we have seen a growth in demand and certainly a need for us to provide more resources in that area. I can tell the member that that is one particular area that my colleagues in related departments and myself through Human Services Committee are in the process along with Treasury Board of attempting to address.

Mr. Doer: These are the words of the government ministers, three health care ministers, the Premier year after year after year saying that work is in progress, we care about these issues, cut after cut after cut. We now have a waiting list of 522 children, preschool children, waiting for speech and treatment programs. We have a waiting list of 194 preschool kids for audiology programs. The list grows as the words, Madam Speaker, fall on deaf ears in terms of this government.

Madam Speaker, early intervention is absolutely essential for the long-term benefits of these children. Why has this Premier cut the programs and broken his promises to preschool children here in Manitoba?

* (1335)

Mr. Praznik: Madam Speaker, this has been one of those areas that has had, if I remember correctly, significant growth. We have recognized that there is a need to bring down waiting lists particularly in this area, and I can tell the member that there is a fair bit of effort underway in co-ordinating our efforts between the Departments of Education, Family Services and Health and working with Treasury Board to identify a way to bring down these lists. We hope that we will be in a position to inform the House of more developments during the course of this session.

Education System Special Needs Funding

Ms. Jean Friesen (Wolseley): When this government took office in 1988, they had a plan for special needs education which involved the dissolving of the provincial advisory council on special needs; the closing of the lead agency for special needs, the Child Development branch; the eliminating of 65 provincial clinicians; the reducing of the department's special education staff and the cynical delay for five years of the special education review.

I would like to ask the Minister of Education to now acknowledge that her policy has been a disaster and has brought many Manitoba families close to crisis.

Hon. Linda McIntosh (Minister of Education and Training): Of course I will not acknowledge what the member is asking because it is not correct. In funding alone, funding for special needs has doubled, more than doubled since we took office.

Madam Speaker, we have undertaken a two-year special needs review, something that was long needed, that was needed indeed when the people opposite were in power. We have seen a great influx into the school system within the last 15 years of students of abilities and disabilities that previously had not been in the school system.

We hope in receiving the report that we will hopefully within the next few months from the special needs review indicating recommendations after a two-year study, in-depth consulting with educators, parents,

teachers of both special needs and nonspecial needs students, we hope to get some clear definition around the most enabling environment, the best environment for both special needs and nonspecial needs students. I believe that both in initiatives and in funding we have more than kept pace with this very important area.

Special Needs Review Tabling Request

Ms. Jean Friesen (Wolseley): Would the minister make a clear commitment to the House to honour her 1993 promise and make public the report of the special education review that she will receive this fall? We know it is five years late. Will she honour that promise to make it public?

Hon. Linda McIntosh (Minister of Education and Training): The special needs review, the member keeps saying it is five years late. The special needs review has come into place—[interjection] I am sorry, I did not hear—

Madam Speaker: Order, please. The honourable Minister of Education, to complete her response.

Mrs. McIntosh: Thank you very much, Madam Speaker. Fifteen years ago there was not the abundance in the schools that there is now of people of these kinds of needs. We now have a review that has been in place for some 18 months. The member may argue that it should have come in two years before that. The fact is it is finally being done and it was not being done under their particular government.

The member then asks in her second question that she was asking about whether or not—

Madam Speaker: Order, please.

Point of Order

Mr. Steve Ashton (Opposition House Leader): Beauchesne Citation 417 is very clear that: “Answers to questions should be as brief as possible, deal with the matter raised and should not provoke debate.”

Madam Speaker, the question that was asked was a very straightforward question. It was whether the

report will be made public. The minister should either answer that question or indicate she is not going to and sit down.

Madam Speaker: The honourable Minister of Education, on the same point of order.

Mrs. McIntosh: I think a review of Hansard will reveal that the member clearly specifically talked about both the timeliness of the review and the fact that it was five years late, and also wanted to know about what would be the results in terms of release. I tried to answer both parts of the question. If she only wants one thing answered, she should only ask one thing.

* (1340)

Madam Speaker: Order, please. On the point of order raised by the honourable member for Thompson, the honourable minister's time had not expired. So I believe that she was about to answer the specific question that the—[interjection]—because I heard her comments relative to—prior to the interjection by the honourable member for Thompson. So, therefore, there is no point of order.

* * *

Madam Speaker: Would the honourable minister please quickly complete her response.

Mrs. McIntosh: Thank you very much, Madam Speaker. In response to the second portion of the member's question about whether or not the results will be released, the results of this report will be public. The only parts perhaps that may not be public will be those confidential conversations held with parents who, I think we would all respect, need their privacy protected because they do not wish some of their personal problems to be revealed to the public. Those would be part of the report which may be kept confidential, but the recommendations will be public.

Education System Special Needs Funding

Mr. Daryl Reid (Transcona): Last June and again in December last year I raised the issue on behalf of

Breanne Curé, a special needs student in the Transcona-Springfield School Division. This child is a multiply handicapped child and the teachers, the doctors and the school division are on side saying that this child needs Level II funding in the school to allow this child to progress in her academic learning. The minister's department has rejected the applications over and over again from this particular family, and I want to ask this minister, because her department has rejected these applications. There is now another appeal on her desk from this family, and before this minister makes her decision with respect to Breanne Curé, will she do the honourable thing and accompany me and the family, the Breanne Curé family, to Harold Hatcher School in Transcona-Springfield School Division so we can see this child and other special needs children in the classroom setting before this minister makes her decision?

Hon. Linda McIntosh (Minister of Education and Training): The school division has not applied for that level of funding for Breanne. Decisions about assessment for students are made locally, brought to the department and approved or denied. If a department request—if it is turned down by the department, they would have to have rationale why that would occur and then an appeal can take place, but in this instance, the division has not made the request for that level of funding.

I have to indicate I have met with and talked to Mrs. Curé and met Breanne. I also have to indicate that the level of treatment that Breanne is receiving in the school right now is fairly extensive in that if the member would like, I could go through what is being done for Breanne in the schools. I think he is aware of the extra help that is there for her at the level that has been requested and approved by the local authorities and the department.

Mr. Reid: I want to ask the Minister of Education: since the minister will take the time to write a letter to the school division about Chris Millar, why will this minister not take the time to attend Harold Hatcher Elementary School to see Breanne Curé and other special needs children in the classroom setting before she makes a decision on the application for Level II funding for Breanne Curé, which the doctors, the

teachers and the school division say this child requires? Why will you not come to that school?

Mrs. McIntosh: I have written to the Curé family. I have met with the Curé family for quite a period of time. I have visited over 150 schools and seen many children in classrooms with special needs. I do not make the decisions on the final assessment of students. That is not my area of expertise.

I manage a system and ensure that the rules are followed. The school division will make application for a level of funding based on their assessment. The school division and the member is—[interjection]

Madam Speaker: Order, please.

The honourable Minister of Education and Training, to complete her response.

Mrs. McIntosh: Thank you very much, Madam Speaker. The school division has put in place many supports for Breanne, and a dispute between experts over whether the child is to be assessed at Level II or Level I or Level III is not my decision to make. Those experts have to go through that criteria, do the assessment and make the decisions. I know that there are speech therapists, paraprofessionals, language development programs and so on in place for Breanne specifically in the school.

It may well be that the school the member is suggesting I visit be on my list of school visits in the not too distant future.

*(1345)

Multilateral Agreement on Investment Government Position

Hon. James Downey (Minister of Industry, Trade and Tourism): Further to yesterday's Question Period, I want to inform the member for Crescentwood (Mr. Sale) that in my answer I had indicated that I had directly contacted the federal government at a meeting in person. On checking my records, I also found that I had sent a letter, which I want to provide for the member at this particular time to fully complete my

answer of yesterday. So I have copies to table for the member.

Education System Special Needs Funding

Ms. Rosann Wowchuk (Swan River): Madam Speaker, Michael Chartrand is a young child in my constituency who is suffering because of lack of commitment from this government for children with special needs. Last year, Michael hardly attended school because, despite efforts by the school division, there was no funding for a school-time aide. This year Michael is in school part-time, only because the friendship centre has come to an agreement with the school and it is supporting a part-time worker for him.

How can this government be so callous when it comes to meeting the educational needs of special needs children in this province?

Hon. Linda McIntosh (Minister of Education and Training): There is a tremendous caring and tremendous concern on this side of the House and I hope on that side of the House amongst all MLAs about the education of our children, and that includes all the children that we educate.

Just to give you an indication, I have to indicate that for Level II children—students identified by their division and subsequently confirmed by the assessment authorities automatically receive over and above their regular grant \$8,520 a year per student. At Level III they receive \$18,960 over and above the regular school grant for the Level III children. In addition to that, the Level I funding enables schools to have in place educational assistance and other resources in the school to help with those who are more mildly disadvantaged.

Ms. Wowchuk: I would like to ask the minister if she understands that this child does not go to school, only goes to school when someone is with him from the friendship centre. There is no support for him from the Department of Education. What is the matter with you? Do you not care about children in need, children with special needs?

Mrs. McIntosh: Madam Speaker, I am not aware of the specific details of the case that the member brings to my attention here in the House.

An Honourable Member: You rejected their application.

Mrs. McIntosh: She speaks, saying I, personally, the minister, rejected an application when she knows absolutely well that those applications, if they are coming to the department for approval, will go to those who are the experts in assessment for diagnosis, assessment and response. They do not come to the minister any more than decisions on putting out forest fires in terms of how to put out the forest fires would go to the minister rather than the pilot flying the plane that is going to drop the fire bomb water on the trees.

Madam Speaker, the senior personnel assigned to that task—

Madam Speaker: Order, please.

* (1350)

Point of Order

Mr. Steve Ashton (Opposition House Leader): Madam Speaker, on a point of order. Beauchesne Citation 417 is very clear, and I read it into the record a few minutes ago. The member for Swan River has been asking questions about Michael Chartrand. What relevance comments about water bombers have to a question on a very serious matter, that involving a special needs student in the constituency of the member for Swan River, is beyond me. I know the minister is becoming well known for some of her bizarre comments and statements, but this is going too far.

I would ask, Madam Speaker, you call this minister to order and ask that she answer the very serious question that was raised about Michael Chartrand.

Madam Speaker: On the point of order raised by the honourable member for Thompson, indeed he did have a point of order. I would ask for the co-operation of the minister in responding specifically to the question asked.

* * *

Madam Speaker: The honourable Minister of Education, to complete her response.

Mrs. McIntosh: Thank you very much, Madam Speaker. I will repeat the answer I gave, which is that requests of that nature or decisions of that nature go to the senior experts in the department who are qualified and assigned the task of making assessments. Those decisions do not come to the minister's desk; they are dealt with at the appropriate level in the department. That was the answer I gave earlier, and that is the answer I repeat for the member now.

Education System Administration—School Divisions

Mr. Kevin Lamoureux (Inkster): Madam Speaker, there is very little doubt that one of the greatest failures of this government has been in addressing the whole issue of public education. I asked last week and the week prior with respect to the whole funding element, and today I would question the government's abilities in terms of administration.

We have had for 10 years now a government that has sat back and done very little to address the inequities that are there because of the administration in the way in which we have our school divisions. We paid many tax dollars for the Norrie commission report.

My question to the Minister of Education: does this government have any intentions whatsoever to deal with the different inequities that are there today as a result of this government's inaction in addressing the sizes and the differences of sizes of our school divisions?

Hon. Linda McIntosh (Minister of Education and Training): Madam Speaker, the Norrie commission had over 40 recommendations in it; we have accepted some 21 of them. On the specific issue of amalgamation of school divisions, our hearings around the province and the feedback we received told us very clearly that school divisions, the people in the school divisions, the administrators in the school divisions, wanted to retain local autonomy. We therefore moved to voluntary amalgamation and promotion of shared services. That is happening.

We have two divisions currently amalgamating, another to announce their intention to amalgamate, several others seriously considering it. We have many divisions that have moved to joint purchasing to

looking at sharing common senior personnel, sharing bus routes where possible and bringing down administrative costs through ventures such as those, and it is working because the people are buying into the concept and are committed by virtue of their own decision to opt in. Thank you.

Mr. Lamoureux: Madam Speaker, I am wondering if the Minister of Education will have one standard policy for all Manitobans, and that standard policy is either—and your choice is: do you believe in community-administered school divisions, therefore allowing, let us say, Winnipeg School Division No. 1 to break up into smaller school divisions, or do you believe in what the Norrie commission was reporting, and that was to have fewer school divisions in hopes that you would be able to address some of the inequities that are there? You should have one or the other, not both.

Madam Speaker: Order, please. The question has been put.

Mrs. McIntosh: Madam Speaker, as I indicated, we are not forcing amalgamations on school divisions. We are encouraging them. Many divisions now are beginning to move towards making that decision for themselves. We have facilitators in the department ready and able to assist school divisions to begin such discussions, and those have been successful where the amalgamations are beginning.

So we are saying that school divisions can cooperate, as many are doing, and they can amalgamate with our assistance, as some are beginning to do. That is our position. We are supporting voluntary amalgamation.

* (1355)

Mr. Lamoureux: Madam Speaker, will the Minister of Education acknowledge that she cannot have it both ways? You cannot have some people in the city of Winnipeg having the smaller community-size school division and the other citizens of Winnipeg having the much larger 30,000-plus students school divisions.

My question to the Minister of Education is that the government has a responsibility to be consistent with

the policy that it is putting on all Manitobans, and I ask the Minister of Education to be straightforward with all Manitobans and treat them fairly.

Mrs. McIntosh: Madam Speaker, I believe I have answered the member's question, and I do not wish to be repetitive in saying once again we support voluntary amalgamation. For those divisions who believe, as the member does, that there can be cost-savings by amalgamating, we have much assistance in place to help them accomplish that very goal. So no division is forced to stay small. Quite the contrary: they are being encouraged to amalgamate with assistance from us. It is not inconsistent at all.

Hog Industry Municipal By-laws

Hon. Leonard Derkach (Minister of Rural Development): Madam Speaker, yesterday I took notice to a question from the member for Swan River (Ms. Wowchuk) regarding a letter from staff from my department to the Rural Municipality of St. Andrews regarding regulations for hog production. Although I had asked that the member table the letter, I am still waiting for it. But I am assuming, because it was to St. Andrews, it is with regard to a letter that was sent from the department advising the R.M. of St. Andrews that by-laws passed under the authority of The Municipal Act may not be appropriate to regulate the intensive livestock operations and that provisions for this authority are clearly provided under The Planning Act. The municipality was further advised that it should consult with its solicitor on this matter, because indeed it is a very important matter as it relates to developments of this kind.

Unfortunately, the member was mistaken about the intent and the tone of the letter and its contents, and it is regrettable that this is the same kind of situation that this member has brought forward earlier, whether it is with regard to hog production or elk production or the PMU industry in this province, Madam Speaker. I think it is regrettable.

Point of Order

Mr. Steve Ashton (Opposition House Leader): A point of order, Madam Speaker, which has two parts.

Our rules are very clear that the member should have tabled the letter, and indeed if he was taking a matter under advisement and bringing information back.

I would suggest also that the latter part of his response, the editorial comment, was not what he had undertaken to do. He had undertaken to provide the information from the letter. The appropriate way to do that is to table the letter in the Chamber.

Madam Speaker: The honourable Minister of Rural Development, on the same point of order.

Mr. Derkach: Madam Speaker, yesterday the member for Swan River indicated from her seat that she was prepared to table the letter. She referred to a letter that was written to a municipality, but she did not table it. I am still awaiting the tabling of that letter.

* (1400)

Madam Speaker: On the point of order raised by the honourable member for Thompson, regrettably, I will take it under advisement. Our rule is very clear. It says: if a member reads from a private letter. I have no idea what letter he personally is reading from and whether it indeed is a private letter. I will take it under advisement and report back to the House at a later date.

Education System Special Needs Funding

Ms. Marianne Cerilli (Radisson): My questions are for the Minister of Education. With schools like Bernie Wolfe in my constituency losing 21 paraprofessionals in three years, it is obvious that this government is abandoning special needs students. Students like Alex with attention deficit, a learning disability, have been sent home from school at two o'clock in the afternoon because the school claims they do not have the resources to support him after that. Can the minister explain why one school can lose 21 paraprofessionals, and is it acceptable to her and her government that students are basically expelled because they have learning difficulties?

Hon. Linda McIntosh (Minister of Education and Training): Madam Speaker, I can see we are going to be receiving a series of anecdotal comments here, and

I would appreciate it if the member could provide me with the details, because certainly no student should be expelled from school because they have a learning disability. So the member has indicated here that a student has been expelled from school for having a learning disability, and I would appreciate receiving the details on that from her without having to bring the student's—well, I guess maybe she has already put the student's name into the House, I do not know. I would like to get the details on that because that, if the allegation is correct, should not be happening.

As to why school staff decreases, there could be many reasons. Again, I do not know the circumstances here, but I know that some schools have a drop in enrollment and some schools have other things where the staffing alignment will change, and I cannot answer that question without knowing the specifics. I would appreciate receiving those details from her so that we can follow up on them.

Ms. Cerilli: I think the minister's funding cuts would have something—

Madam Speaker: Order, please. I would remind the honourable member for Radisson, she was recognized for a supplementary question which requires no preamble.

Ms. Cerilli: Thank you, Madam Speaker. I would like to ask the minister if it is acceptable to her and her department that parents have to continually fight with her department, fight with school boards in order to get their children's needs met, and if it is acceptable to her that parents have to hire lawyers to keep their kids in school.

Mrs. McIntosh: Madam Speaker, I need to indicate right at the beginning of my answer that by far the large and vast majority of parents do not have to resort to what the member has described. There are hundreds and hundreds of students in schools with high-level special needs whose needs are being most satisfactorily met by virtue of the thank-you letters that we get and the comments that we receive when I visit schools. As I have indicated, I have now visited over 150 schools, and I have seen the very positive things that are happening in the area of special needs.

If there are exceptions and if there are disputes occurring, and in any system there will be some, let not the member imply that those are the rule rather than the exception, because if she tries to make that implication, she is leaving a very mistaken perception on the record.

Education System Special Needs Funding

Ms. MaryAnn Mihychuk (St. James): A nine-year-old special needs boy in Hanover School Division has only attended five days this year and in February was suspended indefinitely because the school does not have the resources to deal with his needs. Can the Minister of Education support this in good conscience that this is the best way to deal with this child?

Hon. Linda McIntosh (Minister of Education and Training): I would again appreciate receiving some more detail from the member. An anecdotal story that has so few details is very difficult to respond to. So, Madam Speaker, I would appreciate receiving details from the member about this particular issue, because again the member is saying that someone who is identified as a special needs student has been expelled because the school, for whatever reason, could not or did not want to deal with this child. I think I need to receive the details around it because that is not the rule and that is not the way it normally happens.

Again, I wish to indicate to the House that by far the vast majority of situations work very well. If there are exceptions, they are exceptions, Madam Speaker, and not the general norm.

Ms. Mihychuk: My question to the minister: given that she had this information for over a week, is this your solution for children that need extra help? Is it your government's solution to just keep them out of school? You are busy writing letters on other topics; maybe you can address it to children in need.

Mrs. McIntosh: I have corresponded with many, many special needs families. I have met and talked with many, many special needs teachers. I have visited in dozens and dozens of classrooms with high levels and low levels of special needs students. I have talked with instructional assistants, dozens and dozens of them

about the work that they do in the classroom. I have seen an incredible number of highly successful, highly positive experiences. I have talked to people about the difficulties. So to indicate that I am not in communication with people on this issue is so far off the mark that it is just entirely inaccurate.

Our government has –

Madam Speaker: Order, please.

New Directions Program Funding

Mr. Doug Martindale (Burrows): The Minister of Family Services will be aware that a support program for parents of high-risk children run by New Directions has lost its funding. They met last week for the last time after providing a very valuable service to parents for the last seven years.

Will the Minister of Family Services intervene and assure the House and assure these parents, who have gone public with their concerns, that the funding will indeed continue so that their children do not fall through the cracks and so that her department is saved thousands of dollars in the future?

Hon. Bonnie Mitchelson (Minister of Family Services): I know that my honourable friend did write to me this morning and indicate that this was happening and did ask me to intervene, and I know that he did hold a news conference also around the noon hour to—[interjection] Well, Madam Speaker, I would not encourage the opposition to clap quite yet because the information that was put on the record in the news conference and in my honourable friend's letter was absolutely inaccurate, false information.

I have a letter that I would like to table to my honourable friend because I did just receive the letter from him that indicates quite clearly that Winnipeg Child and Family Services—that is the agency in Winnipeg—is evaluating many programs of this nature right throughout the system and that the funding is there for at least six months for this program into the new year, and if the evaluation proves that it is serving the needs of those families, the program will continue.

Mr. Martindale: Madam Speaker, will the Minister of Family Services intervene with Winnipeg Child and Family Services and ensure that this funding continues on a permanent basis, not on a temporary basis but permanently since the value of this program has been proved by the statements of the parents today? Will she make sure it continues on a permanent basis?

Mrs. Mitchelson: Madam Speaker, I think it is my responsibility as Minister of Family Services and the responsibility of our government in general to ensure that we are spending taxpayers' dollars in an accountable fashion to all Manitobans. I make absolutely no apologies for evaluating programs, determining the success and whether in fact children are being served with those programs. I have said many, many times before that we have to look at and evaluate all programs and have all programs be accountable on a regular basis, and if in fact programs are not working, we have to have the courage to refocus those dollars into programs that will better meet the needs of children and families.

* (1410)

Cross Lake, Manitoba Northern Flood Agreement

Mr. Oscar Lathlin (The Pas): Madam Speaker, I just returned awhile ago from Cross Lake where I was invited to go and meet with the community of Cross Lake, the chief and council and members of Cross Lake. The topic of discussion was of course Manitoba Hydro and this government's failure to recognize and uphold the terms and conditions and implement the Northern Flood Agreement.

I would like to ask the Minister of Northern Affairs to give this Assembly justification as to why he refuses to go to Cross Lake, meet with the chief and council there instead of sending insulting, condescending, patronizing letters like you did on March 19. I would like to table a letter from the Assembly of Manitoba Chiefs supporting the efforts of Cross Lake, contrary to what the minister has been telling the media.

Hon. David Newman (Minister of Northern Affairs): Madam Speaker, having just returned from Cross Lake, the honourable member for The Pas accompanying the

media obviously has participated in observing the situation there. I think that is useful because the people of Cross Lake are looking for facts and they are looking for leadership, and there is a great need for them to understand what has been missed by that community.

There is over a hundred million dollars that was available through the comprehensive settlement. There has already been an implementation involving some \$35 million for the benefit of the community. There was an \$8.3-million advance pursuant to the comprehensive settlement which was agreed to in substance in the early summer of this year. The community is in need of having that kind of investment in their future. The community, under the leadership, has not even wanted to sit down at the table because it does not have its proposals together yet.

So the community—we are waiting with great anticipation to find out where they want to go and what their vision is.

Mr. Lathlin: Could I ask the minister then why he insists that the chief and council are doing this on their own? When I was there this morning, I observed at least a thousand people at the blockade site, as well as people meeting amongst themselves in the community. The support that has been given by members of Cross Lake is overwhelming, and yet the minister continues to say that they do not have the support of the community. They have support from the Assembly of Manitoba Chiefs.

I want to ask the minister—[interjection]

Madam Speaker: Order, please. The honourable member for The Pas is attempting to pose his question. Could I ask for the co-operation of all members, please.

Mr. Lathlin: —and that is, if the minister is going to honour the terms of the agreement, at least in Article 3, if he says he has honoured the agreement, why then in Article 3, the band has not received any land according to the entitlement they were supposed to get.

Mr. Newman: Madam Speaker, I do welcome this opportunity to clarify this sort of misinformation which has obviously got out there and has caused a lot of confusion amongst the people of Cross Lake, and I

might say too often the kind of misinformation which is engendered by the kinds of positions that have been taken by the official opposition party and the kinds of questions raised with the Minister of Family Services (Mrs. Mitchelson).

With respect to this very specific situation, the Northern Flood Agreement was signed in 1977. It still exists. It is the signed binding agreement which is the basis for the relationship with Hydro, Manitoba and Canada and which has in its content the opportunity to provide for any issues in dispute between Cross Lake and its people and those particular parties.

The comprehensive settlement, which has been agreed to by four other bands, most recently Norway House, is designed to provide the ability, the freedom and capacity for those other communities to become socioeconomically self-reliant and healthy and sustainable communities. Cross Lake, so far, has chosen not to embark in that resolution.

Madam Speaker: The honourable member for The Pas, with a very short question.

Mr. Lathlin: I would like to direct my question now to the First Minister and ask him: since the Minister of Northern Affairs refuses to visit his constituents in Cross Lake—after all, they are citizens of Manitoba—will the First Minister assign that work to another minister so that we can finally come to a resolution on that issue in Cross Lake?

Mr. Newman: The difficulty with pursuing any further discussions with Cross Lake is, No. 1, they have failed to be reasonable in the positions they have advanced. They have put up a blockade which has prevented Hydro transformers to go to Garden Hill, three transformers which would have allowed them to have the same standard of power and as a result, health, sustainability and economic development that every other community in the province has in the south. They are also hurting other Island Lake communities in this effort to grab attention.

The fact is that if efforts were expended by their people to come to the table and discuss issues under the Northern Flood Agreement, I have told them I am willing to get personally involved and make sure

everything is done in good faith. They have failed to come to the table and indicated they do not want to come.

* (1420)

Point of Order

Mr. Steve Ashton (Opposition House Leader): Madam Speaker, I want to cite Beuchesne Citation 417 again. "Answers to questions should be as brief as possible, deal with the matter raised and should not provoke debate." The member for The Pas asked the Premier (Mr. Filmon) whether he would put a minister in place who is willing to get involved in dialogue with the people of Cross Lake. The response from the minister not only had nothing to do with the question, it shows why there is such a problem. We have a minister who thinks he knows better for the people of Cross Lake than the people of Cross Lake know themselves.

Hon. James McCrae (Government House Leader): On the same point of order, the honourable member for Thompson cites Beuchesne citation which asks or suggests that ministers not provoke debate in their responses. I only ask the honourable member for Thompson to refer to each of the questions put this afternoon by the honourable member for The Pas and examine them and their content for any suggestion of provocation. The provocation was in the questions, not in the answers.

Madam Speaker: The honourable member for Thompson does not have a point of order.

* * *

Madam Speaker: Time for Oral Questions has expired.

MEMBERS' STATEMENTS

Chief Medical Examiner

Mr. Gord Mackintosh (St. Johns): Madam Speaker, I rise today to address a very serious issue that is facing Manitobans once again, and that is another serious shortcoming that has been shown in the Department of Justice in Manitoba, in fact, an issue that has now been

receiving national attention, I think an embarrassment to Manitobans. More particularly though, I think an issue of life and death that should concern every one of us, and that is the issue of the Chief Medical Examiner's office of Manitoba and the apparent shortcomings and the questions that Manitobans are raising about the efficacy of that office.

Yesterday, we understand that the Chief Medical Examiner made—

Point of Order

Hon. Vic Toews (Minister of Justice and Attorney General): Madam Speaker, this member is in fact transgressing the rules. He knows that this matter is a matter of a public inquiry before the courts, and he is breaching the rules. He knows that this is a wrong thing to do, that there is a judge considering this matter, and he continually attempts to subvert the administration of justice by comments that might interfere with the performance of that judge's duties.

Mr. Steve Ashton (Opposition House Leader): On a point of order, I would point out that it is not acceptable on a supposed point of order for this minister to attribute motives, in this case subverting justice. Also, the Minister of Justice should do some research in terms of our sub judice convention. This is a civil matter. It is not subject to the restrictions on sub judice. It is not only appropriate for this member to raise this question, I think it is absolutely in the public interest to have this raised in members' statements in the Legislature on the public record.

Madam Speaker: On the point of order raised by the honourable Minister of Justice, Beuchesne Citation 507(1) states: "no settled practice has been developed in relation to civil cases, as the convention has been applied in some cases but not in others" but traditionally has been applied consistently, according to Beuchesne 506, in criminal cases.

Therefore, the honourable minister does not have a point of order.

* * *

Mr. Mackintosh: Madam Speaker, the members of this House on this side—and I am glad you were

supporting this position—will not subvert justice, as the minister alleges this side is doing, by trying to hide from the public serious matters of public interest. There is nothing more serious than life and death. The office of the Chief Medical Examiner is established in order to prevent the kinds of deaths that Manitobans have suffered at the Health Sciences Centre.

It was back in May of 1994 that this side of the House raised serious questions about the office of Chief Medical Examiner. At that time we asked the government to please appoint an outside agency or an outside review to ensure that that office was indeed fulfilling its designated function. Again in June of 1995, we brought to this House the issue of the baby deaths at Health Sciences Centre. We asked at that time why it is, despite references in the annual report, that every child death would be reviewed, only one of the 12 deaths at the Health Sciences Centre was reviewed. We did not get an answer on that question.

Finally, the government got a report by the Premier's campaign manager. We are now asking for the release of that report, so Manitobans will know what at least that report found out about the workings of the office of the Chief Medical Examiner.

* * *

Madam Speaker: The honourable Minister of Justice, a member's statement?

Hon. Vic Toews (Minister of Justice and Attorney General): Yes, Madam Speaker. I rise today on a member's statement in respect of a matter that is of grave concern to me and to members of the Manitoba Association of Crown Attorneys. The Manitoba Association of Crown Attorneys have released statements regarding a number of cases which they felt were very important to bring to the attention of the public. They have stated specifically that opposition members of the Legislature have—

Madam Speaker: Order, please.

Point of Order

Mr. Steve Ashton (Opposition House Leader): A point of order, Madam Speaker. This is members'

statements. The purpose of members' statements is to give private members the opportunity to make statements on matters of concern to their constituents. In terms of ministers, it is not time when ministers should be making statements regarding their portfolios. The appropriate time to do that is ministerial statements.

I would suggest that, once again, the Minister of Justice is out of order.

Madam Speaker: The honourable Minister of Justice, on the same point of order.

Mr. Toews: Madam Speaker, I am raising an important matter that is of grave concern to all my constituents, indeed all of Manitobans. This is not simply a matter of the administration of justice. This is a matter of the opposition member for St. Johns (Mr. Mackintosh). Now the members opposite are wanting to hide what I have to say, and they stand up and they object to what I am being—now I am standing on a point of order to ensure that members of the public understand that the member for St. Johns has made very scurrilous accusations and that needs to be placed on record.

* (1430)

Madam Speaker: Order, please. On the point of order raised by the honourable member for Thompson, indeed—[interjection] On the same point of order? May I please have clarification from the honourable member for St. Johns if he was on his feet on the same point of order?

Mr. Mackintosh: Madam Speaker, I have a point of order following on comments made by the Minister of Justice.

Madam Speaker: Not the same point of order that I am about to rule on. [interjection] Okay.

On the point of order raised by the honourable member for Thompson (Mr. Ashton), according to our rules, members' statements 20.(2)—and I was listening very carefully. I think had I heard a little bit more, I would have been able to have made this decision without an interjection by the member for Thompson,

but sometimes it is very difficult to tell where a member is leading with the introductory comments. "A Minister of the Crown may not use the time allotted for Members' Statements to comment on government policy or ministerial or departmental action."

Therefore, the honourable member for Thompson did have a point of order, and the honourable Minister of Justice (Mr. Toews) will not be allowed to complete his member's statement.

Point of Order

Madam Speaker: The honourable member for Thompson, on a new point of order.

Mr. Steve Ashton (Opposition House Leader): A new point of order, Madam Speaker. In the comments that the minister made on the point of order that you ruled on just previously, the minister used the word "scurrilous." Under *Beauchesne Citation 489*, "scurrilous" has been clearly ruled as unparliamentary.

I would like, once again, Madam Speaker, for you to call the minister to order; in this case, withdraw that unparliamentary word.

Hon. James McCrae (Government House Leader): Madam Speaker, on the same point of order. I remember the word complained of today at one time being used by former Premier Pawley in relation to something I had said, which reminds me of *Beauchesne Citation 491*, which reminds us that we ought to take words in the context in which they are used before deciding whether they are parliamentary or unparliamentary.

The citation says: The Speaker has consistently ruled that language used in the House should be temperate and worthy of the place in which it is spoken. No language is, by virtue of any list, acceptable or unacceptable. A word which is parliamentary in one context may cause disorder in another context, and therefore be unparliamentary. So, Madam Speaker, *Citation 491* is the kicker, as it were, in the whole book, because it renders both lists in other citations somewhat useless, depending upon the context in which the words are used.

So I suggest that in an effort, perhaps, to bring some moderation to the discussion this afternoon, you might like to consider the honourable member for Thompson's point of order and my response to it and maybe rule on the matter at another time, depending on how you feel about it. But in any event, once we get that behind us, we might get on with a little more order in the Chamber this afternoon. Thank you.

Madam Speaker: Order, please. I would remind all honourable members that indeed any word used in the Chamber, generally the Speaker's guideline for determining whether it is unparliamentary or not, is if it causes disruption, and the word "scurrilous"—I cannot even say it now—has appeared on the list of unparliamentary language as precedent previously. It has also been drawn to my attention that the former Speaker Walding ruled this word, when directly referring to a specific member, as unparliamentary.

I would therefore request the honourable Minister of Justice to withdraw the word.

Mr. Toews: Well, Madam Speaker, if in fact Speaker Walding ruled that way, I will in fact withdraw that word. Thank you very much.

Madam Speaker: I thank the honourable Minister of Justice.

Senator Andrew Thompson

Mr. Jack Penner (Emerson): It certainly has been an interesting part of members' statements so far.

I rise in the Chamber today to congratulate the decision taken by one of Canada's most infamous and well-known characters. Unfortunately this character is not well known for his hard work and dedicated public service; rather we knew him as Canada's most truant senator. I am speaking of Senator Andrew Thompson who has recently announced his resignation. Unfortunately, Mr. Thompson reached the decision only after massive public outcry, banishment from his caucus and after an unprecedented move by the Senate to suspend him.

Since 1990, Mr. Thompson has attended only 12 sittings of Senate. In the last 15 years he has attended less than 5 percent of Senate sittings. While this record

is appalling, it is by no means unique. Regularly, about one-quarter of senators miss 40 percent or more of the sittings. Obviously there is a systematic problem in the Canadian Senate and one that cannot be addressed by tinkering or at the margins.

The Senate should be reformed to be effective, equal and, most importantly, elected. While the Senate has taken some small steps to reform its practices, these small steps do not go far enough. If senators cannot police themselves to ensure that they perform their most basic duties, then they are unworthy of our trust and confidence. Canadians have lost respect for the institution of the Senate, and if it cannot be reformed, perhaps Canadians would be better off if there were no Senate at all.

On behalf of the members of the Legislative Assembly, I congratulate former Senator Thompson on his long-delayed decision. Now we can only hope that during his ongoing respite in Mexico, the senator will take a moment to think about the \$48,000 pension that Canadian taxpayers will provide.

Education System—Special Needs Funding

Mr. Steve Ashton (Thompson): I think we have seen why we have so many problems with education in this province. We saw it earlier in Question Period where repeatedly the Minister of Education (Mrs. McIntosh) refused to take action for special needs children. This, the Minister of Education, who has no trouble sending out letters on whatever her fancy may come up with, whether it be Chris Millar, a student protester, or God Save the Queen, this is the same minister who will not intervene to make sure that we have proper funding for special needs students.

What I would like to suggest to the minister when she goes back to her office and opens up her computer and sits down to write a letter, I have a suggestion for a number of potential letters. The first one, Madam Speaker, should be to the Premier (Mr. Filmon) and it should be to the Minister of Finance (Mr. Stefanson), and it should direct those ministers to stop the underfunding of public education in our province. That is the first letter.

The second letter is to deal with the special needs students. She can send that to the First Minister as

well. I have a suggestion for a few other letters as well. I know many of us in northern Manitoba would like to see a letter calling for the establishment of a northern university, something that has been talked about for many years.

Finally, if the minister really wants to sit down at that word processor and type up the appropriate letter, I would suggest, after her bizarre behaviour as Minister of Education and her neglect to public education, it be her letter of resignation.

Morden Collegiate Vox Choir

Mr. Peter Dyck (Pembina): I would like to congratulate the members of the Morden Collegiate Vox Choir. They recently achieved a gold medal at the Winnipeg Music Festival in early March. This accomplishment also entitled them to compete for the Earl Grey Trophy which they just won on March 18. In May of this year these talented singers will travel to Vancouver to compete in MusicFest Canada. These young ladies all attend Morden Collegiate and are a very close group.

Their choral director, Miss Catherine Robbins, noted that their close relationship adds to their performances. I, along with my community, am very proud of these young singers. They have represented Morden with a great deal of class, and I know that they will continue to do so as they head on to Vancouver in May.

Madam Speaker, these students will always remember and cherish these experiences. Many members of this House and Manitobans had an opportunity to see this choir perform during the recent Christmas open house. I am sure they are well remembered.

On behalf of all members of this House, I would like to wish the Morden Collegiate Vox Choir good luck and good times as they proceed to the music fest in Vancouver. Thank you very much.

Community Corrections Forum

Mr. Gary Kowalski (The Maples): I rise to congratulate some citizens from Citizen's Advisory Committee of Correctional Service Canada and The

John Howard Society of Manitoba for sponsoring a community forum. Community Leadership in Community Corrections was the name of the forum. This was held on Saturday, March 21, at Concord College. The keynote speaker was Barbara Daté from Menno Simons College. In addition, there was a panel made up of Darlene Rempel from Victims and Citizens' Advisory Committees; Art Majkut, Regional Vice-Chairperson, National Parole Board; Rene Desrochier from the Lifeline Group and myself.

This was a wonderful one-day workshop. I think the most interesting part of the workshop was when we broke into small group sessions. A mother of a young girl who had been killed got up during her workshop and talked for 15 minutes about how she felt about the conditions that the person who killed her daughter was living under. After she talked for about 15 minutes, she said that was the first time in the entire legal justice system that she felt she had been listened to and heard. She said that is what she really wanted all the way through the justice system or the legal system.

So I commend the people who put on this conference, Andy Grier, Terri Hibbi and others, for the wonderful work they did, and I hope we see more workshops like this. Thank you.

ORDERS OF THE DAY

Hon. James McCrae (Government House Leader): Madam Speaker, I move, seconded by the honourable Minister of Family Services (Mrs. Mitchelson), that Madam Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

Motion agreed to.

* (1440)

COMMITTEE OF SUPPLY

Supply—Interim Supply

Mr. Chairperson (Marcel Laurendeau): The Committee of Supply will come to order. Yesterday we were dealing with the resolution before us.

The honourable Leader of the official opposition, with his question.

Mr. Gary Doer (Leader of the Opposition): I would like to thank the minister for the answers to questions I raised yesterday and the conversation we had after.

I would say, Mr. Chair, that I respect the fact that the New Directions staff have a very, very challenging job, and they have a lot of very dedicated people. I also know that we are dealing with a very, very compounded situation here. We are dealing with a group home that has a community. It was proposed to move to another community. Regrettably, there was huge public opposition, and then the proponent moved the proposal to a different community.

Mr. Chair, I think that has really set about a chain of emotional events. It perhaps has changed the way in which the sponsoring agency dealt with the total community, and it has set up a situation that I think is very bad for the kids going into the new proposed setting.

I happen to believe that a physical setting is important, and I know that is a consideration for the move to begin with, but I believe the emotional conditions, i.e., the community conditions, are paramount to the ability of kids to get treatment in a community.

There is no sense having a community setting if the community is hostile and if the hostility builds up over a period of time based on a change of plans that took place from one community to another over a six-month or eight-month period.

So I will certainly work with the minister in her offer to try to find a way to solve this issue. As I say, I remain absolutely convinced that the best option is the existing community, only because of what happened at Springfield Road and now what has happened in terms of time in the new proposed location. I also know that any meeting that she is able to arrange will only, in my view, it may be able to resolve the issue, it may not, but there can be no resolution to this proposal if it is deemed to be going forward without the host community being involved in community meetings that, regrettably, were not attended on January 15.

So whatever meetings we are able to arrange will not be a substitute if the project is going ahead for a community meeting, but I am certainly willing to continue on discussions with the minister or minister's staff and the New Directions' proposal. As I say, my criticism may be more on the basis of their changed strategy as a result of what happened on Springfield Road, a situation that both the minister and I have discussed privately, and a situation I think both of us share in terms of what it meant to that program. So I accept her concerns about the situation.

I know that she is in a very awkward situation. I am in an awkward situation as a former board member of the Main Street Project, in particular. I was on that board for a number of years. Our MLAs do not interfere with the location, the meritorious location of treatment programs. We will interfere if safety is at risk for the community, but we normally stay hands off, and the minister will know over years we have not raised an issue with her directly or previous ministers, because we respect the process and we respect the work that is being performed in the community.

As I say, I know there are a lot of dedicated people working with kids, and I know there are a lot of dedicated people who care about making a difference for children and youth. I think that any meeting that can be set up is useful, but nothing can take the place of the long-term work that has to be done in the community. Regrettably, I think we have a situation now where we have to make a treatment decision about the physical inadequacies of the existing location versus the emotional inadequacies of a new location.

Hon. Bonnie Mitchelson (Minister of Family Services): Mr. Chairperson, I thank the Leader of the Opposition for the comments that he has put on the record. I have to say that I certainly respect any discussions that we have had sort of leading to the understanding that we all really do care about trying to ensure that the children are safe and secure in a community that is supportive of the treatment. We all know that not everyone will be happy with every decision that has been made, but it is important to try to assure those who live in our communities that there is some community responsibility too for the treatment and care of some of the children who are most vulnerable and most at risk.

I had the opportunity to speak to Linda Trigg from New Directions this morning, and I would like to offer the opportunity for us to sit down in a nonpartisan way, focusing on the children first and try to ensure that we can come to some sort of successful resolution. My honourable friend I think has indicated that he is willing to be a part of that process. So I will get back to New Directions and see whether we cannot pretty quickly get together and try to come to a positive resolution to something that has become a very negative situation.

So I thank him for the comments and for the work that he has done and I know will continue to do to ensure that the policies that his government had in place and we have in place now around support for children in communities is dealt with in the best way possible.

Mr. Doug Martindale (Burrows): Mr. Chairperson, I am just going to fill in and ask some questions while we are waiting for our next critic. Since we have the Minister of Family Services here, I did not want to pass up this opportunity.

As the minister will know, there was a proposal to separate east area of Winnipeg Child and Family Services, at least the rural part, and our Children and Youth Secretariat critic and I received some phone calls from people on advisory committees, and we talked to some of the staff and heard people's concerns about this. It was rather interesting, because whereas one might assume that rural people might want to be on their own, in fact in this case, they wanted to continue with the Winnipeg part of their area because they felt that they would have better access to resources in Winnipeg.

Now I understand that some changes have been happening over time, and I think the original proposal has been rethought and redesigned several times. My understanding is that there may be a new agency set up in the rural area but that would be a separate, maybe stand-alone Child and Family Services agency, but I wonder if the minister could just bring me up to date on what is currently happening there.

Mrs. Mitchelson: Mr. Chairperson, indeed, there was some concern in the community when—and I think it

was the Prairie Research report. The operational review of Winnipeg Child and Family Services did recommend that the Winnipeg Child and Family Services Agency only encompass the city of Winnipeg and that the areas that were part of Winnipeg Child and Family outside of the city of Winnipeg boundaries should have some other structure. So it was a recommendation that we felt should be looked at and, indeed, it was. There was considerable concern initially around the whole process. I think as a result of community consultation, discussions with the Winnipeg agency with the communities outside of Winnipeg, there seems to be a growing desire to maybe look at a separate agency of some sort involving those areas outside of the city limits.

* (1450)

There has been no final decision made yet, but I think most people are thinking that it might be the right direction to go. Now there will be several implications, and one of the issues originally, I think, was the whole issue of foster placement, because we know that many of the children from the Winnipeg agency use a large inventory of foster homes outside of the city limits for placements for their children, and there is a great resource in communities outside of Winnipeg for foster parents. So that is certainly an issue that needs to be resolved, but the operational review did recommend also that there be a central inventory of foster homes right throughout the province.

So we are working towards kind of figuring out what to do with that recommendation also, and it only makes sense that if there are children that need a foster-home placement and there is an abundance of foster homes in any one community, no matter where it is, that we should be able to access those on a province-wide basis in the best interests of all the children that we serve, so we are looking at trying to deal with that recommendation too. We all know that these things do not happen overnight and especially when change occurs and it is significant change, we have to ensure that all the checks and balances are in place.

Mr. Martindale: I would like to thank the minister for her response. A couple of things that really impressed us when we actually went to Oakbank and a number of other communities was the number of foster homes that

we were told are available and also the family resource centres. In fact, we were very impressed with the family resource centres and the kinds of resources that they offer, and one of the things that occurred to us is that every Winnipeg Child and Family Services Agency should have family resource centres, not just one area.

One of the questions that we had, and I will ask the minister about this, is whether or not, if there is a new agency in the rural part of east area, consideration is being given to extending it further east to take in the area geographically that is currently served by the Department of Family Services.

Mrs. Mitchelson: There has not been any final detail worked out on what the composition of a new agency might be or what it might look like. We are not at that stage at this point in time. I think we have to take into consideration many different things.

I know we have an unusual situation in our province where my department in some regions is responsible for Child and Family Services, and in other parts of the province we have mandated agencies that are responsible. It is a little different than what happens in some other provinces. I think we have to look very carefully at what we might like to see or what we would envision as a new agency, if and when it is created, which I think we are exploring or pursuing in a very positive way. There is no final determination about what that might look like.

Mr. Oscar Lathlin (The Pas): I would like to address some issues and ask questions from the Minister of Northern Affairs (Mr. Newman). The blockade that we have set up in Cross Lake currently. I want to start off by saying that I was really disturbed by the contents of the minister's letter of March 19, I think it was, when he wrote to the chief and council in Cross Lake, and I would just like to read a little bit of his letter here.

He says: While we would be prepared to meet with you as early as 24 hours following the removal of the blockade and the cessation of related activities, please be assured that neither Mr. Brennan nor I will contemplate any discussions or negotiations with you or a representative of First Nations under the circumstances as they stand now.

Then he says: To do so, in our view, would be wholly inappropriate and just as irresponsible as the action that has been taken which you are supporting. As a leader of your community, I expect you to lead, being guided by the honour and value system of your people. Where is the trust, honesty, respect, courage, integrity and wisdom in what you are condoning in supporting these actions?

Then he says: You will risk irreparably damaging our efforts to create a good-faith, communicative relationship based on your traditional values.

Now, what I find disturbing in that letter, Mr. Chairman, is the tone of it. The letter is, in my view, very condescending, it is very patronizing, it is belittling, it is demeaning and it purports to preach and judge the actions of the leadership of Cross Lake. I say to you, the Minister of Northern Affairs (Mr. Newman), his government, his Premier, or any of his colleagues have no authority whatsoever to be judging the leadership of Cross Lake, the membership of Cross Lake. He has no authority whatsoever to preach to members of Cross Lake about honesty, trust, respect, courage, integrity and wisdom, none whatsoever.

All we have to do is look at past agreements. All we need to do is look at Treaty 5, where the terms and conditions of that treaty have not been fulfilled. All we have to do is look at the treaty land entitlement, where it took almost a hundred years to finally come to an agreement in principle.

Yet this minister has the audacity and the nerve to write this letter in a very condescending, patronizing manner, demeaning and belittling, by the words in this letter, the traditional beliefs and values of those people in Cross Lake. How dare you tell the people of Cross Lake that they are not living up to their traditional beliefs and values when his system of government, when his people, his governments in the past have tried everything, including federal government policy, provincial government policy, legislation to do away with the Indians? How dare he try to preach to the people of Cross Lake to live by and follow their beliefs and values? He has no moral authority. He has no legal authority. He has no spiritual authority to write such a letter.

In fact, if anybody is supposed to be preaching about trust, honesty, respect, courage, integrity and wisdom, it should be the people of Cross Lake. They have waited for over a hundred years, for example, for treaty obligations to be fulfilled. They have waited a long time for treaty land entitlement to be fulfilled. They have waited 20 years for the Northern Flood Agreement terms and conditions to be fulfilled, and yet this minister has the nerve to write to those people in Cross Lake and tell them, where is your trust, where is the integrity? What hypocrisy.

* (1500)

I do not want to ask too many questions, Mr. Chairperson. I would like to maybe ask two questions; one of them being, why is the minister so dead set against going to Cross Lake to meet with the chief and council and its membership? The Assembly of Manitoba Chiefs support it, and they have indicated their support in their letter to the Premier. They support the actions of Cross Lake. The Assembly of Manitoba Chiefs, of course, is an umbrella, a political organization for all 61 bands in Manitoba.

The people from Gods River and Gods Lake Narrows, the Island Lake area, those people were there this morning meeting with the chief and council and the membership of Cross Lake, giving them their wholehearted support in their endeavours to bring this minister and the president and chairman of Manitoba Hydro to Cross Lake to see about finally resolving the Northern Flood issue.

Why is he not prepared to go there? As I had told him earlier, when I was a chief and whenever my people would be unhappy about things that we had done as a council, they would call a community meeting, and we had no choice but to go to the community meeting and dialogue with our people. Sometimes there were only 10 there. Sometimes there were 500 people in the hall wanting to get answers from chief and council.

We did not run away from them because we knew we were the only chief and council that they had in that reserve, and to run away from them, to hide from them, would have been totally irresponsible, and as I told him, in a lot of cases, for the most part, those meetings

turned out to be very, very positive. Something good always came out of it.

That is why I am asking the minister, why is he refusing to go to Cross Lake and meet with the members of Cross Lake? The minister and this government, they are the only provincial government in this province, I am afraid. Where else will the people of Cross Lake go? Do they go to Saskatchewan? Do they go to Alberta? No. They are citizens of Manitoba, and they have that God-given right to come to their government and ask to speak to them.

The second question I have for the minister is if he is so strict with his standards, his honour, his credibility, his trust, his integrity, if he has such high standards and he expects Cross Lake to display those same characteristics and behave accordingly, why then has this government and Manitoba Hydro twice appealed an arbitrator's decision favouring Cross Lake with respect to the bridge? Twice now Cross Lake First Nations have won the arbitrator's decision, and each time this government and Manitoba Hydro have chosen to ignore the favourable decision and appeal it, and yet in the same breath, this minister tells the people of Cross Lake, I expect you to lead, being guided by the honour and value system of your people. Where is the trust, honesty, respect, courage, integrity and wisdom?

I am asking the minister those two questions based on all of those that I have just mentioned. Will he show leadership? Will he show honesty? Will he show respect? Will he show courage, integrity and wisdom? Go to Cross Lake and explain to us why this government keeps on appealing arbitrators' decisions which have come in the favour of Cross Lake.

Hon. David Newman (Minister responsible for Native Affairs): Mr. Chairman, by way of a preamble in responding to the two questions that have been posed from the honourable member for The Pas, I want to give some background information which will lay the foundation for the responses.

A lot of adjectives have been used by the honourable member for The Pas in relation to the way he perceives my conduct in relation to Cross Lake. I have the greatest respect for the value systems that have been summarized in that letter, and I regard those to be very

much universal kinds of value systems which I have the highest respect for, and I make every effort myself to personally live up to those standards.

Frankly, I expect everyone who is an elected official in Manitoba, whether as a chief of a band, as a member of this Legislative Assembly, as a mayor, councillor, to do their best to the extent that human frailty permits to live up to those kinds of value systems.

The conduct that was described in that letter was conduct of leadership, which led to a blockade being put up to prevent Hydro and other vehicles to utilize a rapidly disappearing winter road and to utilize a ferry to cross a body of water, to bring to Garden Hill, a First Nations reserve, which was at the destination along the road, to move three huge transformers that cannot be transported by air, in a God-given window of opportunity because of colder weather which had been denied previously, to move those transformers to Garden Hill.

After a serious disappointment by Garden Hill, that belief that the winter roads would not be restored because nature had chosen to melt them, this window of opportunity was available for a very short period of time, a matter of days if not hours, and Hydro, to capitalize on that opportunity, moved all of this material and those transformers in readiness to access Garden Hill. On the verge of achieving that destination they were blockaded by action, not just condoned, but authorized and supported by the chief of the band and council, or at least it must be a majority of council.

The consequences of that decision were to deny Garden Hill First Nations people hydro power which has been long aspired to. Members of the official opposition have repeatedly attacked the government, federally particularly but also provincially, for not allowing First Nations communities of the North to have the same standard of infrastructure that we do in Manitoba in the south. This was denied by the actions of the chief and council and whoever in the band supported that blockade by preventing those vehicles to cross.

* (1510)

That kind of conduct is the kind of conduct that I would submit no reasonable person responsible to and

accountable for actions of this government of the Province of Manitoba, on behalf of the citizens of Manitoba, can condone or support or encourage. And by having that kind of conduct draw attention to a situation, and to respect it and to give credence to it and to signal approval of it by giving in to it, would be irresponsible, using the words that I used in the letter.

That is not the kind of conduct that is going to attract favourable attention of this minister and, I would submit, this government, and nor would any self-respecting elected official on the other side of the House support this kind of conduct and, in effect, condone it by supporting it in the way the honourable member for The Pas (Mr. Lathlin) apparently is doing. But perhaps the honourable member for The Pas does not yet understand all the facts of this situation, and it is my job now to enlighten the honourable member for The Pas and all of the people of Cross Lake with my perspective of the facts.

The first question is: why is the minister so dead set against meeting with Cross Lake and its membership. That shows, right on the face of it, that he totally has been misled or misunderstands, because I made it very clear and continue to make it clear that with respect to discussions and claims pursuant to the 1977 Northern Flood Agreement, which the band, chief and council have chosen to invoke as the governing agreement instead of proceeding on the path of the comprehensive Northern Flood Agreement settlement, having chosen that, I indicated unequivocally and continue to repeat unequivocally, I am prepared not only to have the province involved in the discussions and claims under the NFA of 1977 in relation to Cross Lake, but I indicated that I would be prepared to be personally involved in that to satisfy myself that Manitoba Hydro and Canada were conducting those negotiations, in my judgment, in good faith, that is, in the interests of the people of Cross Lake and the interests of the First Nations people generally.

I consider that to be my responsibility both as the Minister responsible for Native Affairs and as the Minister responsible for Manitoba Hydro, because the position I take in response to Manitoba Hydro is, I do represent the interests of aboriginal people and all Manitobans who are served by Manitoba Hydro. If Manitoba Hydro board or management are not acting in

the best interests of those Manitobans, I will stand up and let it be known, and that is my job as the Minister responsible for Manitoba Hydro. That is my role.

Now, with respect to the second question: if the minister is so strict with his standards, his honour, his credibility, his trust, why then has this government and hydro twice appealed an arbitration decision to build a bridge? Again, Mr. Chairman, the honourable member for The Pas has either been misled or has misunderstood. The claim which is the subject matter of that question, I believe, is claim No. 109 about the Pipestone crossing. The recommendation 25 of the Lake Winnipeg, Churchill and Nelson Rivers study board was that an all-weather road be built connecting Cross Lake community road network with the Jenpeg access road.

The arbitrator initially determined that Canada and Manitoba had not constructed an all-weather road, as contemplated in the recommendation. The matter of damages was then put before the arbitrator in 1996. The arbitrator's decision was, in part, to provide compensation based on the failure to complete an all-weather road. An appeal was filed by Manitoba of the arbitrator's decision on April 9, 1997, based on a matter of law or jurisdiction under 24.34 of the NFA by stated case, and the appeal is waiting to be heard by the Court of Appeal.

There was another claim 11 relating, in part, to arena operation and maintenance put forward to the arbitrator by the band. Manitoba is continuing to fund the arena operations and maintenance on a semiannual basis according to the interim agreement reached in 1985. Claim 11 concerning recreation is proceeding and Manitoba has cross-examined individuals in regard to affidavits filed on claim 11.

All of these kinds of claims are ongoing pursuant to the process created in 1977 under the Northern Flood Agreement, a process which four other First Nations communities decided was not the best way to deal with claims, because lawyers and consultants and arbitrators were taking such a large proportion of the ultimate awards that it was thought better to once and for all resolve all issues contemplated by the 1977 Northern Flood Agreement, resolve them once and for all and

transfer enormous amounts of money, enormous amounts of land into those First Nations communities.

Cross Lake First Nation, until this new chief and council were elected, has substantively agreed and signed off the substantive agreement. In return for that substantive agreement being signed off, the Province of Manitoba, the federal government and Hydro gave another \$3 million to the band, which then resulted in a total of over \$8.3 million have been given in advance, in good faith that the comprehensive settlement would be finalized. Now, that money is seen to be on account of any claims which emerge under the 1977 Northern Flood Agreement, if there is not agreement reached, but there has been no position advanced by the chief and council since the election suggesting if they do not want the comprehensive settlement, what sorts of solution do they want.

There was a meeting set up for March 16, which was cancelled by the band. An explanatory letter was sent out bearing that date, received on March 20 after the blockade, indicating they had not put together their presentation, they were not ready to meet. So any failure to meet is the failure of the leadership of the band. It has nothing to do with Hydro or province or the feds. We have been prepared to meet under the old NFA 1977 agreement.

The position that somehow or other this government has played some sort of role in the failure to achieve treaty land entitlement or Northern Flood Agreement resolutions is very disturbing to me, and I want to clarify for the record. In the Tritschler report, a Commission of Inquiry into Manitoba Hydro: Final Report December 1979, the inquiry commission found when reasonable people sit down and discuss a problem in an atmosphere conducive to reaching agreement that good results can be achieved and, in relation to the conduct of the Schreyer government, the New Democratic government under Premier Schreyer, the report found this course was not followed. Government and Hydro adopted a stance toward the native communities and the NFC of confrontation, hostility and procrastination with, on more than one occasion, a lack of frankness.

The Tritschler inquiry also found that the total identification of interest between Hydro and

government in negotiating with the affected communities was inappropriate. The interests of government and Hydro are not always identical. In this event, government became the advocate for Hydro and thus was unable to fulfill a meaningful role on behalf of the citizens of northern Manitoba who were affected by the activities of Hydro. In future, government should exercise its mandate on behalf of all the citizens of the province, and that is what I am doing as minister and that is what my government is doing, and I am proud of it. That is in relation to Northern Flood Agreements, a commitment of three ministers of this government, backed by the total government. Over the last eight years, 80 percent, four-fifths of the Northern Flood Agreements have been resolved so that the communities now have the freedom and capacity to be healthy, sustainable, self-reliant communities.

* (1520)

Cross Lake has chosen not to go that route, and I respect that decision. They can make that decision, but the consequences are they are then party to an agreement dated 1977—and I might say an agreement commented in Tritschler was described: the Northern Flood Agreement was not achieved until 1977; notwithstanding the lengthy negotiations, the cost of implementing this agreement was not and has not yet been adequately determined. The omission to do so prior to concluding settlement is a perplexing oversight. Again, that is reflective of the Schreyer government and the New Democratic government in 1977. That agreement continued to exist to the frustration of the communities, because the lawyers and consultants and arbitrators were taking money away from the people in those communities. So four of the five communities decided that they had to enter into a comprehensive settlement negotiation. This government, over the last eight years, has brought those to a conclusion. Over \$215 million has been transferred, into trust funds, in large measure; and acreages have been transferred in large measure to those bands to give them the freedom and capacity to be successful communities. Cross Lake so far has opted not to pursue that path. That is their choice.

The problem with the NFA agreement, not only because it involves lawyers and arbitrators and consultants and their costs, is that it involves a process

which is an adversarial process. Ultimately, an arbitrator is involved, and that means evidence, and that means arbitrators governed by quasi-judicial procedures. You have to wait for the arbitrator to make a decision; and, if the decision is not clear, you have to go to court to get a clarification.

So that is the route they have chosen. We respect that. We will engage in discussions in good faith with them under that NFA 1977 agreement at any time. There is no roadblock to that. Even the blockade is not a roadblock to that, but what I also say under the claims process, we will quantify all of the costs associated with this kind of conduct, the cost to the community, the cost to other communities. We will quantify those because that is money that is not going to the men, women and children in Cross Lake. That is the money that is not going into investing in community socioeconomic development. We will quantify that because they are going to be accountable for this kind of irresponsible action, which is hurtful to First Nations people and hurtful to all Manitobans. They will be accountable for it. We will make sure they are accountable for it. We will quantify it all.

I hope the advisors, I hope the lawyers and the consultants and the arbitrators, can rise above their own self-interest and advise the chief and council that, in spite of the fees that they get out of this process, in spite of what they get with no risk to themselves, they will give sound, responsible, professional advice to those communities. I would expect that they would live up to that value system, which, I am sure, the honourable member for The Pas (Mr. Lathlin) and I and all members in this House can do nothing but endorse.

What is wrong with stating those things in a letter? What is wrong with stating those things? I submit to you, honourable member for The Pas, that maybe it is about time that those sorts of standards were articulated and the public expected us to live up to those kinds of standards, you and me and everybody else in this House, because I think we should, and I think we have that obligation.

With respect to the treaty land entitlement, you indicated that that has taken over 100 years to resolve. Well, I know this: I know Schreyer, and I know Pawley, the past premiers in the NDP government when

it was in power, did not resolve treaty land entitlement. But I do know this: I know that this government that I am part of—and I am very proud of it—that this government over the last eight years again, with a committed, determined effort, has signed off implementation agreements, seven of them, before I came into office as minister. Since I have become minister, we have signed off two more implementation agreements, one of them this morning with Buffalo Point. We signed with Chief Dennis Whitebird the agreement implementing treaty land entitlement for the Rolling River First Nation. That was done during the past month as well.

You know, there is a momentum there because Chief Dennis Whitebird, whom I have the immense amount of respect for, had the courage, the leadership, exemplified the values that we are talking about here, of an elected leader. They signed off an agreement in principle on behalf of 19 bands, 19 First Nations—

Mr. Chairperson: Order, please. Could I ask the honourable members, if they do not want to hear the conversation, maybe they could do so in the loge.

An Honourable Member: We are having a hard time hearing.

Mr. Chairperson: I am having a hard time hearing the minister at this time.

The honourable minister, to continue.

Mr. Newman: On behalf of 19 First Nations for a total of all 26 First Nations that have acknowledged claims in this province, have signed an agreement in principle on May 29, 1997—and I had the honour to be there, the privilege to be there because the work had been done by my predecessors, the government of this province led by Premier Filmon, the Honourable Jim Downey, the Deputy Premier, who was my predecessor in this office and, more recently, the Honourable Darren Praznik, who was the minister in this office, and through all of their efforts over years that was achieved.

More importantly, through the efforts of the leadership with that value system that I have described, of Dennis Whitebird and other negotiators and other chiefs, that agreement was arrived at and signed May

29, 1997, and now what we are signing band by band, approved by ratification, is the implementation of what was agreed to.

We are dealing with the transfer of over a million acres of land to those bands. We are talking about the transfer of \$76 million. We are talking about them receiving the overdue, the earned, the entitlement, the entitlement which is going to permit them to have the opportunity to be healthy, sustainable, self-reliant communities over time. They have it now in their power, in their area of responsibility.

Why, why would you not, honourable member for The Pas (Mr. Lathlin), take the side of that value-driven leadership exemplified by Chief Dennis Whitebird and exemplified by all of those chiefs who subscribed to that agreement, rather than endorsing a blockade to attract attention, to the damage of First Nations communities and all Manitobans? I ask you that question, honourable member for The Pas.

Mr. Lathlin: I just want to close off by saying that it is that attitude of the minister, that of being condescending, patronizing. For a while I thought he was going to call me a boy when he started speaking.

He talks about Cross Lake First Nation not receiving support from other First Nations. Mr. Chairperson, you should have been there this morning. Chiefs from Gods River, Gods Lake Narrows were there, and there were representatives from the Island Lake area and Cross Lake. I saw that they were there. They met with the community and the chief and council.

*(1530)

The minister has been trying to pit one First Nation against the other, one group against the other. He tried it on MKO. He tried it on Rod Bushie, the Grand Chief of the Assembly of Manitoba Chiefs, and it is not working. The minister might as well know that and accept it, that trying to manipulate people is not working.

He is upset with Cross Lake simply because he cannot make them heel to his commands and demands. You cannot manipulate them, so that is why he is being frustrated, the same minister whom I listened to, I

believe it was on Wednesday or Thursday, when he was putting his remarks on record with respect to the unity resolution.

Mr. Gerry McAlpine, Deputy Chairperson, in the Chair

I listened to him intently because he said a lot of nice things, things that I really like, and yet the same day he wrote a letter to chief and council in Cross Lake which, in my view, and I will repeat again, is condescending. It was offensive, it was patronizing, and for the minister to say today in this House, will you go on the side of the likes of Chief Dennis Whitebird? Of course. I was a colleague of Chief Dennis Whitebird for a long time and Chief Whitebird knows that. He knows I respect him and I believe he respects me, so he does not have to use those kinds of tactics and say to us in this Chamber and to me, why do you not be like Dennis Whitebird? I would say the same thing to the minister. Yes, why is he not like Dennis Whitebird? If he was, then I would have a lot of respect for him. I would honour him.

Again, I want to say to the minister: Why is he insisting on preaching about honesty, integrity, respect, when his system has been at work all these years devastating aboriginal people, whether it is by policy or by legislation? It was not the aboriginal system; it was your system, honourable member, that did a lot of damage to our people, including the flooding of lands, sending people to residential schools. It was your system. So do not talk to me about your standards, whatever they may be.

Lastly, I want to simply ask the minister or ask him: Will he go to Cross Lake, meet with Chief Roland Robinson and his councillors, the elders, and the rest of the members of Cross Lake with a view to finally resolving the immediate issue of the blockade and then from there arrange for further meetings to resolve the Northern Flood issue that has been outstanding for so long?

Mr. Newman: The question is: Will I go to Cross Lake to meet with the chief, council, and elders with a view to resolving the issue of the blockade? Nature has already resolved that issue. You cannot transport those transformers over that winter road, so that issue is now

not an issue. The blockade has already succeeded in preventing the transformers from getting to Garden Hill and has resulted in a year being lost in providing enhanced power equal to the rest of southern Manitoba in that community, and the opportunities for them to derive the benefits of that and do entrepreneurial and socioeconomic development has been denied them.

I would pose the question to the honourable member for The Pas: Do you support the tactic of blockading the winter road in these circumstances? Did you support that? Where do you stand on that issue, honourable member from The Pas? Where does the NDP opposition stand, where does the official opposition stand on that issue, person by person? Do you stand for those sorts of tactics? Do you stand for those sorts of tactics because, if you do, you are just giving a signal to all of the people who are irresponsible in the First Nations community to do those kinds of things, and if that is what you endorse, each and every one of you, put it on the record, because this government certainly does not support those tactics nor would they condone them and encourage that kind of behaviour.

But we will always be there in good faith to accomplish things in the interests of First Nations people, and sometimes it requires us standing up and taking the sort of abuse that has been heaped on me by the honourable member for The Pas (Mr. Lathlin), which I think was very unfair, unreasonable and unconstructive.

Thank you very much, Mr. Chair.

Ms. Marianne Cerilli (Radisson): I have some questions for the Minister of Housing. I asked earlier this week for the minister to give some explanation about the drastic, ongoing cuts in the Department of Housing. It had the largest reduction compared to Estimates from last year. The Estimate for this year is a 2.5 percent reduction, and I was surprised to hear the kind of answer we got in the House. I think the minister said something like, well, the budget is reduced because we have cut the programs.

That is what I want to talk a little bit about, is some of those programs that this government has cut. I also wanted to look closely, though, at what has been

happening with the budget in the Department of Housing. I looked back, comparing year over year, going back to 1983-84. There are some interesting trends, and I have contacted the minister's department and talked with the head of the Manitoba Housing Authority, and I have been waiting to hear back from him or from Mr. Bos as to some explanation of what is happening. I am sure by this point the minister has been told of my phone calls. I do not know if he has been or not, but I would think that would happen because I was asking some questions about the overspending in his department, and when you compare the amount that was spent two years ago, '96-97, to the amount that is allocated in this year's Estimate, you have a 34 percent reduction.

So those are the first sort of line of questions that I want to ask the minister about, is how does he explain that in '96-97 the department spent over \$13.5 million more than what was allocated in the Estimate, and now this year's Estimate is reduced by another more than a million dollars, and we are seeing this huge underestimating in the total budgetary requirements in the Estimates and then this overspending.

Hon. Jack Reimer (Minister of Housing): Mr. Chairperson, the member is referring to this year's departmental Estimates and the expenditures of funding. I can address them in sort of a broader sense because I think it would be more beneficial if these are addressed through the Estimates process where staff are available and there is a more comprehensive availability of knowledge as to the total intricacies of the various departments and the funding that goes with them.

* (1540)

I do know that there are certain areas where there has been a reduction in funding mainly because of the lack of pickup by some of the programs that are available for the public. One of the reasons for that is the fact that there are fewer people that are making application for funding.

So I can see where there is possibly the inference that part of the budget has been decreased, but a lot of it has to do with the fact that the programs are not being subscribed to the extent that they were before and the

fact that the department has gone through some readjustments in their management and their structure that have brought forth efficiencies that funding is no longer required for in certain areas. So there is a combination of factors involved as to why the budget overall is down, but on the line-per-line basis I would have to wait until we get into Estimates so that I could give the member a more comprehensive and a more detailed analysis as to exactly where the monies are and where the actual allocation funding has a difference, as she has pointed out. So I can only say that a more detailed account can come through our Estimates process.

Ms. Cerilli: Unbelievable answer. Mr. Deputy Chairperson, we are talking about overspending in this department compared to Estimates in 1996-97 of over \$13.5 million. I want to ask the minister for some explanation of what accounts for that kind of overspending in this department. You estimated in '96-97 that you were going to spend \$48 million, approximately \$48.2 million, and you spent \$65.602 million.

So I think that the minister should have some sense—I understand his staff are not here—but he should have some sense of accounting and being accountable for that kind of overspending in his department two years ago and be able to tell me if, when we get the final report for the end of the year statement for last year, we are going to see the same thing, because in '94-95 there was also overspending in his department of some almost \$7 million.

So I cannot accept the answer that the minister has just given, that we have to wait for Estimates. This is Interim Supply. I am asking questions now about whether we are going to see the same trend in this year's final statements for last year's budget of having this huge overage.

Mr. Reimer: It is becoming more clear at what the member is asking me about now. It is slowly starting to come to me what she is referring to. The member is referring to the fairly significant increase in maintenance that was involved within that line that we have spent more money.

The reason for that is the realization that the total stock of Manitoba Housing was originally and was built

primarily in the '70s and the '80s and has come to a point where there is need for some massive injections of capital to renovate, to upgrade, to modernize and to facilitate repairs on a lot of our structures. So the emphasis was placed on bringing up to speed and modernizing not only for the safety requirements, fire codes, there were a lot of necessities that had been put on the back burner, if you want to call it, that had not been attended to over the while. So the feeling was that we should get these buildings and bring them up to code, bring the fire inspections up to code, bring the safety requirements up to code, so there was a fairly large injection of cash into the maintenance budget that the member is referring to.

I agree with her. It is a significant amount, but at the offset it is necessary because of the fact that the stock is deteriorating and, as I say, it is getting old. Public housing in Manitoba gets a tremendous amount of usage, and it just requires the maintenance and the upkeep that came forth. So this was one of the reasons why there was a fairly significant increase in the funding allocation during that time frame. Now will it be continuous year after year? No, because there is a significant amount of money that was flowed to address a lot of the problems. It is not as if the upgrade is needed continually every year, but there was a catch-up involved, and this why there was a significant amount of money that was spent for the maintenance and upkeep for those buildings throughout all of Manitoba.

Ms. Cerilli: I have the annual report in front of me for that year, and it does show that there is a \$10-million infusion into the provision for modernization and improvement, and that is almost in keeping then with the amount that is almost \$4 million short still. I would appreciate it, then, if the minister could provide me with a list of the modernizations and improvements that were done, the upgrades to fire code and health standards that were done in that budget year.

He can answer the other part of my question, which was how he can explain—and he is saying that this is not going to be an ongoing expense, that they have completed all these modernization and improvement requirements, but when we see that kind of a reduction of 34 percent, for now the estimate for this year is \$43,509,200, which, by the way, puts it about the same as it was in the year 1984-85. There does not seem to

be any accounting for increase in inflation, increased costs.

So the Housing budget estimate has really, since this government, I notice, around the time when they brought in the balanced budget act, it has really taken a whack. It is really reduced to the level, as I have just said, of 1984-85. So I want to have some explanation of how it is that we are not going to require the same level of modernization and improvement over the next number of years. Are we going to expect this year that the estimate is going to be met by the amount that is actually spent and for last year that it is going to be met, the year that we are coming to an end of right now, that we are going to have this department come in in line more closely with its estimate?

Mr. Reimer: I think that it behooves the government to work within the budget Estimates that are brought forth and agreed to. The department will naturally try to work within its means and within the parameters that are set up in the budget.

We are of the opinion in Housing that that money that was allocated for that upgrade was a recognition that we had sort of put off maybe a certain amount of expenditures that should have been programmed on an ongoing basis then instead of doing it all at once but at the same time the safety codes, the fire codes, the maintenance of these buildings had to be accomplished. So this is one of the reasons why that funding was allocated, and there was a recognition that funding had to be put into our Housing portfolio.

When I say that it will not be ongoing, we are not preparing to inject \$10 million per year for maintenance, because it is not necessary. There is enough maintenance budget allocation under our normal budgeting process to look after the maintenance and the upgrades and the normal wear and tear on our public housing that we do not have to have this massive injection of cash all at one time.

* (1550)

What will happen, if anything, it might go down because of the fact that with the injection of that large amount of cash, buildings are brought up to speed, they are brought up to code, they are modernized, they have

newer facilities, they may have new windows, new paint, new doors or whatever it is, so that would facilitate that we do not have to repair as much. So there is a possibility that the budget will stay level or even go down, because of the efficiencies that are built in because of the large expenditures of money that has been pointed out with the \$10 million.

It would follow that if we upgrade them, put them into a more modern position with the facilities being upgraded, that they will not need the higher level of maintenance that they would need before. So there is a possibility that the budget may seek readjustments or seek another level of commitment because of the fact that we are not spending as much money replacing now. We are doing a minor repair instead of a major repair on a lot of these structures, so I can see the budget staying in a very flat manner over the next short while.

Ms. Cerilli: I guess, the way I could phrase the question is: Is the minister satisfied that all the required-by-regulation improvements, things like fire code levels, other health and safety levels, have all of those been met in the public housing and social housing stock in Manitoba to date?

Mr. Reimer: It is an ongoing process because it is like a set of dominoes. Once you get into fixing buildings and other things come up that have to be fixed, we are continually trying to bring buildings and structures into code. Some of them, because of the nature of the building and the age of the building, it is more difficult and more costly. So there has to be readjustments and possibly redirections in trying to accommodate the safety aspect for the people in our public housing.

So to say categorically that all buildings are up to code or are of high standards, I would not be able to give that definitive answer unless I had some more input from my staff, but I would say that we are conscientiously working to make sure that all safety requirements and safety implications are met and that fire codes are very high on a priority to make sure that all public housing would fit into the safety requirements and the safety of the people that live in those units. To be definitive—as to exactly does every building meet code—I would have to get the department to get that number exactly for me.

Ms. Cerilli: Was the Robson-Plessis complex—and I realize this is getting into a little bit of detail and maybe the minister will have to get back to me on this, but this is affecting one of the complexes in my constituency where I have heard some concerns that it is not up to code in terms of the electrical system there, but I am wondering if it was included in the upgrades that were done in the '96-97 year with that infusion of \$10 million for maintenance improvement?

Mr. Reimer: The member is right, I do not know specifically about that particular complex, but I will get that information for the member and get it back to her.

Ms. Cerilli: The other thing that I found odd or confusing by the budget this year, and it is a common thing from other budgets, but I am wondering if the minister can explain why it is that the revenue statement for the budget, when it lists the revenue coming to Manitoba Housing from CMHC, does not include the full amount which is somewhere in the area of \$35 million to \$36 million but includes a cost recovery figure which is only \$700,000. So it is quite a bit less.

Mr. Chairperson in the Chair

It is another concern because we have seen over a number of areas how this government has underestimated its revenue from tax in this budget. We have seen that as a trend where they underestimate the revenue. It seems like this is another way, in the Department of Housing, they are underestimating by quite a few million dollars, almost \$30 million, underrepresenting the revenue that they are receiving from CMHC in the revenue statement for the budget. So I am wondering if the minister can explain that and if this is something that has changed in terms of the policy of this government or if that has been consistent over the years, going back into the '80s as well.

Mr. Reimer: The one thing that I have learned in dealing with Housing portfolio and dealing with the various relationships that we have from our housing in the Housing portfolio, in dealing with the federal government and dealing with the provincial government or municipal governments, there is a myriad of funding arrangements that are out there, and it is like a bowl of

spaghetti in the sense that it is very hard to disentangle how the formula works. They are very complicated in the sense of how the funding flows back and forth between the federal government—it gets pretzelized too. It can get very complicated, because there are arrangements—[interjection] Vegetarian, and spaghetti, yes. You can tell, it is on my tie.

But there are arrangements that are what they call pre-1986 or after 1986 and before 1985, where there were funding arrangements between the federal government and the provincial government. Some of those funding arrangements were on a 50-50 cost-share basis and others were on 75-25 cost-share basis with the federal government, and then when you get involved with the municipal level of government, there are funding arrangements where there is a 75-12.5 formula for the sharing of expenses. It is very convoluted and can become quite intertwined with how the funding flows.

The member's question is: Is the funding flowing from the federal government to us in an orderly manner? I would think. The funding actually is on the revenue stream. If it is the revenue stream from the federal government that the member is referring to, I am not sure whether that goes on a per-calendar basis or a budgetary basis with the federal government, because sometimes there is a drag as to when the funding comes in and when it is being reported. I am not an expert from the financial aspect of from my department. I would have to get my financial people to give me a better analysis as to the flow chart, as to the revenue streams from the federal government.

As for the revenue streams for rental collection, that is done on a normal basis of the end of 30 days, the person's rent is collectable, and it is in the normal tenant-landlord relationship of people paying their rent at the first of every month, so that is a normal process. The abnormal process is the flow of funding that comes from other municipal governments and the federal government that we are involved with on the various aspects.

Those are some of the things that I think are good questions and questions that I would have to get a certain amount of clarity from my financial department of the Department of Housing.

Ms. Cerilli: Mr. Chairperson, I do not know if the minister did not understand what I am asking. I realize that there are a number of complicated program formulas for the different housing programs and the cost-sharing between the province and the feds, but what I wanted to do this year, when I looked at the budget, is be able to go to our revenue statement of the Manitoba budget and see how much money we were getting from CMHC for this year.

When I look at last year's Estimates, it tells me it is \$36.4 million, so I wanted to know how much we are getting from CMHC this year. When I went and looked at the revenue statement, it showed me only \$700,000. I was trying to understand why that is happening. I asked the Minister of Finance (Mr. Stefanson) yesterday and he said: ask the Minister of Housing (Mr. Reimer). So I am asking the Minister of Housing what explanation he can give of why the government's revenue statements in the budget do not reflect the total amount of dollars that we get from CMHC to run housing programs in Manitoba.

* (1600)

It is a straightforward question in terms of the way the budget statements are presented to the House and to the public, and it would seem to me that someone, anyone in the public that wanted to know how much money comes to Manitoba from CMHC for Housing, we should be able to find that out by looking in the revenue statement.

Mr. Reimer: The member has a good point. I will have to find out, I do not know. I am not ashamed to say it. If there is a way that we can get to the bottom of this, I look forward to it, getting that question answered for the member because it is a darn good question as the member for Turtle Mountain said.

Ms. Cerilli: Before I move on to asking some more specific questions about programs in the department, I wanted to go back to the issue of how the minister can explain this trend in the Estimates for the Department of Housing where we have seen since 1990-91, when the department was at an all-time high of \$51.232 million to now when we are having a budget estimate of only 43.5. How can the minister explain that reduction in the Estimates for his department when we

are seeing increased costs for all the kind of work that housing does? It is not like other departments. There is a lot of purchasing of materials for improvements and investments into these properties. So how can we not have more consideration for the increase in the cost for inflation, and how can this budget continue to go down in this way in the Estimates if we are going to keep up, as the minister has said, with maintaining our stock?

Mr. Reimer: I guess there is a combination of factors that have to be brought into consideration as to why there is a difference in the variation in the budget lines between the various years that the member is referring to. I guess part of the reason that has been alluded to by one of my colleagues is that there is an efficiency factor in there that is more prevalent. I think that the department has become more efficient in their analysis of costs and the efficiencies of expenditures. I think that the people have become more aware of where there is a better distribution of funding and the priorities, and to a degree this was addressed by the fact that as we had alluded to earlier that there was a recognition that we did have to bring buildings and everything back up to code for fire regulations, that there was this large injection of \$10 million in the budget to get things back into a recognition of where the money should be going.

I would think that there is a combination of not only that there are efficiencies in the department, there is also the fact that the need for public housing to a degree in various areas is going down. There is the fact that some of the programs are not being subscribed as they were before. It is a combination of things that are affecting the budget line. It is not necessarily that there is a reduction. A lot of it is geared by the fact that the demand is not as severe in certain areas so that the funding is not necessarily there that has to be spent. Those are a lot of the factors that are involved with it, so it is something, I think, that other departments are recognizing, too, that the efficiencies of government and the employees' attitude towards making things more effective in the department is starting to show dividends in their management of their monies.

Ms. Cerilli: The minister says that there are efficiencies in the department, but I think something is being sacrificed. If the minister, based on our previous discussion, has said what is not being sacrificed now, which is different from before, is maintenance and

improvement and modernization of units, I think then what is being sacrificed is other programs, and what is happening in the department is the minister is using the vacancies as an excuse to cut programs in other areas.

We can see that they have cut the core area renovation program. They have cut the funding for the emergency home renovation program. They have not since 1991 matched the federal funds for the RRAP program. They have taken money out of the allocation for SAFER AND SAFFR. They have also increased their rents.

This is maybe the efficiencies that the minister is talking about, but the question I have for him is: Why, particularly on the home renovation programs, after you talked about the success of your Home Renovation Program, the \$10 million in Lotteries funds, which generated, according to your press release, \$74 million of construction activity—that is a pretty good return on investment—why are you not continuing with these kinds of home renovations programs? There is a huge need. The waiting list just for the urban part of the RRAP program is over two years. The waiting list in the rural area for the RRAP program is something like 900 applications. They only give grants to something like 30 homes a year, so that shows you how long that waiting list is.

It just seems like your government is abandoning this whole idea of how housing can be used not only in community development and revitalization but as a good way to create jobs and to get some investment going in all sorts of different communities in the province. So I want you to give some explanation of why your department has chosen to cut another 2.5 percent out of its estimate this year rather than investing in programs like RRAP or URP or other, like your pre-election Home Renovation Program or other programs like that.

Mr. Reimer: The member is right in her comments regarding the success of the program that we did have for home renovation. It proved to be quite successful. I do know that we had a very good pickup on that, and as she mentioned I think it generated a return of almost somewhere around \$80 million worth of renovations in the market. It is a program that was not extended, but there were other programs that have still been made

available for people that are in need. The program for SAFER allowance is still available, the renovation program through the residential income tax assessment, the property tax credit through the Finance department. There is a cost of living tax credit that is available. There is the Pensioners' School Tax Assistance Program that is available. There is an emergency loan program that we administer through the Housing department—I forget the acronym on that one. They are available.

As for the suggestion of another program, that is something that we would have to take under consideration and have further discussions as to whether it would be revised, but there was a program through the new home construction credit that the Minister of Finance (Mr. Stefanson) brought in where there was rebate on the PST, I believe it is, and on a grant for new home construction. There is the grant that is available through the City of Winnipeg which they just extended again for core area initiative housing, for new housing, for up to \$3,500 worth of tax relief. There is a fair amount of incentives out there right now for the home buyer. The Manitoba Home Builders Association, I believe, has a program of incentives involved. I am not sure exactly what the dollar figure on that one is. So there is a fair amount of incentives out there for people to get into the housing market.

* (1610)

The renovation program that the member alludes to is something that possibly needs further study, but at this particular time we do not have any plans in the workings to complement that or to extend that program into the future.

Ms. Cerilli: Well, I just want to draw to the minister's attention that his own Estimates booklet shows no home renovation programs, not even ERP, the Emergency Repair Program. They are gone, and this is having serious implications in many regions in the province. This government seems to not care one iota that the property values in downtown Winnipeg have caved in. There is a desperate need, not only in the core area of Winnipeg, but in many other areas in the province for home renovation programs so that families can have some assistance in putting some support in investing back into their properties.

I would just encourage the minister to do something about this. They have got a huge surplus, and rather than seeing areas like the core area of Winnipeg completely bottom out in terms of the property values, this government can do more than just donate the odd house from its public housing stock to a community group. It can develop a home renovation program that will have a huge impact, not only on unemployment, but also on the community revitalization and development of many regions of the province, including the city of Winnipeg, which as the Minister of Urban Affairs as well as the Minister of Housing, this minister should be very concerned about. I think it is a huge indictment of this government's lack of concern about the core area of Winnipeg, what has happened to the property values, the boarded-up buildings in downtown Winnipeg, the boarded-up retail space, the fact that many, many homeowners have lost tens of thousands of dollars in equity. They have no equity anymore in their homes that they have often paid for and lived in their whole life.

So I think it behooves this government to answer the question: why since 1991 have you not matched the RRAP contributions by the federal government? The federal government is complaining about this. I know that you are in some disagreement and some arguments with the federal government related to housing as you negotiate the devolution, but the question for you now, Mr. Minister, is: why have you not matched the dollars from the federal government? It is less than a million dollars for the RRAP program in Manitoba.

Mr. Reimer: Mr. Chairperson, the member alluded to the federal government, a million dollars for the RRAP program, but I can point out to her through one of the programs through my other department, as the Minister of Urban Affairs, under the Winnipeg Development Agreement, we have allocated \$3 million for neighbourhood infrastructure programs, and neighbourhood infrastructure programs are primarily for Winnipeg only. So we have a tremendous opportunity to utilize \$3 million through the neighbourhood infrastructure for the quality of life in Winnipeg.

We have also, as Minister of Urban Affairs, housing assistance for high-risk groups. We have a million dollars in that allocation through the Winnipeg

Development Agreement, and that is another place where we are working with residents advisory groups. In fact, we are working with one of the groups from the member for Wolseley's (Ms. Friesen) area in trying to address some of the housing areas there. So we do have a strong commitment to the city of Winnipeg and housing of various parts.

So when I say that we have a neighbourhood infrastructure commitment of \$3 million, we have a housing assistance for high-risk groups of a million dollars, there is \$4 million. We have a program under the Minister of Family Services (Mrs. Mitchelson) now. Granted it is not for housing, but in an indirect way, it does help, and that is the innovative Child and Family Services for \$4.5 million. There is a lot of money that has been allocated for the city of Winnipeg under the Winnipeg Development Agreement that will show benefits for housing in the city of Winnipeg.

So let it not be said that, because the federal government has a million dollars for their whole program, we are not involved with their program, especially when you look at, as I say, the Neighbourhood Infrastructure Program, for which we just announced some allocation of funding just a few days ago for various community efforts of almost I think it was around \$380,000 or \$400,000. There is a fair amount of opportunity in those areas to address a lot of the things that the member for Radisson (Ms. Cerilli) is concerned about.

Ms. Cerilli: I would be happy for the minister to provide me with a list of the amount of dollars in the projects that have been allocated under the WDA housing component. The last time I called there, no dollars had been allocated under that program. The high-risk housing group program, this has been announced for how many years now, but the WDA money has not been flowing or allocated to programs. So if the minister has new information, he can provide me with a list.

I know that other members, the MLA for Wolseley (Ms. Friesen) and the MLA for Burrows (Mr. Martindale), have some questions to the minister, so I will take a break now and I know the member for Wolseley is very interested in comments the minister is making about money flowing from the WDA.

Ms. Jean Friesen (Wolseley): I want to support the comments made by my colleague from Radisson and to emphasize the very serious conditions that exist in the inner city at the moment. It often surprises me or makes me wonder how some of these Tory MLAs get to work. Surely they must drive through the inner city. Surely they must see the deteriorating conditions that are there. Do they just close their eyes? I cannot believe that we have not seen any commitment from this government to, in particular, housing renovation. We have raised it in Estimates, we have raised it in Question Period, and the minister, it seems to me, is not giving serious attention to the deterioration of housing in the inner city.

It is happening in many parts of the inner city. I am speaking particularly for the area this moment north of Portage, which I have brought to the minister's attention before, north of Portage between Portage and Ellice, in my case where property values are deteriorating extremely quickly, where people are getting trapped in their houses, houses I believe in one instance I was told for \$10,000 in the last few months. That has a very, very serious impact upon the lives of senior citizens and the lives of that whole community. I want to emphasize to the minister that what the member for Radisson is saying is absolutely true. It is extremely serious. I do not see this government paying any attention to those kinds of changes in the inner city and it is changes.

Ten years ago we did not have the boarded-up houses that we see now. As I drove to work this morning I saw one of our Housing workers taking pictures of the boarded-up housing along Balmoral. Mr. Chairman, I would urge the minister—he has staff, surely he can investigate this, surely he can put together the visual research that would not take him very long, the visual research of what is happening on the streets of the inner city.

I would like to start by asking the minister—I am following up on what the member for Radisson was asking—the minister's response to all of this is that while we have given \$3 million to the WDA for neighbourhood infrastructure, so my question is in two parts and it is very simple. The first question is will the minister table in the House tomorrow the allocations of those \$3 million to the Winnipeg Development Agreement? Tell us tomorrow where that money has gone. Provide a list

to the House of where that \$3 million has gone, when it was allocated, to whom it was allocated, and for which purposes it is going to be used, because my concern is that that money is not available for housing renovation and that any housing renovation programs that this government had when it came into office as a result of the NDP government has simply disappeared, and there is a very serious impact to that on people's lives

* (1620)

We are seeing it every day as I come to work. I do not know which way the minister comes to work, but I suggest that he try driving through that part north of Portage, that he try driving through parts of west Broadway and count the numbers of boarded up houses. He has money, he has the possibility, he has the programs. They have been developed and proved before. It is not a question that he has got to reinvent the wheel. What he has got to do is make a commitment to the inner city. So my first question, Mr. Chairman, is will the minister provide tomorrow in the House a list of where that \$3 million has gone and when it was allocated?

Mr. Reimer: I should point out right off the top that the \$3 million has not been totally spent. The \$3 million is there to work with the groups, with various projects and various organizations to spend \$3 million. The \$3 million has not been spent to date. The money is there for everybody's riding. [interjection]

One of the members has said that they need some in their riding. I agree. We need that funding for all of Winnipeg, so the money is available for spending in all areas of the city.

There was an announcement on Friday, I believe it was, where there was almost \$400,000 that was allocated to various community centres in various areas of the city of Winnipeg. I will just read out to the member where this is. It is in the press release that was sent out; Sargent Park Pool & Recplex received funding, North Kildonan Community centre received funding, Norberry Community centre received funding, Vince Leah, Isaac Brock, Crescentwood, Notre Dame, South Transcona, Clifton, Westwood—

Point of Order

Ms. Cerilli: Can you call the minister to order? We are running out of time here. We are asking about home renovations programs; he is talking about investments in community clubs to build changerooms for the Pan Am Games.

Mr. Reimer: No, no, no.

Mr. Chairperson: Order, please. The honourable minister, on the same point of order.

Mr. Reimer: Mr. Chairperson, the member for Wolseley (Ms. Friesen) asked me for the list of where this funding is going. That was a clear question of me to provide an answer to that question, where did the funding go? I am reading off a list of \$400,000 that was spent. Now, if they do not want to hear it, I will not do it.

Mr. Chairperson: Order, please. On the first point of order raised by the honourable member for Radisson (Ms. Cerilli), the honourable member did not have a point of order. It was a dispute over the facts.

Ms. Friesen: It was on the same point of order, and I would be happy for the minister to table that.

Mr. Reimer: I would be very happy to.

Mr. Chairperson: Order, please. That would not be a point of order either, but if the honourable minister wants to table the information that he offered to table earlier, we would be glad to receive it.

* * *

Mr. Chairperson: The honourable Minister of Urban Affairs, to continue his statement.

Mr. Reimer: No, no, no, please.

Mr. Chairperson: No? Okay.

Ms. Friesen: What the minister has done is tabled a list, as my colleague says, of contributions towards community clubs. That is well and good. We are glad to hear of some support for inner city communities

from this government, but none of those are residential addresses. I do not know how I can make it clearer to the minister that what we are talking about here are residences in the inner city, people's houses, the place where they live, their major investment. What we are talking about is the deterioration and in many cases the loss of that investment.

Secondly, the minister has tabled \$400,000, or an account of where \$400,000 has gone. It seemed in his answer that the rest of the money to make up the \$3 million has not actually been allocated yet, and I understand the minister to say that is correct. So the \$3 million that he was talking about in response to the member for Radisson (Ms. Cerilli) in fact is unallocated. Could the minister tell us when he expects that money to be allocated? Could he tell us how many applications have been received, and could he give us a list of the applications that have been made to the Winnipeg Development Agreement?

Mr. Reimer: The member is right that there are ongoing negotiations with various stakeholders that have made applications for funding under the Neighbourhood Infrastructure Program. The exact numbers, I do not have that list with me. I do not know the status of some of them because they are ongoing. Some are in the process of still evaluating whether they will make applications. It is an ongoing process. The member must realize that it is a program that is a five-year program. It is a five-year allocation of funding of \$3 million. It is not as if it all has to go out all at once. The hope is that it can go into the community as the community's needs are recognized and how the applications are processed.

The member has mentioned, what are we doing in the inner city. One of the things that we have done through Manitoba Housing, through my Housing department, is we have turned over housing of abandoned homes and homes where there have been chronic vacancies to user groups to renovate. One of the innovative programs that we have been involved with is with a Reverend Harry Lehotsky, and we have transferred over to him, I am not sure of the exact number and I do not want to be held to it, but I think it was two or three units, three units, for him to take over. They are renovating them with the idea of putting in—they will renovate them, they will put tenants into them, and they will then

utilize those three units to accumulate rental from those units so they can accumulate money to renovate other units.

So I am willing to look at any type of various innovative programs with nonprofit organizations for the utilization of some of our homes and residences that are chronically vacant or abandoned or there is a use for them for the renovation. We are working with a group in I believe it is the member for Wolseley's (Ms. Friesen) area called the Westminster Church Group that have come forth with a proposal under the innovative housing program. I do not know where that application is and what the finalization is or whether it has been finalized, but I know that they came in with an innovative approach to utilize some of the housing in the area also. Most of the applications go into the department for assessment. I do not get first-hand knowledge of them on a continual basis, but I do get updates on a monthly basis as to how the applications are and which ones are being considered.

It is an ongoing process. I encourage the member and all members, if they have people who are interested in approaching these Winnipeg Development Agreement funding allocations to do it. The program is there to be utilized for the Winnipeg area and for all residents of Winnipeg. It certainly is open to all MLAs in this Chamber to solicit the user groups in their community to see whether there is the availability of an innovative program or some sort of program for assistance for high-risk groups or for the neighbourhood infrastructure program or for any of the other programs out of the Winnipeg Development Agreement.

It is a joint initiative, as the member knows, on the three levels, and the various components can make it quite easy sometimes for some of the interested groups to access the government funding for the betterment of the community. I would encourage all members to look at some way that they can utilize the Winnipeg Development Agreement.

Ms. Friesen: Well, I am glad to hear the minister speak about the Winnipeg Development Agreement because some of the things which I think people are talking about in the community is their extreme frustration with the Winnipeg Development Agreement process. Some people have had applications in there

for over a year. They have never heard back. Some people are simply tired of waiting. You have a staff, I think, of several people who are looking at applications. That was why I asked the minister how many applications had been made, because the turnaround time in some areas of these applications seems to me to be quite extraordinary.

It does not surprise me that only \$400,000 has been allocated in this program, a program which we are already three years into. It is not for lack of initiative from the community. I know of many groups who have submitted proposals and who are simply telling me that the frustration is the fact that nothing is happening.

* (1630)

That is why I am asking now, in this time of Interim Supply, for the minister to tell us how many applications have been made, what dates they were made on, what responses have been given, and when applications are going to be dealt with. I do not know whether the minister is aware or not, I will have to assume that he is not, but that there is extreme frustration in the community at the very, very slow turnaround.

Also, of course, there are many other criticisms of the Winnipeg Development Agreement, the fact that there is no single place where one can come and get information on it, the fact that there is not one single location as there was with the Core Area Agreement, where one can find out about the programs, where one can have a sense that there is somebody who is tracking these programs. It has been so split up amongst different departments that there is not the focus of either initiative or reporting, so there is a general unease about the lack of accountability in the Winnipeg Development Agreement. It has been brought to my attention by a number of constituents, and I bring it to the minister's attention here. I look forward to some written response from him in the next week or so on this.

But what we were really talking about was the deterioration of the inner city, and the minister talked about having turned over some houses individually to Reverend Lehotsky and others. I am very familiar with those, as they are in my community, but my sense, Mr.

Chairman, is that these do not amount to more than a dozen. The minister could not name them off the top of his head, and I understand that, but it would be, I think, inappropriate to assume, or for him to lead us to believe, that this is solving the problem of the deterioration of the housing in the inner city. There is nothing wrong with it as a program, but it very much a drop in the bucket. It does not deal—it would not even deal with one street, let alone with one section of the community, let alone deal with the inner city.

I think the minister should be very aware of that because certainly people in the community are aware of it. They welcome any kind of activity. Any activity that indicates that the community cares, that people are prepared to invest in those streets in the inner city is welcome, absolutely. But 10 houses, 12 houses, six houses, whatever it is, simply are not going to meet the need. What the minister should be doing is dealing with prevention, and that is what home renovation programs do. That is what my colleague, the member for Radisson (Ms. Cerilli) was talking about. Prevention, ensure that the people who live in those houses have access to loans, have access to grants as they did in the past.

These are not programs that need to be reinvented. This is not requiring a great deal of exertion or imagination on the part of the minister. These programs exist. They existed before he got here; they existed in previous governments; they exist in governments across the country. This is not a major effort on the part of the Department of Urban Affairs. What it is, is a major effort in terms of political will. The government has to have the political will to invest in the inner city, and that is what we are not seeing.

So I urge the minister to look at those areas of the inner city, to give them priority, and to put some priority on prevention so that we are not dealing with these boarded-up houses, we are not having to turn over empty houses that are constantly empty to community groups to put their volunteer effort and time into. I urge the minister to deal with this. I have been saying this now for how many years? I have been asking the government to look at insurance issues in that area, and time after time one minister after the other in this government bounces it like a ball from one minister to another, Consumer and Corporate Affairs over to

Housing, over to Urban Affairs. Nobody in this government is prepared to take on the issue of redlining in the inner city, and, again, that is a very significant area of prevention. If you are going to deal with the long-term issues in inner-city housing, you have to look at the insurance issues.

Mr. Chairman, I notice that the minister is taking notes. Once again, with great—perhaps it is another Utopian dream that the minister actually will provide a response, that the minister actually will answer some of these questions, and that the government, as we come up to an election, actually will show some serious interest in maintaining housing in the inner city, because there is nothing so generous as this government when it comes to an election and the promises get thrown around like Smarties. I would like to see the minister make a commitment to the housing in the inner city and to the prevention of the deterioration of that housing.

Mr. Reimer: Mr. Chairperson, there is not too much that I will disagree with, with the member for Wolseley. I think there is a recognition that there is a fair amount of work that we all have to do in regard to trying to make the core area of Winnipeg or Winnipeg downtown a more safe and a more attractive area for people not only to work, to live, but to also raise a family. This is one of the reasons why our government takes very, very seriously the commitments that we do have with the various components of the Winnipeg Development Agreement.

One of the biggest areas that we have allocated funding for through the Winnipeg Development Agreement is under the Urban Safety program where there is \$3.5 million worth of initiatives that have been taken up. We have had an excellent response and a good take-up on our Urban Safety programs through the Winnipeg Development Agreement. I would hope that we can look for even further programs through that Urban Safety program, because that has proven to be very beneficial as building within the community.

If there is a frustration that the member is referring to by applicants in not getting an answer or not finding out what is happening, those are very legitimate concerns that I will take back to the department and try to find out why that is happening, because that is something

that I would hope that we could work to try to eliminate. I think it is very important that if people are going to make application that they know right off the top whether the application fits the criteria. They should not be let out to hang weeks, months—as the member, I am very surprised she says up to a year—that they had not heard back as to the application. That is not acceptable. They should be knowing right off the top whether the program is available and whether the funding can be allocated under the Winnipeg Development Agreement. So that is something that I will certainly follow up and try to find out why that is happening.

Her suggestion of a single-desk sourcing of information is an excellent suggestion, and that is something that maybe I will have the department look at and see whether we have that or why we do not have that and why people cannot just have a central phone call, or have a channel at least, to someone who has the information or the availability of information or the direction to get the answers for individuals who are phoning on the Winnipeg Development Agreement, because it is something that has been in the market for just over three years.

It has had some very good success. It has had some high pickup of programs. There is a fair amount of enthusiasm out there for the Winnipeg Development Agreement. Is it the answer to correct all the problems downtown? No. There are a lot of other things that still have to happen. There is a lot of overlap with other departments that we have to work at in trying to come to working relationships not only within the provincial government but working with the City of Winnipeg. I find that there is a lot better working relationship at the City of Winnipeg and their understanding of how the city should be directing its resources in the downtown area and the core area and specifically with some of the initiatives that they are undertaking.

So it is a continual program of readjustment in trying to come to the best solution for the downtown area, but we have had a strong commitment to the City of Winnipeg in our funding allocations. We have funding arrangements with the City of Winnipeg that no other city in Canada enjoys in our funding allocation of monies. As the member is well aware, we have the

Urban Capital Allocation fund, UCPA III funding that is \$96 million. We have the Winnipeg Development Agreement which is another \$75 million; our commitment to other areas in the city of Winnipeg through our PTS funding, through the personal income tax sharing. So there is a commitment by our government to funding for the City of Winnipeg, but that does not mean that there is still not room for improvement. Money is not the only answer. It is working with the community. It is working with the positive aspects and the positive initiatives in the communities that we can get the best results for.

* (1640)

I know that I have had excellent results in working with tenant associations and departments of our Manitoba Housing units, and I have seen some excellent results on that. I guess what we have to do is we have to look for the same type of asset basis in our communities in our housing areas and try to build within the communities and build our communities safer and better for everybody. Possibly it means looking at some sort of community program of involvement and utilizing it that way, but these are some of the things that I think we can work towards. I welcome the member's suggestions and some of the groups that they are working with, so that we can work towards a better downtown area for Winnipeg.

Ms. Cerilli: Just to conclude on the discussion on WDA and the lack of this government's support for initiatives in the city of Winnipeg. I believe that all of the \$500,000 under that program that was allocated for housing went to the Winnipeg Real Estate Board program, and that is a drop in the bucket, as the member for Wolseley (Ms. Friesen) has said. If that is all the minister has to offer to the city of Winnipeg, then we are going to inherit a lot of huge problems when we form government after the next election. It is going to take a lot of reinvestment to solve all the problems that the member for Wolseley and I have been describing.

I just want to raise one issue with the minister. I promised a fellow who is representing the Manitoba Society of Seniors that I would ask about the SAFER program. The Manitoba Society of Seniors back in 1992 did an evaluation of this program. They have

written to the minister. They have submitted a report that calls on the government to start indexing the SAFER program to keep up with inflation. We have seen that this program has meant less and less money to renters who are low income in relation to their rent increases. It has not kept up with inflation. How does the minister respond to the Manitoba Society of Seniors in their request to have the SAFER program indexed?

Mr. Reimer: The member is right. This question has been raised before regarding the indexing of the SAFER program. SAFER is a program that is set up to shelter allowance for elderly renters that are 55 years or older. What it is meant to do is it is meant to cover up to 90 percent of the eligible rental costs over 25 percent of the person's income for seniors.

Now that is based upon the income for seniors, so when the income for seniors is calculated and their income goes up, naturally the SAFER benefit is going to be adjusted. It is not a fixed amount. It floats in the sense that it is tied in with the formula of 90 percent over 25 percent of the person's eligible income for seniors. Because the benefits will automatically adjust and are based on a formula that incorporates both income levels and rental costs, because the benefit amount automatically adjusts to changes in income and rent, it is not necessary to index the benefits provided under this program.

When the federal government is giving out their various CPP and the old age supplement benefits, they take into account part of their calculations rent that is being paid. So, if the rent goes up, they are automatically indexed through the CPP, their Canada Pension Plan. The adjustment in SAFER is not tied to the indexing that the member is referring to, but there is indexing in a sense because there is the indexing of the CPP, and then the old age pension that people are on. So we do not index the SAFER program, and that is something that we are not contemplating.

Mr. George Hickes (Point Douglas): I just have a couple of questions for the Minister of Housing.

As the minister is aware—I have mentioned it a few times in this House and I mentioned it a couple of years ago, and, in fact, we had a meeting with the minister and some of his staff, and I am speaking on behalf of

the Lord Selkirk residents tenants association. The minister knows full well the Lord Selkirk housing development has come a long ways. I mentioned that last week. I go there quite often to see how things are going and to drop in to visit constituents and friends within the community.

The minister knows that the resources that have been put in place by—it would be all levels of government, as I mentioned before, the family resource centre, Native Alliance, David Livingstone School, parent councils, Turtle Island Community Centre recreation association, community policing. I mentioned it before, and I will have to mention it again, the importance of the Lord Selkirk residents tenants association.

They are very involved in their community, and they are very active, and I think they are very thoughtful in wanting positive things in their own neighbourhood in the future. Why I say that is, if you compare what has taken place at Gilbert Park, it is a good model. As far as what I hear, it is working very successfully, and I would recommend that the Minister of Housing take a look at Gilbert Park and look at the positive changes that has happened in that community and consider giving the same opportunity to the Lord Selkirk tenants association.

We met with the minister a couple of years ago. The tenants association had asked for that opportunity, and I know from speaking to the tenants association and the contact I have had with the association over the years, they are looking at taking on more responsibility. When I say responsibility, they are looking at the responsibility of doing orientation, so when someone moves into the housing developments—and, you know, there are more and more people who want to move into Lord Selkirk today than there has been in the past. You see some of the boards coming off the boarded windows and doors, and that is a very positive, positive sign that things are going well and things are turning in the most positive way.

So the residents association is saying, look, this is our neighbourhood, we live here, please give us more responsibility so we can do, for example, the orientation when new families move in. We can meet with the families and say, okay, this is our expectation

of you as our new neighbour and as a new resident of the Lord Selkirk housing development, and these are our expectations of you and your family, and if you do not follow the recommendations and the guidelines that we set for ourselves and our own community, then you should face us as the tenants association and answer to us to justify whatever the behaviour is, to the family moving in.

The other thing that the minister is very aware of because we mentioned it in our previous meeting was the responsibility of gaining training and employment opportunities for the tenants, where you have the grass-cutting; you have the cleaning of the units for people moving in and out; you have the maintenance; you have the painting of the buildings.

Also, eventually, I hope that the minister will work with the association in looking at the tenants association having some responsibility in doing the maintenance work and taking some of the responsibility in the contracting out of, say, the electrical, the plumbing, the carpentry, in the various different trades areas.

I think that if the tenants association could have that kind of responsibility and have a close connection to the Housing Authority with some leeway to be responsible and have some authority to achieve that, I am sure what you will see is an agreement that will be developed by community members and, say for example, R.B. Russell School, who delivers trades training programs and are always looking for an avenue and an opportunity for their students to accumulate hours towards their apprenticeship programs.

* (1650)

If you look at your trades areas, you look at electrical, you look at plumbing, you look at carpentry, for example, even painting, those are all in the trades. If you look at moving from one level to the next level to the next level of apprenticeship, you have to accumulate 1,800 hours before you are accepted to take your classroom portion at Red River or whatever community college that you wish to attend, but you need to accumulate 1,800 hours—that is per year—and if you look at 1,800 hours, it almost has to be full time.

So if you have a student that is able to accumulate classroom time, because a lot of the students at R.B. Russell already are in the adult program, you could tie in with the residents association and R.B. Russell School, so that way the classroom portion is delivered by R.B. Russell School and the accumulation of hours and the experience is delivered by, for example, Lord Selkirk housing development but under the tenants association. Also, that could be looked at by Gilbert Park, or, like when you already have a positive tenants association and very involved community, take it one step further because eventually what you will have is local youth that will acquire their trades or certification and eventually you will have individuals within your own community with trades or certifications that are employed within the community or elsewhere, or you will have individuals that will start their own contracting companies.

So it is sort of a win-win situation for all involved, and I think it would be a great—I would like to ask the minister if he would consider meeting with the tenants association of Lord Selkirk, as we had arranged in the past, and to look at the possibility of some extended responsibility given to the tenants association. I would like to know if the minister could answer that.

Mr. Reimer: The member for Point Douglas points out some very excellent suggestions and avenues of solutions for problems in both complexes that we would like to bring down to a minimum. I know in working with the member for Point Douglas, he has made his commitment and his views known to me very, very readily and spontaneously as to the betterment for Lord Selkirk Park, and I agree 100 percent with him that the best solution for the area is a community solution.

The more that we can delegate authority and responsibility to the tenants association, not only in Lord Selkirk Park but as we have done in Gilbert Park—I know in working with the member for Inkster (Mr. Lamoureux), that is the member that looks after Gilbert Park, we have come to some very innovative and very useful courses of action working with the tenants association at Gilbert Park.

I have no problem at all in sitting now with the member for Point Douglas, with the tenants association

of Lord Selkirk, and working at some sort of arrangements and solutions that we worked with the member for Inkster in Gilbert Park. I think these are the types of solutions that I will re-emphasize over and over again, that if we can work with the tenants association, if we can work with the community organizations and have community ownership of problems and solutions, those are the things that we as a government should be involved with and those are the types of things that I will advocate very strongly as Minister of Housing within our housing associations so there is a sense of belonging, a sense of commitment by the people in the community taking hold of their problems, trying to solve their problems, and we can act in any way that we can try to facilitate them.

So, if the member will contact me personally or through my office, we will certainly try to arrange to be there possibly at their next meeting or we can arrange a meeting separately. But certainly I would love to sit down with the Lord Selkirk tenants association. I think they are going in the right direction, and I will give them a hundred percent credit for what they are doing. They have changed, they have come a long way, but as they say, they have a long way to go yet. They are working that way and there is a change. There is a noticeable change at Lord Selkirk. There is a marked change at Gilbert Park, but it is because the people there decided that they want to make a difference and we should be there to try to help them in any way we can.

Mr. Martindale: Mr. Chairperson, I would like to reiterate what the MLA for Radisson, our Housing critic, and the MLA for Wolseley said about the crisis in housing, particularly in the inner city. Certainly the same problems that they spoke of occur in Burrows constituency and in a very large section of the north end. For example, I have anywhere from one to five houses that are boarded up or abandoned or placard insanitary or are empty and for sale in every block, anywhere up to five houses per block in the north end, in Burrows constituency. The health inspector tells me that the property values in his area of the north end have declined by a third in recent years.

That certainly affects me as a property owner in the north end. Our house was assessed at \$59,000; it has now been reduced to \$56,900, on St. John's Avenue.

When I spoke to a real estate agent recently, he said we could only expect \$35,000 to \$45,000 for our house if we were to sell it. So this is a problem that affects a huge number of property owners in the inner city and affects me personally. In spite of that, this government has no infill housing program, has no landlord or tenant RAP program, and you are not working to solve this problem and improve the quality of housing in the inner city.

However, my question is on a different topic. In Burrows constituency, as you know, there is St. Josaphat Selo, a seniors high-rise operated by the Knights of Columbus, and they have 14 vacant bachelor suites the last time I talked to the building manager. I am wondering what you as the minister are doing to solve the problem of vacant bachelor suites.

Mr. Reimer: That is an excellent point and question from the member for Burrows regarding bachelor suites. That is one of the areas where we do have chronic vacancies and vacancies that are unacceptable in trying to utilize these suites. What I have asked my department to do is, where there are chronic vacancies like that, and I will certainly bring this to my department's notice. The St. Joseph—

An Honourable Member: St. Josaphat Selo.

Mr. Reimer: Well, I will get the spelling exactly from the member. I will instruct the staff to look at how we can possibly utilize those bachelor suites and see whether there is the ability to—what we have done in some units is, we have made two bachelor suites into one one-bedroom suite. If there is the ability to possibly do that in this particular area, maybe we can look at that and try to work with the member in trying to get—reutilize that building. I will certainly bring that forth and try to do that.

Mr. Martindale: Mr. Chairperson, I wonder if the Minister of Housing would look at alternative uses for some of these suites. For example, it is my understanding that at Lions Manor, I believe they converted a whole floor of apartments to a day hospital. I am wondering if there are other uses that the department might be willing to look at for buildings that have a high number of vacant bachelor suites.

Mr. Chairperson: The honourable minister, 10 seconds.

Mr. Reimer: We will not get a chance to get into this to the degree that I would like to.

Mr. Chairperson: The hour being five o'clock, time for private members' hour. Call in the Speaker.

* (1700)

IN SESSION

Committee Report

Mr. Marcel Laurendeau (Chairperson): Madam Speaker, the Committee of Supply has been considering a certain resolution, directs me to report progress and asks leave to sit again.

I move, seconded by the honourable member for Emerson (Mr. Penner), that the report of the committee be received.

Motion agreed to.

PRIVATE MEMBERS' BUSINESS

Madam Speaker: The hour being 5 p.m., time for private members' hour.

House Business

Hon. James McCrae (Government House Leader): Madam Speaker, pursuant to House Rule 72, subrule 8, I am tabling today the agreed upon order for consideration of the Estimates for the fiscal year 1998-99, which is the product of good co-operation between the opposition House leader and myself. Thank you very much.

Madam Speaker: I thank the honourable government House leader.

Res. 8—Agricultural Diversification

Mr. Jack Penner (Emerson): I move, seconded by the honourable member for Gimli, Mr. Helwer, that

“WHEREAS the federal government has eliminated the Crow Benefit, a \$750-million support of the Western grain transportation system; thereby creating uncertainty and forcing change upon Manitoba's agricultural producers; and

“WHEREAS the cost of exporting grain is increasingly prohibitive and has caused Manitoba's agricultural producers to reconsider their cropping options; and

“WHEREAS Manitoba farmers are increasingly integrating livestock, poultry and hog operations, oilseed and vegetable production into their more traditional grain operations; and

“WHEREAS the Manitoba government through its Working for Value Task Force recognized the need to increasingly diversify agricultural production at both the farm and the value-added processing level; and

“WHEREAS the Manitobagovernment has supported the efforts of agricultural producers and processors to diversify their operations through programs such as the Manitoba Agri-Ventures Initiative, the Agricultural Diversification Loans Programs, the Community Works program, Grow Bonds and the Rural Economic Development Initiative.

“THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba urge the provincial government to consider continuing to provide agricultural producers and processors with the tools to diversify their operations and to seek out opportunities to make the transition to value-added activities.”

Motion presented.

Mr. Penner: It is certainly a pleasure to rise in the House today to speak on this very important initiative and issue.

Madam Speaker, the loss of \$750 million in income to the grain growers of western Canada—Manitoba, Saskatchewan and Alberta—in my view will have a very significant impact to how western Canada and the farm community in western Canada operates in the future.

We have seen the history unfold of the agricultural industry, and I believe when John A. Macdonald made

a conscious decision in 1871 to bring agriculture into western Canada and open up the West, by encouraging people from Europe and other countries to come to this western Canadian area, the initiative that was established at that time would have been profoundly changed had we not moved in the direction that we did in agriculture.

I think it is interesting, Madam Speaker, when you read some of the history that is before us today. Anybody can look at and read the debates that have emanated throughout the history of the development of western Canada from Macdonald's era on, and basically from the first time that this country was formed and the decisions were made to open up the West are very interesting debates. Some of the history that has been written is some very interesting history: how the elevator associations were formed, and how the first co-operative was established by farmers, not through their own initiative, but by an almost evangelical approach to changes that needed to be made in the marketing of grain.

Similarly, Madam Speaker, when these so-called evangelists for change came into western Canada and convinced western Canadian farmers that the private sector trade was adversely affecting them and treating them in a manner that should not be allowed, farmers took things into their own hands and farmers made decisions at the urging of the federal government to build a grain-handling system that still stands today. The elevator systems that were built to handle the grain were built by farmers in farm organizations. The United Grain Growers was one of the first elevator companies to be formed in western Canada. The three prairie Pools came in later under a different movement.

It is interesting to note that during this whole debate when the evolution of the grain industry was transforming and the railways were built that nobody ever proposed a single-desk selling system. It was always proposed that the grains would be pooled. I mean that is what the evangelists of change were preaching, that we should not trust the private trade, and that we should pool our resources and we should pool the grain sales and all share the benefit. That, of course, was one of the main reasons why the great debate took place in Europe as to what they would do with these Canadians or North Americans in trying to

set up a pooling system and virtually take control of the world grain trade.

That was the initiative at that time, and throughout the debate from 1905 till 1941, when the then Prime Minister decided that they would close the commodity markets, close the exchange and put in place a pooling system and a marketing system that would be controlled by government.

Similarly, Madam Speaker, it is interesting to note that during that period of time from the early 1930s to 1945, we talked about the need for the railways to be able to earn enough money on transporting grain that they could in fact stay alive. Henceforth, came the Crow benefit. The Crow benefit finally was established to ensure that the railways would be adequately compensated. Later on, during this historical debate, it became evident that the initial charges that were provided by guarantee to the railways were not going to be adequate and changes again were made to the system. Henceforth, at the end of the debate on the Crow, the the federal government was contributing roughly between \$700 million and \$750 million to transporting grain out of western Canada.

Many of us believe that had that debate and discussion or that decision never been made, western Canada would have evolved into a much different kind of a country. We would have seen, in my view, the milling industry remain in western Canada. We would have seen much of the processing that naturally evolved to eastern Canada by design of the federal government to ensure that the eastern industries would be supplied with the natural resources and that the renewable resources that we had in western Canada were transported under subsidies under three programs.

* (1710)

One was the At and East program, which took grain out of Thunder Bay and transported it all the way to the Maritimes to ensure that they would have the same cost for feedgrain that western Canada did. The other one was the feed freight assistance act, which guaranteed eastern Canada, Ontario and Quebec, cheap feedgrain. They basically, quite frankly, in a noncompetitive way, were able to keep western Canada in an area where we

basically could not even compete with ourselves as farmers in livestock production.

So we were put into a noncompetitive position by our own government, by policy of our own government. That changed historically the way western Canada could develop, Madam Speaker. When the Crow benefit was eliminated it put us back into a competitive position with other nations from a freight perspective. It, however, puts Manitoba at a very noncompetitive position as far as marketing feedgrain or wheat even outside of this country. It becomes almost unaffordable to ship and pay the cost of the transportation.

So that means that Manitoba will in essence really have the cheapest feedgrain in all of Canada if you really allow the competitive forces to take over without intervention. We will have the cheapest feedgrain. That means that we must now look at all the other policies that were established during this great debate of how grain would be dealt with in Canada. We must deal with them as well because the basic fundamentals of the whole equitable debate were based on everybody paying equal cost of shipping freight. Whether you lived in Manitoba or you lived in Alberta, all farmers would pay equal cost. That is now gone. The equity mechanisms are gone, the basic fundamentals are gone.

So we must, in my view, take a look at all the other institutions that were built on that equitable base and the argument of equity for all producers. If we do that, I believe that western Canadians will recognize as well as eastern Canadians that the competition, the competitive factor, will in due course indicate that we should raise all the livestock of this country in Manitoba, because nowhere else, from a competitive factor, will you be able to raise cheaper feedgrain than you will in Manitoba.

So what does that do to all the other processes that were set in place, supply management, Canadian Wheat Board and all those institutions? I sincerely question whether they can, in the long term, survive or be maintained or whether they in fact should be. I think that is a serious question that farmers should ask themselves, because before, right from 1905 on up, the question was always, or the point was always made that all the farmers should be paid equal. Well, that cannot happen now.

So how do you then put in place a system, even across western Canada, even though it does not apply to eastern Canada, an equitable system that would stand the test of the courts? If you ask that question, if you truly ask that question, is it legally responsible from a governmental perspective to keep in place structures that are not economically soundly based? I ask those questions. I have not the answers for that, nor would I want to espouse a firm position on it. I, however, do say that somebody, and governments, especially we in Manitoba, need to take a hard, strong, long look at this position, because it is the very essence of fundamental competition that will allow us to survive or not survive.

I believe that we have a tremendous opportunity, Madam Speaker, to develop an agricultural industry that will be dramatically different than what we had in the past. I see specialty crops, such as sunflowers and crops maybe that we have not even considered yet—hemp, and maybe many others—become very prevalent in this province.

I see a livestock processing industry that I think can evolve back into Manitoba no matter how much other governments want to pay for them to stay in their provinces.

The natural evolutionary process of a competitive marketplace in my view will dictate that those industries should come to Manitoba. That will mean that we will be able to provide a lot more jobs to young Manitobans, if you really think this whole thing through.

It does, however, create one problem and that is for the grain growers, especially those that are going to be dependent on the export market. We should never kid ourselves that all our grain will ever be consumed entirely by the livestock industry in this province, so we will have to export some grain. That means, of course, that our grain growers in this province are going to have to make some very dramatic and fundamental changes that will require us to rethink how agriculture and the agriculture policy should be constituted in this province.

I truly think, Madam Speaker, that governments, whoever they might be within the next 10 years or so, are going to have to make some very dramatic policy

changes in order to sustain the agricultural community in this province. I believe that we have a Minister of Agriculture (Mr. Enns) that understands that. I believe we have a government in this province today that understands that. They were the ones that initiated the value-added task force and went out and asked Manitobans what changes needed to be made, and that was very clearly indicated in the report. That report only reflected what we heard rural Manitobans tell us in how changes should be made, what kind of changes should be made, and when they should be made.

I believe that our government truly recognizes the dramatic impact of the changes that were made three years ago by the federal government. I only hope that this government sees fit, that this House sees fit to go to tell Ottawa that they must in fact now move, as we have done and are prepared to do, to make these very significant policy changes that will affect all of agriculture and the export of the agricultural goods that we are going to raise in this province.

I thank you very much, Madam Speaker, for the time that you have allotted me to put these remarks on record, and I would ask this House to support this resolution.

Mr. Stan Struthers (Dauphin): Madam Speaker, it is a pleasure today to rise on such an important topic as the diversification of agriculture in Manitoba, agriculture being so important to our overall economy.

I listened intently and with great interest to the words put on the record by the member for Emerson (Mr. Penner). I was quite impressed with his ability to reach back into the history of our province and our country, and in so accurate a way present the picture that led up to the stage where we are at here today in 1998. Of course, we have to make decisions today that are based on decisions that have been made in the past.

* (1720)

Sometimes, Madam Speaker, I believe that it is good to build on the decisions that were made in the past. I think that it is good to build on the successes that we have had in agriculture, but I agree sometimes you need a provincial government or a Canadian government to make a decision that reverses decisions that were made

in the past. It runs counter to what has been happening in the past because really what we have to have in mind is what is going to benefit the Manitoba farmer the most. As everybody should know in this province by now, whatever benefits the Manitoba farmer also benefits the rural economy, and when the rural economy goes well, I would suggest that things within the perimeter go well as well. That I am afraid is something that is not understood as well as it should be.

I think those of us from rural Manitoba have a big job to educate people about the worth of agriculture and the importance of agriculture, the value of agriculture not only to a family living in Manitoba, be it rural or urban, but also to the overall economy of this province. The number of jobs that are created in agriculture in this province is key to the success of this province overall. If you see in rural Manitoba, if we observe a time when we become less diversified, I think you would also see a time when we have fewer jobs available to people and you will see more migration of people from rural parts of this province to the city, you will see migration from the rural parts of our province to other provinces. So, yes, diversification is absolutely key to the success of our province.

Madam Speaker, historically speaking, just to sort of pick up where the member for Emerson (Mr. Penner) was speaking, Manitoba has enjoyed historically throughout its existence a diversified economy. This is for a number of different reasons. I would suggest, first off, our location, right smack dab in the middle of the North American continent, has allowed us and encouraged us to become more and more diversified as our history has progressed. Location: here we are, we are located in a chunk of continent where in the south part of the province we have land which is considered in some cases to be amongst the best for growing grain and oilseeds in some of the best land in the world. At one time though, the information was that some of this land would be no more worth to us than any desert in the world, and studies were created, and they talk about the Palliser Triangle, as the Minister of Agriculture (Mr. Enns) points out.

Mr. Marcel Laurendeau, Deputy Speaker, in the Chair

If people a hundred years ago looked at the area that they refer to as the Palliser Triangle, looked at it a

hundred years ago and compared to now, I am sure they would be very impressed with the amount of progress that we have made over that period of time, the amount of production that we have got out of that area that was not considered arable at one time. So that is one part of our province that has really grown and flourished because of the location that we have.

Moving up through the province, our location says that we have forestry in the North, and the jobs that are connected with activities in our forests. We are blessed with mining and deposits underneath the Canadian Shield that we as a people in Manitoba have exploited over the past several decades and beyond.

Mr. Deputy Speaker, in this province, as well, we have a fishing industry; we are blessed with lakes. At one time, Lake Winnipeg and Lake Winnipegosis and Lake Manitoba sustained substantially larger fishing fleets than they do now, but there are still people who make a living fishing.

So in this sense we are diversified already even before we start to debate this in the Legislature. Despite what any government does, our geography tells us that we are going to be somewhat diversified just to begin with, so there is a natural kind of a force diversifying our economy.

This is something that maybe we are luckier than other parts of the continent in, Mr. Deputy Speaker, because we start from a base that allows us to diversify. On top of that now, we make decisions to diversify our economy even more, and diversification is a good thing, in a broad sense, to diversify our economy. We do not have to look any further than some communities which have become one-industry communities, and then what happens to that community when the industry takes a downturn, or, heaven forbid, the industry simply finds that there is no market for its product anymore? That is a community that is in real trouble.

We are fortunate in this province that we are diversified to the tune we are, because, Mr. Deputy Speaker, if there is a downturn in one of the areas in which you produce goods, you can count on another area to sustain the economy until there is a turnaround in that original area. That is why we look towards diversification.

One more reason I think that we have some natural advantages towards diversification in this province is tradition. Manitoba has been a destination, and the member for Emerson (Mr. Penner) pointed this out when he talked about homesteaders and what they have done to open this country, to break some ground and make land fertile. The homesteaders have come to our province from all over the world with a variety of different approaches to agriculture, with a variety of different concepts and ideas and approaches to how they would farm.

This, I would suggest, Mr. Deputy Speaker, is another advantage that we have towards diversification. I can just think of my home area throughout the Parklands. Even within the Parklands, you can go from one area of the Parklands to the next, and you can see the farm practices that were used many years ago being used today because they work, the concepts being brought to the Parkland from around the world. Manitoba, in general, ends up being a melting pot of all these different strategies for farming. That produces diversification within agriculture. You can say the same thing about other industries as well. So we do have some natural factors at play. We do have some positive factors towards diversification.

Mr. Deputy Speaker, one of the points that I want to make is that much of Manitoba agriculture was diversified already despite what any government plan is, any government programs are, and that is a good thing.

Mr. Deputy Speaker, I would applaud, as well, the move by any government—I do not care what the political stripe of the government is—that would come up with a good idea towards diversifying Manitoba agriculture, and I think that, generally speaking, farmers would have no problem supporting whatever government initiative there was that would help them diversify more their farms, their agricultural operations. I do not think anybody has a problem with that.

That is why I would suggest that one of the things that we have to do is we have to take a good look at the advantages of single-desk selling in agriculture. I think single-desk selling is something that over the course of decades has proven to help in the area of diversification. I think it provides the kind of stability

and the kind of security that farmers need because, at the very base of diversification, when it is all said and done, is the thinking that the farmer puts towards his farm operation. Now, if he can approach his farm operation with the security and stability of the Canadian Wheat Board single-desk selling component, then he can do a lot more planning towards diversification. He can do a lot more—[interjection] Well, the member for Roblin-Russell (Mr. Derkach) figures that just because he has gone up and down the field a few times more than this member that he is the expert on farming and that only his opinion is the one that is correct. I would wonder, Mr. Deputy Speaker, how many times you have to cultivate a quarter-section of land before you get to talk in here about agriculture.

I would suggest to the member for Roblin-Russell that maybe he ought to be a little bit more open-minded and consider people's opinions when they are expressed to him. That is a form of diversification.

When the government makes decisions concerning diversification and agriculture, I would hope they would have their minds wide open to all kinds of discussion and that he would not rule somebody out just because he happened to disagree with what the minister has in mind.

I want to remind the minister that I would hope that he is all in favour of diversification and adding value to the products we have in Manitoba, because that is the goal on this side of the House as well. Given that we have the same goal in mind, I would think that he would be willing to listen to some suggestions on how to do that. But he can take it from there, Mr. Deputy Speaker.

The advantage of single-desk selling is that it does supply for the farmer a sense of security so that he can go out and take the risks necessary on his farm operation—

* (1730)

Mr. Deputy Speaker: Order, please. I hate to interrupt the honourable member. I am having difficulty, though, with some of the decorum that seems to be sliding in the Chamber at this time. When the

honourable members have their turn to speak on this motion, they can all put their words forward.

At this time, the honourable member for Dauphin has the floor. The honourable member for Dauphin, to continue.

Mr. Struthers: Thank you, Mr. Deputy Speaker. Maybe what is at the bottom of the resolution that has been presented here before us is a sense of insecurity on the part of the member for Emerson (Mr. Penner), because at the end his THEREFORE BE IT RESOLVED is hoping that this government would consider continuing the good work that they have been doing. Are you worried this government will not be doing that? Is that why you put this forward?

I can tell you from this side of the House, we are totally committed to diversifying farm production. We on this side of the House are going to support the measures that promote diversification of agriculture, that promote adding value to products in this province. What I wonder, when he brings forth this kind of a resolution, is he wondering if his colleagues on his own side have got that kind of a commitment when he asks them to consider continuing supporting agricultural producers?

Mr. Deputy Speaker, the changes that the honourable member across talks about that he calls necessary I would suggest are more his opinion and that he should open his mind as well to some of the suggestions that are made on a much broader basis. In that sense, maybe we can move more towards diversifying agriculture. Thank you.

Hon. Harry Enns (Minister of Agriculture): I am, first of all, extremely pleased that I have this opportunity to speak about agriculture, and I want to thank the mover of this resolution for affording us all the privilege of so doing. I say this as an observation, not as a complaint. Agriculture matters find themselves hard-pressed to get on the agenda of this Chamber from time to time as we understandably reflect the priorities of the day, which certainly tend to be in the area of social services. So I am extremely grateful to my colleague the member for Emerson to allow us to have this discussion on the issue of agriculture, generally speaking.

Mr. Deputy Speaker, I also want to express a very sincere public thank you to not only the member for Emerson (Mr. Penner) but his two colleagues who did a very important thing for all of us here in Manitoba. "Change" is, I guess, one of the most overworked word. Change is always about—it is part of the evolution of all things. We in agriculture speak constantly about the changes that are taking place, and of course they have been going on all the time.

I also understand the fact that most of us are nervous about change, and we do not particularly look forward to change. I like the expression in a little story that my Premier, the First Minister (Mr. Filmon), that talks about change. He says the only time that we welcome change, the only time in our life that we actually welcome change, is when we are babies and our diapers are wet and we are looking for somebody to change them. That is the only time we accept change in a positive way. Other than that we tend as human beings to resist it, because we are concerned about the unknown. We do not quite know exactly what we are changing to. We are more comfortable with how we have been doing things currently and in the past. And so, Mr. Deputy Speaker, for all those reasons, it is understandable change is a worrisome thing.

Mr. Deputy Speaker, it was thrust on us here in the mid-'90s a particular change that was not of our making, as the member for Emerson correctly points out, but nonetheless we have to respond to it, and respond to it we are trying to do. What was thrust on us was the withdrawal as I recall, or the change if you like, of Canada's longest standing agricultural support program, if you like, factually known as the Crow. Much has been said, much has been written, and there are many who are extremely well suited to comment on the Crow and have commented on the Crow in this Chamber.

But I just want to pick up where that left us. That meant that that change I spoke about just a little while ago took on even a more dramatic need and necessity. What I am particularly pleased with is that this government does not rush blindly into change, whether it is in health, whether it is in education. Do you remember the program, the effort that former Minister of Education, the former Minister of Finance, by someone named Clayton Manness put into the thoughts

about the changes that were necessary in the structure of education? Yes, it took the efforts of three colleagues of mine in Health to bring about the plan that are still obviously creating some heartache and some concerns, some worry out there, as we fundamentally change from literally hundreds of boards of education and health providers to relatively few as we impose a new structure on the powerful city-based hospitals. Mr. Deputy Speaker, not an easy matter at all.

Again, that was proceeding to a plan in agriculture. We knew the inevitable was about us. We knew the Crow was dying, and we knew the Crow had died when we felt the \$750 million no longer coming to agriculture. It meant in Manitoba such a dramatic change that it is hard for people not directly involved to appreciate. Mr. Deputy Speaker, I get heart-rending letters from farmers. I got one just the other week from a farmer from the Bowsman area, the Swan River Valley area. He writes me, he says two-carload loss of premium malting barley—and he attaches the freight invoices to the letter that demonstrate that over 55 percent of a value of the shipments he made were eaten up by the freight bill. In other words, one carload he got some money for and the other carload was there totally to pay the freight bill. He says: Mr. Minister of Agriculture, what are you going to do about this? You have to do something.

Mr. Deputy Speaker, I cannot do a great deal about it. If I am honest, I cannot tell him that next year that freight bill might be 60 or 65 percent, particularly if Judge Estey's report comes through with greater deregulation of the transportation system—that is what it could mean. What I can tell him, though, is he ought not to be the first to line up at his municipal hall as part of a group objecting to a livestock venture in the area, a hog barn, because it is through this diversification into livestock that we can avoid that massive freight bill, and that is the direction that we are doing. But not exclusively. There are 101 different types of opportunities in rural agriculture that this government and this department is pursuing. It is not our thoughts that are being brought to bear on the issue. No, again, as is the hallmark of this government, we set in force a task force, to look and to listen and talk to people, that was capably chaired by the member for Emerson (Mr. Penner).

We travelled—I will tell you, I have been in this place and associated with different governments in opposition and watched other governments. Not too many issues and not too many times has there been a group of legislators go out to inquire, to ask questions in as thorough way as this task force did, I believe, in the neighbourhood of 26 locations in Manitoba.

* (1740)

As a rule, when we send task forces to do different things, to seek public opinion, we kind of hit the main regional centres. We maybe go to Brandon if we want to go to the Westman region, we go to Thompson or we go to one of the southern places, and that is about it, and Winnipeg. Not only that, individual members and, collectively, they also went and looked beyond our own country, beyond the border, and looked at some of the very interesting things that our American friends were doing with some success. Put that all together, and that was a considerable amount of work.

I know that I was privileged from time to time to be asked to preside over some of the meetings. I made a mild complaint. They kind of took over my office in doing this, Mr. Deputy Speaker, but that is what went with the turf. They worked diligently in putting this all into very readable report form that is our plan and serves as our plan, as our benchmark, as we try to navigate our way in the new post-Crow era and try to, as best we can, encourage ourselves and encourage our departments of governments, whether it is Rural Development, whether it is Finance, whether it is Agriculture, to respond to some of the realities that are out there in agriculture that I have already referred to with respect to freight costs of moving high volume, low cost goods out of this region, which now are just about impossible to do in an economic way, and to challenge ourselves and challenge our farmers and challenge our entrepreneurs the 101 ways that we have to invent, if you like, to provide for a decent economic return, to provide for opportunities for our young people, and, quite frankly, an extremely high priority of this government, to help repopulate some of our rural areas that for too many years now have seen a continuing decline of that population base.

In doing so, of course, Mr. Deputy Speaker, we make it possible to provide those services throughout rural

Manitoba that we are as much entitled to as those in the larger urban centres. We want quality health care, we want quality education, we want quality recreation opportunities, we want decent highways, while we are at it, when we are commuting these distances back and forth as well. So to do all this, our economy, our province, has to create the necessary wealth.

You know, Mr. Deputy Speaker, it was just an excellent opportunity that I enjoyed this morning very much in the company of some of my colleagues to visit one our major job creators, Schneider's meats. They, members will recall, just last year completed a brand-new \$25-million processing plant in St. Boniface, and it was a delight to walk through that plant, clean, bright, not some of the bad press that the naysayers would like to attach to the pork industry, employees well protected, well shielded from danger. There was not an aura of unhealthy or intolerable working conditions in that plant, a plant paying excellent wages, 50 more job openings right now at excellent wages.

All the time I walked through that plant, I did not—yes, I walked past mounds. We walked into one cooler facility that had a capacity for 6,000 carcasses of hogs at one time. The plant itself has a capacity of killing up to 800, 1,000 hogs an hour, so I saw a lot of pork, and I saw a lot of people working, and I saw state-of-the-art equipment in that brand-new plant, but, Mr. Deputy Speaker, I always go beyond that. I saw nurses being employed in hospitals. I saw personal beds being provided for our seniors, not just in the city of Winnipeg, but throughout rural Manitoba. I saw new hospitals being built. I saw teachers being hired. I saw parks being looked after as I was walking through that plant, because that is what it is all about.

That is what it is about for our municipalities, too. If they want to see their youngsters stay at home in those rural municipalities, then come to terms with a changing agriculture. Come to realize that you can have those things and at the same time, in fact, see a moderation; in fact, even see an improvement in the overall level of taxation that we impose on ourselves from time to time for these services.

So, Mr. Deputy Speaker, yes, we are—and let there be no doubt about it. I found it passing strange that the honourable member for Dauphin (Mr. Struthers) would

question the honourable member's therefore resolved of the resolution, that there was a doubt. I am delighted that at least the first spokesperson from the opposition has indicated, if I understood him right, that they were supporting the resolution. The question is will they come along for the ride all the way, because it is going to get a little rocky, it is going to get a little tough there once in a while. I would like to comfort them. You know, never fear, Enns is near, and they will land safely at the destination that we are all travelling to, but stay with us and we will make this province of ours the kind of province that we can be very proud of and that will benefit future generations for many generations to come. Thank you.

Mr. Clif Evans (Interlake): Mr. Deputy Speaker, it is a pleasure to rise and speak to this private member's resolution by the honourable member for Emerson (Mr. Penner). I have read through it, and he makes some very, very good points. He has missed out a few things, which I will probably elaborate on in my time in speaking to this resolution.

The Minister of Agriculture (Mr. Enns) says that he feels that what the member for Dauphin (Mr. Struthers) said today sounds like we are supporting this resolution, but somehow there are some things missing in this resolution, and if there was the opportunity, I think we would probably make some amendments to this resolution and add a few things that we feel, too, are important to the agricultural industry and to the province of Manitoba.

It was interesting listening to the comments by both members opposite—and I agree. I mean, the reduction and the elimination of the Crow benefit has greatly affected this province and western Canadian provinces and the agricultural producers in Manitoba. As my honourable colleague said, we are in the centre, but we are also at the worst part of the centre with the elimination of the Crow for the freight costs, as the Minister of Agriculture had said.

I also wonder, and not being in the agriculture industry myself, but for the last 15 years living in rural Manitoba and being around in agricultural areas, Killarney being one of them, now Riverton, I see the need and I see what has happened. So even though I am not totally familiar with how the system works, at

least I see what the costs and what the results have been with the loss of this, elimination of the Crow benefit.

Mr. Deputy Speaker, \$750 million is a tremendous subsidy; \$750 million to be lost in a matter of no time at all is a big, big reduction. It has made a lot of our producers in Manitoba, our grain producers and others, and I have seen it in my area for diversification. What I have also seen in my area is the importance, and in other parts of rural Manitoba—as Rural Development critic I get an opportunity to go around to all the different areas. What is important is to maintain that agricultural base, no matter whether it is in the southwestern corner, the southeastern corner, the middle, wherever agriculture and wherever part of agriculture there is, we should be doing what we can to maintain that, absolutely.

Mr. Deputy Speaker, I made some notes, and I am trying to because I want to make a few points when it comes to rural economic development also. The member stated that agriculture is important to rural economic development, and I agree, very important. We had a report out here just last week when I was heading home saying that what percentage of Manitobans make their income, what percentage of their income is from what production or what job. That happened to be agriculture, farmers and farm managers. I believe it was in the 60-something percent of this province.

* (1750)

So diversification is and has become an issue over the past couple of years to maintain this economic plus within our communities. But the Minister of Agriculture, who told us that he was here for us to save Manitoba and Manitoba producers and economic development of this province, the Minister of Agriculture should not boast too loudly about his being available as the king of Manitoba and the king of Manitoba agriculture.

Mr. Ben Sveinson, Acting Speaker, in the Chair

The history lesson was very interesting. I enjoyed listening to the member for Emerson with his comments about how everything transpired and I certainly appreciate that, but getting back, the Minister of

Agriculture stated: well, I saw when I walked through the Schneider plant, I saw nurses being hired, doctors being hired, roads being built.

Just this afternoon, or whenever he was at Schneider's, the King Harry of Manitoba, the Minister of Agriculture says: I saw this vision for Manitoba. I saw the personal care homes. I saw the hospitals. I saw the economic development.

Well, Mr. Acting Speaker, what about the last couple of years? What did the minister see? A few rough spots, just a few cutbacks here and there, just a few cutbacks in agriculture, just a few cutbacks in social services and in health care, just a few, a few bumps in the road to glory, as the Minister of Agriculture would say, to the glorious environment of our province.

I agree that diversification has become, as the member's resolution stated, and I certainly agree with that, some of the programs that this government has put in place, and members opposite know and we have said so, that some of the programs that are in place for the agriculture industry, we support. We have supported that. Our Agriculture critic has said it, I have said it, our Leader has said it, other rural members have said it.

Mr. Marcel Laurendeau, Deputy Speaker, in the Chair

But, Mr. Deputy Speaker, let us not get away from another item and that item being that nowhere here in this resolution—now with the elimination of the Crow rate, with the elimination of rail lines through abandonment in rural areas, maybe not in that member's area but in my area, has created a greater problem than what he seems to think there is out there. That problem is infrastructure. It goes along with your social services, goes along with your education, but nowhere here in this resolution does it state anything about the costs to the people to be able to have production, to do production and to cause no further hardship than has been caused.

I see it nowhere here. Nowhere does it say that the Assembly of Manitoba urge the provincial government to restore the infrastructure and to encourage the infrastructure, encourage the Province of Manitoba, encourage this government to create an infrastructure and a service for the province of Manitoba—nowhere.

Now, I have been to meetings in my constituency and to meetings with the member for Gimli (Mr. Helwer) on a very hot topic, and that is the loss of the line to Arborg. The member was there; he heard what the producers were saying. He heard what Keystone was saying. He heard what Manitoba Pool Elevators were saying. [interjection] What did I say? I support it. I supported the wishes of the constituents and the people in the organizations to maintain that line. I supported their arguments, and the member for Gimli supported them too, and I am putting that on the record.

But what was said there? They showed CP that there was no need to discontinue that line. Now, if that is going to be discontinued by the year 2000, nowhere does this member for Emerson (Mr. Penner) state—[interjection] All the member says is that the federal government has eliminated the Crow benefit, a \$750-million support system, thereby creating uncertainty and forcing change on agricultural producers. The member does not mention, does not remember the transportation end of it as far as the infrastructure goes for the producers to be able to be viable and to be able to sell and take their grain to market or their livestock.

Mr. Enns: It is all Binx's fault.

Mr. Clif Evans: Now, what we do see—well, there, Mr. Deputy Speaker, it is typical of this Minister of Agriculture (Mr. Enns), blaming someone else for what he has done in this province of Manitoba. Blame it on everybody else. It is their fault; it is not his fault. He just told us earlier he saw this great vision. Well, I wonder if he saw the vision of the person he was talking about who created the problem. If he had, he would have stopped it but he did not.

So, Mr. Deputy Speaker, that is typical. This resolution does not support what we have said, what I believe in, for the agricultural industry to diversify to a wider range, and in my area, for a good example, there is diversification already. There are producers that are into wild boar, emus, ostrich. [interjection] Not goats so much but some of the high-tech diversification. Fishing is an important agriculture economical benefit to my area and to some of the areas in Dauphin, but what I also see and what I have in my constituency as diversification is I have livestock producers who are

also fishermen who try and combine that sense of responsibility to be able to diversify their operations.

Now, also on the west side where I am hearing, because of the transportation costs, the freight costs, what we are seeing is a lot of my smaller, medium-sized producers in livestock, such as cattle, attempting and wanting to expand that industry. They are looking towards that end of the industry.

But the minister also said something very interesting, and I thought that he was sending a message—the Minister of Agriculture (Mr. Enns) was sending a message out to municipalities, to the people of municipalities to undertake responsibility to allow large diversified agricultural operations. He is telling the municipalities, you should be doing this—not listening to what the people in the area or the people on council are saying, but what the minister is telling them to do.

Mr. Deputy Speaker, if someone wants to diversify, if someone wants to get involved in any kind of an industry, whether it be the agriculture industry, whether it be for the benefit of rural development, whether it be the peat moss industry, whether it be the alfalfa plant industry that was proposed, a timothy plant, a pelleting plant that is being proposed in Vidor area—no, he is

telling them what they should be doing, not letting them, not letting the producers and the people in the area. He said earlier—[interjection] He is here. No, the minister said, “I am telling.” I wrote it down, telling municipalities. [interjection] We will check Hansard, and it will be—nobody should be telling. We should be suggesting, as the minister says he is suggesting, it is not his words. What we should be suggesting, we should be supplying the opportunity for municipalities.

An Honourable Member: King Harry does not suggest.

Mr. Clif Evans: I know King Harry never suggests anything. King Harry just does and takes as he feels and as he pleases. The diversification is important. The agriculture industry is a very viable—

Mr. Deputy Speaker: Order, please. When this matter is again before the House, the honourable member for the Interlake will have three minutes remaining.

The hour now being six o'clock, this House is now adjourned and stands adjourned until tomorrow (Wednesday) at 1:30 p.m. Good night.

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, March 24, 1998

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