First Session - Thirty-Seventh Legislature

of the

Legislative Assembly of Manitoba

DEBATES

and

PROCEEDINGS

Official Report
(Hansard)

Published under the
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The Honourable George Hickes
Speaker

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LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 10, 2000

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Winnipeg Police Athletic Clubs

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, I beg to present the petition of Meghan McWilliams, Shannon Rempel, Jessie Turner and others praying that the Legislative Assembly of Manitoba request that the Minister of Justice (Mr. Mackintosh) encourage the Government of Manitoba to continuing partnering with schools and law enforcement to ensure Winnipeg Police Athletic Clubs provide recreational and athletic activities for young people in a safe, supervised environment in 13 schools throughout Winnipeg, for years to come.

READING AND RECEIVING PETITIONS

Winnipeg Police Athletic Clubs

Mr. Speaker: I have reviewed the petition of the Honourable Member for Seine River (Mrs. Dacquay), and the petitioners have complied with the authorities and practices of this House.

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

Some Honourable Members: Yes.

Mr. Speaker: The Clerk please read the petition.

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

THAT the Winnipeg Police Athletic Clubs help reduce neighbourhood crime, enhance the relationship between young people and the police and create positive alternatives to undesirable pastimes for youth; and

THAT in January and February 2000, more than 8000 children and youth attended Winnipeg Police Athletic Clubs; and

THAT the importance of athletic activity on a child's physical and cognitive development is well established and should not be overlooked; and

THAT during the 1999 provincial election, the New Democratic Party promised "to open schools after hours and expand recreation activities for children and youth"; and

THAT the Winnipeg Police Athletic Clubs provide an excellent example of communities partnering with government, schools and law enforcement to provide a safe place for youth to go; and

THAT many parents throughout Winnipeg are very concerned that the Government of Manitoba may choose to close the Winnipeg Police Athletic Clubs.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY THAT the Legislative Assembly of Manitoba request that the Minister of Justice make certain that the Government of Manitoba continue to partner with schools and law enforcement to ensure Winnipeg Police Athletic Clubs provide recreational and athletic activities for young people in a safe, supervised environment in 13 schools throughout Winnipeg for years to come.

MINISTERIAL STATEMENTS

Pioneers 2000 Conference

Hon. Becky Barrett (Minister of Labour): Mr. Speaker, I have a statement for the House.
On May 4 to 6, over 200 people from across Canada, the United States and Australia attended Pioneers 2000. Congratulations go to the Council for Canadian Unity, the Business Council of Manitoba and the Canada West Foundation for sponsoring and organizing this precedent-setting event.

* (13:35)

The purpose of the conference was to bring together participants from business, all three levels of government, as well as groups and individuals interested in immigration issues, to examine immigration policy and to assess the importance of immigration to Canada's future. The program featured keynote speakers Demetrio Papdemetriou, from the International Migration Policy Program, Carnegie Endowment for International Peace; the Honourable Elinor Caplan, federal Minister of Immigration; Angus Reid; and Christine Silverberg, Calgary Chief of Police.

Issues that were discussed included the role of immigration in the economy and nation building, federal-provincial immigration agreements, settlement policy and the role of the business community. Pioneers 2000 achieved its goal of underlining the significance of immigration in Canada's national experience and the recommendations coming from the conference will undoubtedly have an impact on policy development, both federally and here in Manitoba.

Special appreciation is due to Arthur Mauro, conference chair; Jim Carr, president and CEO, Business Council of Manitoba who spearheaded the work here in Winnipeg; as well as to Dr. Roger Gibbins, president and CEO, Canada West Foundation; and Michele Stanners, regional director of the Council for Canadian Unity.

As the Premier stated in his welcoming remarks, immigration is vital to the continued economic and social health of Manitoba. We will listen to and act on the recommendations from the Pioneers 2000 Conference which was a demonstration of how many groups and levels of government can work together to strengthen our society. Again, congratulations to the sponsors and organizers of this very successful conference. Thank you.

Mrs. Louise Dacquay (Seine River): I would like to thank the Honourable Minister of Labour for her ministerial statement. This is indeed very supported by the members on this side of the House. It is important that all the interested partners work together in a very strong partnership. When we were in government, we negotiated the immigration agreement primarily to attract skilled immigrants to Manitoba. We recognized the importance of the contribution that immigrants could make to Manitoba's economy.

I would particularly like to also recognize and thank the members of the conference who were instrumental in ensuring this conference was a success, that is, Arthur Mauro, conference chair; Jim Carr, president and CEO, Business Council of Manitoba; Dr. Roger Gibbins, president and CEO of Canada West Foundation; and Michele Stanners, regional director of the Council for Canadian Unity.

We are pleased that the Government has indicated that it will act on the recommendations, and we will be watching and listening with interest. Thank you, Mr. Speaker.

Hon. Jon Gerrard (River Heights): I ask for leave to speak on the Minister's statement.

Mr. Speaker: Does the Honourable Member have leave? [Agreed]

Mr. Gerrard: I want to speak on this statement because I have a personal and significant interest in the immigration question and attended the Saturday sessions of the immigration conference. I think the organizers are to be applauded for the work that they have done. Clearly, Manitoba will benefit from significant new immigration, and I would urge the Government to move speedily in implementing the recommendations which come from the conference.

INTRODUCTION OF BILLS

Bill 200–The Lotteries Accountability and Consequential Amendments Act

Mr. Jack Reimer (Southdale): Mr. Speaker, I move, seconded by the Member for Turtle Mountain (Mr. Tweed), that leave be given to introduce Bill 200, The Lotteries Accountability
and Consequential Amendments Act (Loi sur l'obligation redditionelle en matièr de loteries et modifications corrélatives), and that the same be now received and read a first time.

**Motion presented.**

* (13:40)

Mr. Reimer: Just a few short comments. The purport of the Bill is similar to—in fact, it is the copy of the Bill that was introduced by the Member for Selkirk (Mr. Dewar) in regard to, at that time, the Opposition's concern about public accountability and public consultation in regard to gaming and the expansion of gaming.

We have felt that this bill, now to be reintroduced, is something that we will seek for unanimous consent. We know that the then-Leader of the Opposition, who is the Member for Concordia (Mr. Doer), endorsed the Bill. We would seek that same type of approval at this time so that the Bill can move through in a very expeditious manner and that committees can be called very shortly to examine this bill.

We concur with the First Minister (Mr. Doer) that this is unanimous consent and that we expect this to happen.

**Motion agreed to.**

**Introduction of Guests**

Mr. Speaker: Prior to Oral Questions, I would like to direct the attention of all honourable members to the loge to my right where we have with us Mr. René Toupin, the former Member for Springfield.

I draw the attention of all honourable members to the loge to my left where we have with us Mr. Binx Remnant, the former Clerk of the Legislative Assembly.

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

**ORAL QUESTION PERIOD**

**Minister of Conservation**

**Conflict of Interest**

Mr. Gary Filmon (Leader of the Official Opposition): My question is for the Minister of Conservation.

In December, I asked the Minister what he intended to do about the inherent conflict-of-interest position that he has been put in by the combination of Environment and Natural Resources into one department. For instance, where proposals for a change in use of Crown lands for forestry or recreation purposes take place, his department, responsible for Natural Resources, would be the proponent. At the same time, his department as Environment would be the watchdog. So how can he be both?

Hon. Oscar Lathlin (Minister of Conservation): I thank the Leader of the Opposition for that question.

As I explained to the Member last fall, I had advised him at that time that we had started a process of reviewing the two departments to try to determine where there might be a potential conflict. We had also started to review the activities of other jurisdictions.

I know that, in Alberta, the departments have joined together. As a matter of fact, I consulted with the Minister of Environment there. I also consulted with the Government of Saskatchewan, because they had gone a similar route, and so far we are well on our way with our integration activities. So far we have not been able to come across any significant problem areas. We are convinced in Conservation that we can handle and manage the department in a balanced manner. Thank you.

* (13:45)

Mr. Filmon: Mr. Speaker, I would have thought that his party would have known, before they made the decision, that in Alberta the Natural Resources Conservation Board has the final jurisdiction. There is no appeal to the minister.

The difference here in Manitoba is, if any projects that are proposed by his department under Natural Resources go to the Clean Environment Commission for a hearing, his department are the proponents. Then, when the decision is made by the Clean Environment Commission, it is appealable to the Minister. If there is anybody who is upset with that decision, they appeal it to the Minister. So here he is, on the one hand, being the proponent, and on the other hand he has to be the one to whom they
appeal. How can he take a position of being unbiased when he is the proponent of the project and it has gone to the Clean Environment Commission hearing, it has been ruled on, and now he has to make a judgment on it as the final appeal? That does not occur in Alberta. It does occur under the circumstances he has been placed here in Manitoba.

Mr. Lathlin: As I have already advised the Member opposite, we are carrying out some consultation with other jurisdictions to seek advice and information. As I have already told him, our integration work has not been completed yet. We are nearing the end of that phase one of our work, and we are going to be entering into the second and final phase of our work. As I have said, so far the work we have been carrying out in my department, I am satisfied that we can manage the environment and the natural resources in a balanced manner.

Mr. Filmon: Mr. Speaker, not even his Deputy Minister believes—because he is quoted in the media in December in response to the questions that I placed here as saying that they recognize there is a conflict and that they have to find a solution. This is now over five months. He is fortunate that there has been nothing going to the Clean Environment Commission, because if it had, then he would be the only appeal. It would be challengeable to the courts, because he is in a conflict-of-interest position. I say to him: How long is it going to take for him to resolve this conflict? What is the solution?

Hon. Gary Doer (Premier): Mr. Speaker, it is interesting the Member opposite mentions the Clean Environment Commission that has been literally inactive under his stewardship for the last number of years. We called on public hearings for the extraction of water and the operation of the sewage plant in the Maple Leaf area in Brandon. There were no public hearings. We are pleased that one of the conditions for the expansion of the Schneider's plant is that it is going to go to the Clean Environment Commission.

Pine Falls Paper Company Expansion

Mr. Darren Praznik (Lac du Bonnet): My question is also to the Minister of Conservation. Mr. Speaker, while the Minister is busy working out and consulting about how he is actually going to administer his department, the reality is that jobs, good union jobs, and investment slip away on this government in northeastern Manitoba.

Mr. Speaker, a proposal by the Pine Falls Paper Company to develop a sawmill operation, which could be the beginning of very significant First Nations employment and opportunity in eastern Manitoba, sits without a decision by his department with respect to wood supply because in fact they cannot make a decision.

Would the Minister please tell this House and the people of eastern Manitoba why it is taking so long to deal with this important issue?

* (13:50)

Hon. Gary Doer (Premier): Well, Mr. Speaker, this crosses a number of departments, because we are still dealing with a phantom promise from members opposite that there would be a road built all the way up the east side of Lake Winnipeg under this new proposal, which was patently false. It is regrettable that members opposite create false hope when they talk to the citizens of this province. So, in terms of transportation, there is a serious weakness to the statements made by members opposite in government to the communities, including the aboriginal communities that could take advantage with the sawmill proposal. That speaks to the highways issue.

Secondly, the whole issue of the fibre in the existing cut area is an area that the company came to us and said there is more fibre in the existing cut area. That would not require an expansion of that cut area.

It is incumbent on the people of Manitoba who are responsible for the fibre to confirm the fibre content in the existing cut area before we make a decision. That is what the Minister of Conservation is doing. That is what members opposite should have done a year ago.

Mr. Praznik: Mr. Speaker, since the First Minister is now running every department of government and has no faith in his ministers,
Hon. Oscar Lathlin (Minister of Conservation): Mr. Speaker, when we became government in Manitoba, yes, indeed, there were several issues that were on the table, that were sitting there, such as the one that was mentioned by the Premier where the former government went around and promised the people on that side of Lake Winnipeg that a road would be constructed all the way to Berens River and up to Island Lake. Yet I recall one of the Member's questions in the fall was that we were going to divide and conquer. I remember telling him, advising the Member at that time, that we are going to be working with all the people on the east side of Lake Winnipeg, not just one group, but we are going to be taking a balanced approach. We are going to work with the aboriginal community. We are going to work with industry. We are going to work with labour. We are also going to work with the environmental groups and do things in a balanced way.

Mr. Speaker: Order, please.

Point of Order

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

Mr. Speaker, the question was very clear: Will the Minister confirm what his officials had to say?

Mr. Speaker: The Honourable Member does have a point of order. I would just like to remind all honourable ministers that, according to Beauchesne's Citation 417, the answers to questions should be as brief as possible.

***

Mr. Speaker: Would the Honourable Minister please conclude his answer. You have concluded. Honourable Minister, that is your final answer?

Mr. Praznik: Mr. Speaker, I feel like asking if he wants to phone the Premier (Mr. Doer) to get his answer.

Mr. Speaker, while this minister is busy consulting and raising issues that are part of this but not the main one before him, the investment required to build the first sawmill, which brings with it over a hundred jobs in that mill and several hundred in trucking, will be lost because this minister is not doing his job and bringing all the parties together to get an answer. I am asking him today if he, as a minister, is prepared to do his job, get out of this building after the budget, get the parties together and get this thing resolved before the investment is lost.

*(13:55)*

Mr. Lathlin: Again, I would like to advise the Member that, on this side of the House, we are going to develop a relationship with all the stakeholders in that area, the environmental groups, industry, the Aboriginal people who live in that area as well as labour, as he alluded to in his earlier question. I want to assure the Member that we are not interested in driving any one group out from that area of Manitoba. We are interested in working with all the groups just as we have done, just as we have recently done in Dauphin, in Lake Dauphin, where I went there last weekend and I was able to meet with two groups. It was a situation that was deteriorating so badly that the two groups—there was a lot of tension there. We went in there and we agreed to work with all the groups there, and we are now on our way to getting an agreement in place.

Point of Order

Mr. Laurendeau: Mr. Speaker, again, Beauchesne's 417, answers to questions should be as brief as possible, deal with the matter raised and should not provoke debate. I do believe the Honourable Minister is attempting to provoke debate, and all he is going to do is get a number of questions related to the Dauphin issue later because we know he still has not resolved that issue.

Mr. Speaker: The Honourable Government House Leader, on the same point of order.
Hon. Gord Mackintosh (Government House Leader): On the point of order, Mr. Speaker, I believe the Minister answered in three brief sentences, answered the question that was put to him. Just because it is called Question Period does not mean that answers cannot be allowed.

Mr. Speaker: On the point of order, I would like to ask the assistance of all members when putting a question and answering a question to please be brief. I would like to ask the Minister to please conclude his answers.

Wildlife Amendment Act
Public Consultations

Mr. David Faurschou (Portage la Prairie): I would like to direct a question to the Minister of Conservation as well. In light of what he has stated in the House today and acknowledged, the importance of holding public consultations, I would like to ask the Minister of Conservation: Is he then now committed to reinstating the public hearings which he cancelled in regard to proposed changes to The Wildlife Act?

Hon. Oscar Lathlin (Minister of Conservation): Mr. Speaker, as I answered earlier, in earlier questions, I believe the former First Minister, again, was asking those questions. I answered him that, as he knows perfectly well because he has been around this place for longer than I have, in a situation like this, there are usually three opportunities for the public to have input: after the second reading; and then also, once the regulation is developed, there is an opportunity for the public to have input during the development of the regulation.

Mr. Faurschou: Mr. Speaker, a supplemental to the Minister of Conservation. The question was a simple one. Will he or will he not reinstate the public meetings that he, the Minister of Conservation, cancelled? Yes or no?

Mr. Lathlin: Again I will advise the Member that when we get into the committee hearings there will be an opportunity for the public to come in and have input. As well, when we get into the development of the regulation, there will be another opportunity for public input.

Mr. Faurschou: Mr. Speaker, I do not know why the Minister is waffling on such a simple question. He put the committees in place. Perhaps the Minister is, in fact, waffling because he himself is reviewing, at this point in time, significant amendments which he is considering to Bill 5.

Is that the reason why he is not holding public consultations at this time?

Flooding
Agricultural Disaster Assistance

Mr. Larry Maguire (Arthur-Virden): Mr. Speaker, last year the former government acted quickly and provided $50 an acre to the unseeded acreage in southwest Manitoba.

I would like to ask the Minister of Agriculture questions about her trip to Ottawa to secure flood aid for the southwest Manitoba farmers. For the benefit of all these producers, could the Minister inform this House whether she was successful in securing with the federal government a 50-50 cost-shared program for this region?

Hon. Rosann Wowchuk (Minister of Agriculture and Food): Mr. Speaker, the Member is correct. We did go to Ottawa in anticipation that the federal government would consider the serious conditions in the southwest part of the province and put forward some assistance for them. I can tell the Member that, in those discussions, my colleague, the Minister of Highways and Government Services (Mr. Ashton), put forward the suggestion of a 90-10 program, a 50-50 program, and any other program that they could have, and the answer that Mr. Eggleton gave us last week of no still remains no. The three ministers that we met with
yesterday indicated that there is no money coming from Ottawa.

Mr. Maguire: Mr. Speaker, to the same Minister: While it is clear that her government still has done nothing to achieve success in this area, is she prepared, as the previous government did in her own riding in 1988, to provide immediate commitment to these victims in this region, and is she prepared for a lengthy battle with the federal government to recover Manitoba's share of the assistance?

Ms. Wowchuk: Mr. Speaker, I am surprised that the Member would put such facts on the record, indicating that this government has done nothing for farmers since we took office.

I want to tell the Member, or just remind the Member, that, since we took office, we have secured from the federal government $60 million. We put in $40 million which, although was distributed to all farmers, my understanding is, if we look at those numbers, $25 million went to the southwest part of the province. We have also enhanced the AIDA program and, with that enhancement to AIDA, that was $58 million that went to Manitoba producers. Of that enhancement to AIDA, $11 million went to southwestern Manitoba.

Certainly we wish we could have gotten more assistance from the federal government, but let this member not say that this government has not done anything for those producers since we took office. That is not true.

Mr. Maguire: Mr. Speaker, we have heard that same answer, the rhetoric, many times in this House.

Can the Minister of Agriculture, instead of offering more of the same old lip service, actually offer some hope from this government for concrete funding to these struggling producers?

Ms. Wowchuk: I am surprised that this member would say putting on the table $58 million in enhanced AIDA, putting in place a CMAP program, was lip service. We believe in the farming community, and we are working with them.

Mr. Leonard Derkach (Russell): Mr. Speaker, despite the fact that the Premier (Mr. Doer) just said, from his seat, spend, spend, spend, I want to say to the Minister of Agriculture that farmers in southwestern Manitoba and in my constituency are struggling financially to put their crops in. They are struggling to put chemicals on, put fertilizers on and to keep fuel in their tractors. Given this minister's inability to secure any agreement from Ottawa yesterday, is the Minister of Agriculture here in Manitoba willing to reintroduce the amendments to the agriculture resolution that was debated in this House, that her government voted down in this House on Monday, amendments that would have put immediate aid into the hands of producers in southwestern Manitoba?

Hon. Rosano Wowchuk (Minister of Agriculture and Food): Mr. Speaker, I must say I am surprised that that member would raise that particular issue. I want to say that I am also terribly disappointed in the members across the way who would not pass a resolution calling for support from the federal government for our farmers before we went to Ottawa. Rather than giving us strong support and standing as a united group of people for the farmers of Manitoba, they chose not to let that resolution pass. They chose to play politics instead of our having the ability to go to Ottawa and say: We have all members of this Legislature standing behind us, and we want the federal government to consider any program; we want the federal government to put some money. But rather they chose to play politics and tried to shift federal responsibility onto a provincial government, and that is wrong.

Mr. Derkach: A supplemental question to the same minister. Why is this minister not willing to come to the table with assistance to support the agriculture community, the farm families in despair that she promised to support repeatedly during the election campaign?

Ms. Wowchuk: Mr. Speaker, the commitments that we made during the provincial election, we are committed and we are upholding them. We made a commitment that we would make a change to Manitoba Crop Insurance that, should
there be excessive moisture again, farmers would not have to go to an ad hoc program as they did under the previous government that had the opportunity for over three years to bring that program in, and they refused to bring it in. We made that change, and we have made other changes. It was through our initiative that we got a hundred million dollars for Manitoba farmers. It is through our initiative that we have put an enhancement to AIDA. We are standing with the farmers.

**Webster Report Recommendations**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, my question is for the Minister of Health. Yesterday there was delivered a scathing report prepared by Gordon Webster documenting poor management, poor cost control, excessive expenditure in the Department of Health. Given the urgent need to act, I would ask the Minister what his immediate plans are to make sure that the situation is addressed.

**Hon. Dave Chomiak (Minister of Health):** Mr. Speaker, I thank the Member for that question. As members of this House will know, during the initial days when we assumed office, we asked Mr. Webster, who had experience both as the head of the Winnipeg Health Authority and in the private sector and involvement before, had been hired by the previous government—we thought he, as an individual, would give us some advice and recommendations. Mr. Webster gave us a number of recommendations, and I am happy to report that some of those recommendations we have already acted on with respect to the report, dealing particularly with financial accountability matters. Others we will be reviewing and discussing and looking for advice in terms of future implementation.

**Mr. Gerrard:** My supplementary to the Minister of Health. Given the nature of the content of the report, in the budget today, I would ask the Minister that clearly an increment in health expenditure of more than 5 percent would be far out of line with the recommendations in the report. Is that correct?

**Mr. Chomiak:** Mr. Speaker, I am not sure from whence the Member is making that particular comment because the Member is well aware that there is a discrepancy with respect to print expenditures as opposed to actual and that divergence—an overexpenditure. I would add that there are a number of solid recommendations in that report, that we came into office, coincidentally and in conjunction with, recognizing it was very necessary to improve conditions in Manitoba.

*(14:10)*

Firstly, as members opposite in the House know, we merged two authorities together. We had two health authorities in one city. We found that the services improved dramatically. Second, we have had long discussions and worked very hard with the health authorities, and I think it will be reflected in this budget. But what we are trying to do is put in place realistic budgeting, realistic expectations and dealing with accountability, not what we saw the past three years from members opposite when you had literally every year, on average, over $100-million overexpenditures and back expenditures at the end of the year.

We do not know how anyone could plan or operate a health care system in that situation, and we have a bit of an understanding why we were in so much trouble, when we assumed office, as a result of mistakes made by the former government.

**Mr. Gerrard:** My supplementary to the Minister of Health. Given that one of the poor management practices that was implemented in previous years was the addition of all sorts of add-on expenditures into the base budget, would you not consider that optimum management would refer today's budget numbers to the budget estimate of last year which was a budget in Health of $2.12 billion?

**Mr. Chomiak:** In some ways it is a pity, Mr. Speaker, that the Member opposite was not present during the last course of the Estimates because I remember sitting across the way and talking to the former Minister of Health and saying: How much have you allocated for labour settlements? Do you have sufficient resources in for labour settlements? and the Minister assuring me, assuring this House that in fact they had
adequate funds. We found, coming into office, I think it is somewhere in the neighbourhood of— they are out by maybe around $100 million, something in that neighbourhood. In addition, we found, coming into office, that deficits had not been funded and in fact had been retroactively funded year over year. We were something like $50 million off in terms of deficit. So to achieve that base is something of a feat, given the rather dismal accounting and fiscal practices practised by members opposite with regard to health care.

First Nations Casinos
Postponement

Mr. Jack Reimer (Southdale): Mr. Speaker, we have continually asked questions in this House about the steam-roller approach of this government in regard to its expansion of five additional casinos in Manitoba without public consultation. Not only are the people in various communities frustrated, but it is reported that about two-thirds of the applicants had incomplete proposals submitted because, as reported by some aboriginal leaders, there just has not been the time so far. Will the First Minister now delay the decision-making process that is supposed to happen before or on May 31 to have more public consultations?

Hon. Ron Lemieux (Minister of Consumer and Corporate Affairs): Mr. Speaker, thank you to the Member opposite for the question. The process we have in place is we have two gentlemen that are the selection committee. That process is soon to come to a completion by the end of the month, and at that time they will be giving recommendations to this government.

Premier's Comments

Mr. Jack Reimer (Southdale): My question again to the First Minister (Mr. Doer). Will he concur, confine—

Some Honourable Members: Oh, oh.

Mr. Reimer: Will he confirm—[interjection] Hopefully they are just as enthusiastic about the concurrence of this quote. The quote is that Mr. Doer—but I will say the Premier—the Premier conceded the interests of First Nations may have to take precedence over local community sentiments when determining the location of aboriginal casinos. Will he confirm that quote?

Hon. Ron Lemieux (Minister charged with the administration of The Gaming Control Act): What I will confirm is that the expansion of Regent and McPhillips was supposed to be $55 million, and it looks like it will be $112 million. That is what I will confirm so far. The Auditor is certainly looking into that, and we certainly await to see what the Auditor has to say with regard to that.

Also, throughout the '90s, this government—we were the Opposition at the time—certainly asked for accountability with regard to casinos, and the previous government just went ahead and steam-rolled and expanded their casinos. Now we are awaiting those results to find out how much and to what extent that was.

Mr. Reimer: It is amazing how the word "accountability" keeps rolling out of that part of the House here when they talk about different areas. The thing that they failed to mention is the accountability to the public and public concerns.

Mr. Speaker: Order, please.

Point of Order

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, Beauchesne's Citation 410, supplementary questions require no preamble. Of course, yesterday the Honourable Member introduced the House to the notion and a classic example of a "mid-amble." Every time the Member gets up with a question, I get out Beauchesne's now.

I wonder if you could call the Member to order and remind him that supplementary questions require no preamble.

Mr. Speaker: Order, please. The Honourable Government House Leader does have a point of order. Beauchesne's Citation 409(2) advises that a supplementary question should not require a preamble.

* * *
Mr. Speaker: I would ask the Honourable Member to please put his question.

Mr. Reimer: I apologize for some of the comments that were made, but when you are dealing with a pretzel factory over there, you know you have to—

Some Honourable Members: Oh, oh.

Postponement

Mr. Jack Reimer (Southdale): I will ask just a simple question. Will this government delay their decision-making on May 31 to allow for more public consultation and more public input into this decision-making, any kind of public consultation?

Hon. Ron Lemieux (Minister charged with the administration of The Gaming Control Act): Certainly there is a process, as I have mentioned repeatedly, that by May 31 a selection committee will be giving the recommendations to this government, and within the request for proposal it does state that it does require proponents to address concerns of nearby municipalities. Consultation has been built into the selection process, and May 31 we will be getting those recommendations from the selection committee with regard to their recommendations.

Cancer Treatment
Bed Availability

Mr. Harold Gilleshammer (Minnedosa): Once a month a constituent of mine is taking treatment for cancer that requires that she stay in hospital for five days. Since last fall, on a number of occasions, she has been referred to a hotel near the Health Sciences Centre while taking treatment because no beds were available. She states in a letter to the Minister, in March, that it takes twice as long to recover from her treatment than it does when a hospital bed is provided.

Would the Minister of Health please explain why these treatment beds are no longer available?

Hon. Dave Chomiak (Minister of Health): I would appreciate if the Member opposite would forward to me the details of that particular issue. As we do, and as has always been the practice in this Chamber, we will respond forthwith, because the treatment and care of Manitobans is our No. 1 priority.

Mr. Gilleshammer: I would be pleased to refer him to the two letters he has on file and the one that the Premier (Mr. Doer) has on this issue.

When my constituent indicates that conditions surrounding her treatment are getting worse since the end of 1999, I would like to ask the Minister of Health what he is doing for rural patients who must travel to Winnipeg for cancer treatment.

Mr. Chomiak: Speaker, I question the subjective nature of the particular member’s comments. I would like the Member to specify those particular instances, and I will look into that particular situation. Not only have we as a government expanded the number of cancer treatments available to all residents of Manitoba, we have expanded the number of hours of operation for cancer treatment, but there have been more beds open in this jurisdiction since we have come to office.

* (14:20)

Immigration Policy
Medical Coverage

Mrs. Bonnie Mitchelson (River East): Mr. Speaker, a month and a half ago, I contacted the Minister of Health on behalf of Ziva Stauber, a doctor who was recruited, along with her husband, a neurologist, to work in Manitoba. Ziva did not receive medical coverage on her arrival.

Since the Minister indicated at that time that he would address the situation immediately, why does she still not have medical coverage?

Hon. Dave Chomiak (Minister of Health): Mr. Speaker, when the Member opposite phoned me—I believe it was on a Friday—I phoned her back the subsequent Friday and said I would look into it. I talked personally with Mrs. Stauber and put her in contact with an official from my department, who attended at her place
of residence and went over the issue with her and then attended at an immigration office in order to fill out the particular documentation that has now gone in and is awaiting approval and finalization.

Mrs. Mitchelson: Mr. Speaker, small comfort to Ziva who is pregnant and due in September and is extremely concerned that she was recruited by this minister and is here in our country and our province and she is not getting the respect that she deserves as a doctor in our country. She would like to know from the Minister: When will she receive the medical coverage?

Mr. Chomiak: Mr. Speaker, I personally spoke with her, and I also spoke subsequently with officials from my department. We did everything possible from the Department of Health's perspective in order to speed up the process, including visiting her at her home and attending with her at the immigration offices. I understand from the information that was provided to me from my department that the processing with respect to immigration takes some time, and she was advised of that.

But, to further this issue, I will contact her. I will contact the department, and I will advise her of that.

Mrs. Mitchelson: Mr. Speaker, I would like to ask the Minister how he expects to attract other skilled professionals to Manitoba when he has not been able to ensure a smooth transition for the doctors who have arrived under his watch.

Why could he have not, as his Deputy Minister said in a newspaper article back in March, have facilitated this, because his deputy indicated at that time that this never should have happened?

Mr. Chomiak: Well, Mr. Speaker, I thank the Member for that question. I am very happy to report that one of the disadvantages of recruiting more doctors into this jurisdiction is that you have to put in place proper administrative controls. The people who recruited that particular doctor in that instance did not have the experience with respect to putting those details in place. We have now put a process in place. Not only do we have a process in place for that particular kind of issue, but members opposite had such little experience in attracting doctors, there was not that kind of experience available in this jurisdiction.

First Nations Reserves–Voters' Rights
Corbiere Decision

Mr. Frank Pitura (Morris): Mr. Speaker, I would like to ask some questions of the Minister of Aboriginal and Northern Affairs. On May 20, 1999, the Supreme Court of Canada found the requirement that voters be resident on reserve to vote is contrary to the Charter of Rights and Freedoms under section 15, the equality provisions.

Mr. Speaker, could the Minister indicate to the House if the Corbiere decision is expected to have any impact on the interaction between the provincial government and local First Nations communities?

Hon. Eric Robinson (Minister of Aboriginal and Northern Affairs): Mr. Speaker, I will take that question under notice.

Capital Region Review Panel
Abolition

Mr. John Loewen (Fort Whyte): Mr. Speaker, in December of 1999 the Capital Region Review Panel submitted its final report to the Minister of Intergovernmental Affairs (Ms. Friesen).

This Minister has had this report in her possession for four months, but the only action she has taken is to revoke the Order-in-Council that created the Capital Review Panel.

In light of her decision to abolish the Capital Region Review Panel, will the Minister be assuming the panel's duties and responsibilities?

Hon. Jean Friesen (Minister of Intergovernmental Affairs): Mr. Speaker, I thank the Honourable Member for that question.

Since receiving the Capital Region report, I sent it out to all the people who had made presentations, which I think was a courtesy, to ask them for their comments on that. We also sent it out to all municipalities across Manitoba to ask for their responses to this. We have also
met with a number of groups, including most recently, this week, the mayors and reeves of the Capital Region to discuss the next steps on that.

I would like to thank the Member for raising this. It is an issue that the last government spent 10 years trying to decide what to do with. They had report after report after commission after commission, round table after round table.

I can assure the Honourable Member that we will be moving on that report very shortly.

Mr. Speaker: Order, please. Time for Oral Questions has expired.

Introduction of Guests

Mr. Speaker: I would like to draw the attention of all honourable members to the loge to my right, where we have with us today Ms. Myrna Phillips, former Member for Wolseley; also Ms. Muriel Smith, former Member for Osborne; and Doreen Dodick, former Member for Riel.

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

Perfect timing. I would also like to introduce and welcome to the Chamber, on behalf of all honourable members, Mr. Harvey Smith, former Member for Ellice.

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

MEMBERS' STATEMENTS

Assesippi Winter Park

Mr. Leonard Derkach (Russell): Mr. Speaker, I rise today to congratulate the Assesippi Ski Hill and Winter Park on a very successful first season.

Despite the warm weather we experienced this winter, over 26 000 skiers and snowboarders enjoyed Manitoba's newest ski resort during the inaugural season.

Having enjoyed some weekend skiing at the Assesippi Winter Park, I can say that this facility is very impressive. I encourage all members of the Assembly to see first-hand what a wonderful facility we have at Assesippi Winter Park.

Not only is Assesippi Winter Park's reputation growing in Manitoba, but word about the park is spreading throughout Canada. The resort was recently named Canada's best new destination by Attractions Canada in the New Attractions category. This well-deserved accolade will no doubt increase the winter park's status as a first-class ski resort and tourist destination.

* (1430)

Through their hard work and foresight, Damon Gillis [ phonetic] and the rest of the Assesippi Winter Park team have created a first-class ski facility for all Manitobans to enjoy.

The winter park has also had a tremendous effect on the economy of the surrounding rural communities. Businesses for hotels and bed and breakfasts in nearby communities of Russell, Roblin and Inglis have increased since the opening of Assesippi Winter Park. The spinoff effects created by businesses like the winter park on rural Manitoba's economy cannot be overstated. This ski facility has raised the profile of the Russell area in Canada and the United States.

I congratulate the Assesippi Winter Park on their award-winning efforts during the first season and wish them the very best in the future. Thank you, Mr. Speaker.

Firefighters

Mr. Scott Smith (Brandon West): It is my pleasure to have the opportunity to speak in the House regarding a group of very special men and women in our communities. All communities in our province have fire services and EMS. Some are volunteer, while other large urban centres have full-time staff coverage in emergency services. It is certainly a comfort to us all.

The job description of firefighters certainly has greatly evolved in the past number of years. A few short years ago, firefighters were responsible for structural fires and very little else. Firefighters today have an ever-increasing
role to play in the emergency response system. Many are trained emergency medical technicians. Many have vehicle extrication expertise, high-angle rescue expertise, water rescue experts and hazardous material response experts, and, yes, they still take cats out of trees.

Sometimes I and others take these professionals for granted until we are involved in a crisis. In Brandon, these professionals deal with a great number of emergency situations 24 hours a day, 7 days a week. One in particular happened recently and made me reflect on the precious skills they provide. A person had fallen while making repairs to a well and was trapped upside down, submerged in water. Thankfully, it was witnessed and the 9-1-1 system was activated. Trained emergency personnel were on the scene within minutes. The combination of their expertise in confined space rescue operations and emergency medical skills rescued, resuscitated and saved the life of that person.

On the scene that day, Kelly Verspeek, Kevin Holder, Wayne Ferguson and Wade Ritchie made an incredible contribution to that man, his family and the community. I commend these professionals for their abilities, courage and heroism.

"Show of Hearts" Telethon

Mr. Jim Penner (Steinbach): Mr. Speaker, I am honored to rise today to report to the House on an event that took place last February. On February 27, the Variety Club of Manitoba held its annual telethon called the "Show of Hearts." The proceeds of this telethon go to help children with disabilities, hearing impairments, learning disabilities, terminal illness, birth defects and other challenges right here in Manitoba.

Over the past years, Mr. Speaker, I have had the opportunity to be involved with Variety through the operation of my business, and I have always been impressed with the quality of work that is done by those involved. This year was no exception.

Mr. Speaker, this year the telethon raised over $600,000, money that will make a difference in the lives of hundreds of Manitoba children. I am pleased to note that 25 MLAs and staff from this side of the Chamber spent an hour taking phone pledges and lending support to the telethon, as well as raising a significant amount of money for the Variety Club individually. As a member of the Conservative caucus, I am proud of the effort and dedication put forward for this worthwhile cause.

Mr. Speaker, I would like to take a few moments to thank the many people involved with ensuring that the Variety Club telethon was a success. Specifically, I would like to congratulate Wayne Rogers, this year's Chief Barker, and Terri Sperle, Executive Director for the Variety Club. Few know the amount of organization and sponsorship needed to make an event like this happen, and I would like to personally commend Wayne and Terri for their efforts. But of course the real credit goes to the literally hundreds of volunteers who spent countless hours behind the scenes preparing for the event and to the thousands of Manitobans who gave their pledges to this worthy cause.

The generosity of Manitobans is well known and again has come through to make a difference in the lives of Manitoba children. So, to everyone involved with Variety, congratulations, keep up the good work and do not forget about the marathon on Father's Day.

Assiniboia West Tournament of Champions

Mr. Jim Rondeau (Assiniboia): I rise today to recognize the ongoing dedication of the board and members of the Assiniboia West Community Centre in hosting their 29th annual Assiniboia West Tournament of Champions. This year, the hockey tournament, the largest in western Canada, was held over the course of 17 days, using 6 different arenas, 2300 players from--well, 155 teams took part in 8 age divisions, playing at 20 different skill levels. This is a huge tournament, and it was a huge success.

The Assiniboia West Tournament of Champions offer young hockey players, both male and female, the opportunity to develop and display their skills. It encourages young people to challenge themselves, to play their best as individuals and as part of a team. Recognition for the success of this event must go to all the
players, their coaches, their families and the hundreds of volunteers who support and encourage them season after season.

Particular recognition for developing and hosting this tournament must also go to the people of Assiniboia West Community Centre, the tournament organizers, their chairperson, Mr. Jerry Jones [phonetic], and the 250 volunteers whose efforts and time paid off so well.

I invite this Legislature to join me in commending these and all the dedicated volunteers across the province, who by example helped people become better athletes, better sports, and better citizens of Manitoba. Let the games continue.

TechQuest 2000

Hon. Jon Gerrard (River Heights): Mr. Speaker, I rise on my member's statement to talk a little bit about the new economy and TechQuest 2000, which has been on the last two days. Hundreds of Manitobans have been attending at the Convention Centre and many young Manitobans looking forward to a full vision for the new economy for this province.

I would like to compliment Mayor Glen Murray, who spoke this morning at the conference and talked about a vision for the city of Winnipeg and the importance of investing, even doubling, the budgets for community colleges and universities as part of an effort to make sure that we were front and centre in developing the new economy in this province.

There were many other participants who talked of the importance of high-quality infrastructure so that people in municipalities all over this province and in First Nations communities can be full participants in this emerging world; the importance of research creating a business environment and a tax environment; importance of procurement policies; and many other things that are important to an overall view of what we are doing and where we are going in the new economy in Manitoba.

We all look forward hopefully to a budget which will project the kind of vision that we need if Manitoba is to be a leader.

ORDERS OF THE DAY

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, the Government will present its first budget at 2:45 p.m. sharp. I wonder if you could ring the bells to summon members at 2:40 p.m., if we could recess until that time.

Mr. Speaker: Is there agreement of the House to recess until 2:45 p.m.? [Agreed] The House will recess and reconvene at 2:45 p.m. The bell will ring at 2:40 p.m.

The House recessed at 2:35 p.m.

After Recess

The House resumed at 2:45 p.m.

Introduction of Guests

Mr. Speaker: I would like to draw attention of all honourable members to the loge to my left where we have with us today Mr. Don Orchard, the former member for Pembina, and also Mr. Clayton Manness, the former member for Morris.

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

Some Honourable Members: Hear, hear!

* * *

Hon. Greg Selinger (Minister of Finance): I move, seconded by the Minister of Health (Mr. Chomiak), that this House approve in general the budgetary policy of the Government.

Motion presented.

BUDGET ADDRESS


[Translation]
Mr. Speaker, it is a great pleasure to present to you the budget for the year 2000.

[English]

Mr. Speaker, last September, Manitobans elected a new government to lead them into a new century, a new government with elected representatives from all regions of the province, the North, rural Manitoba and our cities.

Manitobans now have a government for the many, not the few, a government that understands the priorities of today's families. Today's budget reflects these priorities.

I feel privileged to present the first budget of the new century to the people of Manitoba. On May 12, Manitoba celebrates its 130th birthday. Our history shows us how much we can accomplish when we set aside our differences and work together.

This constructive can-do attitude was apparent during both my pre-budget consultations and the Manitoba Century Summit. To the many Manitobans who participated in those consultations, offered their views and made constructive suggestions, I thank you.

Le Budget d'aujourd'hui respecte les cinq engagements principaux que nous avons pris envers les Manitobains et leurs familles:

[Translation]

Today's budget delivers on our five main commitments to Manitobans and their families.

[English]

The five major commitments that we made were ending hallway medicine and rescuing health care; renewing hope for young people; keeping Manitoba Hydro and building a new partnership between business and labour for new and better jobs. We are also committed to making our communities safer and keeping balanced budget legislation and lowering property taxes.

Manitobans endorsed these five commitments because they are balanced, responsible, and responsive to the needs of today's families. This budget begins to make that new balance a reality.

We have created a new balance by meeting Manitobans' expectations for a health care system that is there when they need it and an education system that prepares our young people for a changing world; by delivering a responsible and sustainable tax relief for Manitoba families and for Manitoba businesses; and by securing a balanced budget despite dealing with large over-expenditures discovered after taking office.

This is a good news budget. It is a responsible budget. It is a balanced budget.

Health Care

Manitobans' No. 1 priority is health care. Today we address that priority head-on, increasing health care spending by almost 6 percent over last year's expenditures and targeting this funding to areas with the most critical need. This budget will help keep patients out of hallways, provide for more nurses, more personal care home spaces, and offer more home care services to Manitobans.

Upon taking office, our priority was to end hallway medicine in our hospitals. Two weeks ago, the Canadian Institute for Health Information cited the dramatic improvements in Manitoba's hospitals over the past six months. Waiting lists are now shorter, and postponed surgeries resulting from overcrowding in hospitals are down significantly.

This budget lays the groundwork for lasting improvement in our health care system. The root causes of hallway medicine over the past decade are clear: ill-conceived decisions to cut nursing positions and close hospital beds; poor management of existing beds; delayed construction of required personal care home spaces; and failure to listen to caregivers.

Our larger challenge is to stabilize health care expenditures while ensuring there are needed resources for patient care. There must be secure, sustainable and timely funding for health
care as well as effective use of health care resources.

Realistic budgeting is the key. Our budget realistically funds the quality health services we need. Today's budget provides $2.4 billion for health care programs, an increase of $135 million over last year's expenditure. For the first time in a decade, health authorities have their budgets based on a stable funding formula. Regional health authorities must exercise greater fiscal responsibility, avoid deficits and reduce administration costs now that proper funding levels are in place.

Training hundreds of new nurses is critical to providing quality health services. As part of our plan to reduce nursing shortages, we are reintroducing a diploma nursing program, while continuing our support for the existing degree program. We are also educating and training more aides. Also, nurses should have a voice in important decisions concerning their working conditions. A nursing advisory council and nurse representation on health authority boards will help to ensure that involvement.

Quality home care services help to relieve pressure on acute care and long-term care facilities and improve service in the community. I am pleased to announce that today's budget expands home care services to provide community intravenous therapy, improved palliative care and more adult day care.

As well, this budget will increase cardiac care and cancer care. It will expand Pharmacare, including coverage of new lifesaving drugs, palliative care drugs and the Aricept trial for Alzheimer patients. It will reduce waiting times by increasing hours for oncology treatment, increasing dialysis capacity and providing a new pediatric CT scanner.

This budget will also enhance our rural physician recruitment and retention plan, increase funding for personal care home operations, and strengthen partnerships with the federal government to improve Aboriginal health, including diabetes programs and new dialysis units in Aboriginal communities.

In this budget, we provide additional funding for mental health programs and enhanced access to community health services through our new Program for Assertive Community Treatment, PACT, increase grants to community facilities, such as the Village Clinic, le centre de santé, and the Memory Assessment Clinic at Lions Place Alzheimer Housing Complex.

In this budget we provide $5 million more to enhance Emergency Response and Transport Services for rural, northern and urban ambulance services. We will continue to target the programs to reduce waiting lists, and at the same time we will add eight Workplace Health and Safety officers to ensure safer, healthier workplaces in the manufacturing, construction and health care sectors.

Our plan for health care focusses on putting patients, not overhead, first. Amalgamating Winnipeg's Health Authorities allowed us to redirect costs from administration to caregivers. As a consequence of the amalgamation, we expect increased accountability of institutions to the Winnipeg Regional Health Authority.

Our health care system is often overlooked when it comes to promoting Manitoba's competitive advantage. Unlike some provinces, Manitoba does not levy health care premiums. Employers in U.S. cities incur $3,000 to $4,000 annually per employee in health care insurance costs. More importantly, the public health system provides assured access to health services for every Manitoban, whatever their financial circumstances. This is why it is imperative to maintain and protect our universal health care system.

We are also committed to building the most cost-effective primary and community-based care systems in Canada. However, in order for this to happen, we need the federal government to once again become a committed and reliable partner.

Les Canadiens savent très bien que le financement accordé par le gouvernement fédéral pour la santé, l'éducation postsecondaire et les services sociaux a été réduit de 6,2 milliards de dollars en 1995. Cette coupure
Canadian are fully aware of the $6.2-billion federal funding cut for health, post-secondary education and social services implemented in 1995. This cut reduced Manitoba’s annual revenue by $236 million.

We have lost $236 million in federal transfers despite five years of unparalleled growth in the federal government’s revenues and surpluses. The federal government payments remain below 1994-95 levels, and the health supplement is $39 million lower than it was last year.

Our government wants to work with the federal government, other provinces and, most importantly, with citizens and front-line care workers to ensure sustainable public health care. Full restoration of the federal Health and Social Transfer is an important first step toward a more financially sustainable system.

We are reversing the recent neglect of our public school system. Our commitment starts with providing stable and predictable funding increases. As already announced in February, we are providing almost $30 million in funding for K to Senior 4 programs provided by school divisions. In addition, the public schools capital program will be $51 million this year.

Our government is committed to creating new hope for young people. And today, with this budget, we are delivering on that commitment by providing a total of $1.4 billion to the Department of Education and Training, including $780 million for K to 12; $466 million for post-secondary education and training; and $150 million for property tax credits.

We are reversing the recent neglect of our public school system. Our commitment starts with providing stable and predictable funding increases. As already announced in February, we are providing almost $30 million in funding for K to Senior 4 programs provided by school divisions. In addition, the public schools capital program will be $51 million this year.

Our government is committed to offering young Franco-Manitobans access to quality education in French. My colleague the Minister of Education and Training recently announced the renewal in principle of a five-year Canada-Manitoba Special Funding Agreement for governance of education in French. Over that term, our government will provide the Division Scolaire Franco-Manitobaine supplementary
resources and cash totalling $15 million to assist in meeting its provincewide mandate and obligations.

[English]

Quality post-secondary education is essential in creating and keeping the highly skilled, good-paying jobs of the new millennium. Our advanced education plan includes the following measures that meet our election commitments: doubling of community college spots over four years, beginning with $5.1 million in new funding for the College Expansion Initiative; taking $8 million, or 10 percent off student tuition bills in public colleges and universities; increasing university and college operating grants by $8.8 million, and providing an additional $2 million for a total increase of 3.8 percent to ensure that colleges and universities do not increase tuition. This will ensure that the 10% reduction is a real saving to students.

As well, we introduced a $5.9-million Manitoba Millennium Bursary Program, the first bursaries available since 1993. The flexibility of the Canada Millennium Scholarship program, administered by Manitoba, assists in establishing this bursary program. On average, these bursaries will benefit over 5000 students annually.

In today’s world, a good education strategy is a good economic strategy. Along with direct support for educational institutions, this budget also provides for schools to form innovative partnerships with other sectors of the community. For example, through the new Lighthouse Program and with the assistance of community volunteers, we will be opening schools after hours as recreation centres. In addition, the Community Access Program, developed in co-operation with the federal government, will add 400 public Internet access sites in schools and community facilities across Manitoba.

We will also be targeting new apprenticeship and training programs toward increasing Aboriginal participation. Working in partnership with Aboriginal communities and with the federal government, Manitoba can ensure Aboriginal youth benefit from the job opportunities and can contribute and share fully in our future economic growth.

Some of these education initiatives are made possible by redirecting funds from administration directly into the classroom. To this end, the Department of Education and Training will reduce 60 positions in the coming year. Mr. Speaker, our government is committed to providing new hope for young people, and the education priorities I have just outlined make it clear that today’s budget follows through on this commitment.

Families and Safe Communities

Next I wish to talk about families and safe communities. Healthy families and communities play a critical role in providing new hope for our children. A child’s earliest years are vitally important in determining later health and well-being.

Les enfants qui grandissent dans un environnement sûr, stable et stimulant réussissent plus facilement dans la vie.

[Translation]

Children who grow up in safe, stable and nurturing environments have better opportunities and success throughout their lives.

[English]

The tax relief I am announcing today, including the new Manitoba Family Tax Reduction, will benefit Manitoba families. In addition, our strategy for healthy children and families includes the following features: The Healthy Child Initiative will provide $13 million for proven services such as parent-child centres, prenatal and early childhood nutrition, nurses in schools, adolescent pregnancy reduction, and fetal alcohol syndrome prevention. Almost $9 million more for child care will provide funding for additional subsidized children, more licensed child-care spaces and additional funding to integrate more children with disabilities into day care. In addition, our new funding model, worked out in collaboration with the child-care community, will address wages for child-care
workers. Starting in July, increases in the National Child Benefit will be retained in full by all families. In addition, families on income assistance with children under six will receive an additional $20 per month per child. We will also provide additional assistance to families for the cost of children’s school supplies.

* (15:10)

Healthy neighbourhoods are more than just bricks and mortar. Today’s families need access to vital programming and services. They also need decent and affordable housing, and an effective justice system. Our strategy for healthy families and communities features the following: Neighbourhoods Alive!, a long-term, community-based development strategy. It will provide community organizations the support they need to rebuild neighbourhoods in Winnipeg, Brandon and Thompson. Neighbourhoods Alive! focusses on housing, employment and training, education and recreation, and safety and crime prevention.

A new Winnipeg housing initiative will provide community groups with single-window access to a $22-million housing fund created by the federal, civic and provincial governments. An additional $1 million per year will be available for targeted neighbourhoods outside of Winnipeg. Both initiatives are part of Neighbourhoods Alive! and will provide up to $10,000 per housing unit to community-based organizations in targeted areas.

The Residential Rehabilitation Assistance Program, aimed at improving older housing stock, will be expanded. Effective and innovative ways to enhance public safety, including establishing a new Criminal Organization and High Risk Offender Unit will be implemented. Family Maintenance enforcement will be augmented with full-time officers in order to improve service.

We will also build genuinely safer communities by assisting victims of crime, and developing effective approaches to preventing criminal behaviour. Earlier this year, our government introduced the first child victim support initiative in Canada; Our government will work in partnership with communities throughout Manitoba to give our young people more access to community resources and facilities for positive activities.

My colleague the Minister of Justice (Mr. Mackintosh) will be announcing details on this initiative shortly. Our Aboriginal Justice Implementation Commission is reviewing the recommendations of the Aboriginal Justice Inquiry. We look forward to their advice and will continue our work to improve justice services for Aboriginal people. Supported Living and Vocational Rehab programs for adults with disabilities will be expanded. The increase will expand residential, day and support services for adults with a mental disability who are living in the community and will strengthen services for adults with a mental disability who are living in the community.

Notre gouvernement s’est engagé à mettre en place de meilleurs services pour la communauté franco-manitobaine. À la suite du Rapport Chartier, on est en train d’établir trois centres de services communautaires à Saint-Pierre-Jolys, à Notre-Dame-de-Lourdes et à Saint-Boniface.

[Translation]

Our government has committed itself to putting into place better services for the Franco-Manitoban community. As a follow-up to the Chartier report, we are in the process of establishing three Community Service Centres, in St. Pierre Jolys, Notre Dame de Lourdes and St. Boniface.

[English]

The days of top-down, one-size-fits-all solutions are gone. Often, the best ideas for community revitalization come from the community itself. We will build on the existing strengths and experiences of residents and community groups to take into account the distinctive needs, conditions and priorities of individual neighbourhoods.

Healthy communities for future generations, are dependent on a healthy environment. Perhaps the most valuable resource for tomorrow’s citizens is our abundance of fresh water. Our government will provide greater protection for Manitoba’s rivers, lakes and streams by
increasing resources to protect water quality and by mapping those areas at risk of ground water pollution. The Department of Conservation will establish a new Environmental Stewardship Division. This division will implement wide area planning that will link development decisions to the sustainability of our ecosystems.

They will also work with Aboriginal communities to ensure that our land use decisions respect the traditional entitlements of Manitoba’s First Peoples. By working in co-operation with Aboriginal communities and with industry, we have protected over 200,000 hectares of endangered spaces within our first seven months in office.

Mr. Speaker, today’s budget clearly provides for increased emphasis on Manitoba families and recognizes the importance of safety and revitalization within our communities.

**New Partnership Between Business and Labour**

A great strength of the Manitoba economy lies in its diversity. In fact, we have one of the most diversified economies in Canada. We also have a significant affordability advantage, and we consistently achieve one of the lowest unemployment rates and highest employment rates.

Manitoba’s unemployment rate over the first four months of 2000 has averaged 5.3 percent. Last month, it declined to 5 percent, the lowest monthly unemployment rate since January 1980.

Several recent announcements attest to the strength of our economy. Vansco Electronics announced an expansion that will create 340 jobs over the next few years. Air Canada is bringing another 170 positions to Winnipeg, and a new contract for Motor Coach Industries means another 300 jobs. Loewen Windows announced a plant expansion in Steinbach that will create 250 new jobs, and Schneider’s Corporation’s $125 million expansion will boost employment by 1100 positions.

In addition, there are many other signs that point to the strength of our economy. Last year, the aerospace industry, including firms like Boeing Canada, Standard Aero and Bristol Aerospace, employed 5000 Manitobans and earned gross revenues of over one billion dollars. The prospects for continued robust growth of aerospace in Manitoba look bright; demand and prices for metals have recently risen sharply; and the northern mining sector should contribute strongly to Manitoba’s economic growth over the next year. In the fall of 1999, Hudson Bay Mining and Smelting announced new capital investment of $359 million in its Manitoba operations in Flin Flon to extend copper and zinc mining in the region to 2016.

In February 2000, Inco Ltd. announced a $70-million investment to deepen its Birchtree Mine in Thompson. The mine is expected to reach full production by 2004, and extend its productive life to the year 2016. Manitoba Hydro recently announced construction of a new $180-million natural gas thermal generating station in Brandon. Capital investment in Manitoba has increased for the past eight years, and investment intentions for 2000 remain among the strongest on record. New migration data show a sharp reduction in the level of net out-migration to other provinces. Our training and education policies will attract more young people who are needed to address skills shortages and meet the needs of Manitoba’s growing economy. Based on the average of seven major economic forecasts, Manitoba’s economy will grow 2.7 percent in real terms in the current year. This is an increase from 2.2 percent in 1999.

As part of our commitment to begin building new partnerships between business and labour, our government held the Manitoba Century Summit on March 14 and 15. The Summit brought together labour, community, business and government participants to forge a consensus on how we can build our economy. Our Manitoba Century Summit identified several key issues, including overcoming skills shortages, fostering and encouraging capital investment and promoting leading-edge industries, including biotechnology, information technology and advanced manufacturing. This budget follows up on the conclusions of the Summit through the development and implementation of a solid economic strategy for Manitoba.
Economic Initiatives

Our government’s economic strategy is based on taking action where we can make a positive contribution and building on our competitive advantages. Today’s budget is an important part of that strategy. Our government action includes the following:

Addressing skills shortages. In promoting immigration, we will support both humanitarian and economic immigration to Manitoba for skilled labour, business entrepreneurs, and family reunification.

Keeping Manitoba Hydro. Manitoba Hydro is one of the great advantages enjoyed by Manitoba families and businesses. It will not be sold.

Reducing small business taxes. The small business income tax rate was decreased from 8 percent to 7 percent this year, and we will proceed with further reductions to 6 percent next year, and to 5 percent on January 1, 2002.

In response to changing requirements in the new economy, legislation facilitating e-commerce will be brought forward this year.

Supporting research and development. Our government understands the need for sustained economic development of our province and will provide a high level of research and development activity through programs such as the Manitoba Research and Development Tax Credit, which supports more investment in this critical area.

* (15:20)

Manitobans are constantly making new scientific and technological discoveries. Today’s budget provides support for Keystone Technologies Incorporated, a new fund dedicated to enabling the continued commercialization of biotechnical and health care innovations by Manitoba companies.

This budget directly encourages more technological, knowledge-based activity in Manitoba by supporting the following programs: the Manitoba Science and Technology Fund; the Manitoba Innovations Fund will provide $7 million to help Manitoba’s universities, hospitals, and other research facilities. To build on the strength of mining and other natural resource industries, our government will work with other provinces to ensure the general Corporate Income Tax reduction announced in the federal budget is extended to the natural resources sector.

As Manitoba industry continues to grow, our government will ensure the environment is protected, activities are sustainable, and clean air and fresh water are available throughout the province. In anticipation of a new Infrastructure Agreement with the federal government, we are allocating $4 million for this initiative. It is expected that Manitoba’s share of this new national program will generate up to $318 million in infrastructure and other improvements throughout the province over six years. Today’s budget provides ongoing support for Manitoba companies to raise new capital and expand through the Manitoba Equity Tax Credit. As well, we will continue to assist labour-sponsored venture capital corporations, such as the Crocus Fund and ENSIS, with Manitoba and federal tax credits.

Roads, bridges and other transportation works are keys to the Manitoba economy, and today’s budget commits $177 million to construction and maintenance of this infrastructure.

Manitobans should promote our competitive advantage. We enjoy significant advantages in cost and location. Manitobans recognize that strong health and education programs contribute to the economy, while a growing economy can provide additional revenue to improve our overall quality of life.

Community and Economic Development

With respect to community and economic development, this budget reflects our belief that we must focus on both community and economic development. A revitalized partnership with local governments is important in our community and economic development efforts. This budget provides significant resources to build that partnership.
Manitoba’s unique provincial-municipal tax-sharing arrangement provides local governments with a share of growing provincial revenue. This year, the Provincial-Municipal Tax-Sharing Program payments will rise $7 million to $77 million. This 10% increase delivers $44 million to the City of Winnipeg and $33 million to other local governments.

The Rural and Economic Development Initiatives provide funding for economic development, tourism, trade and investment strategies, and entrepreneurial assistance. We are expanding the Grow Bonds and Community Works Loans program for community development corporations to include urban projects. Our TEAM program will be a pilot project to provide micro-credit loans to small northern entrepreneurs. In addition, Manitoba’s VLT revenue-sharing program provides $7 million to the City and $6 million to rural and northern communities.

Urban

As well, the City of Winnipeg will benefit by $22 million of capital assistance provided through today’s budget.

To support urban economic development, this budget allocates almost $18 million to the Urban Economic Development Initiative. This will provide $2 million to the Department of Health to support improvements to ambulance services in Winnipeg.

C'est grâce à leur collaboration au cours des années cinquante et soixante que les gouvernements ont été en mesure de construire le canal de dérivation de la rivière Rouge. Nous sommes à l' heure actuelle en pourparlers avec le gouvernement fédéral et la Ville de Winnipeg dans le but d 'élaborer une réponse commune à la recommandation de la Commission mixte internationale sur l 'amélioration de la protection contre les inondations à Winnipeg.

[Translation]

In the 1950s and 1960s, governments worked together to build the Red River Floodway. We are currently in discussions with the federal and city governments to develop a co-ordinated response to the International Joint Commission’s recommendation of improved flood protection for Winnipeg.

[English]

With the federal government, we are providing resources in this budget to complete improvements to the floodway inlet, which will increase floodway capacity by up to 10 percent.

Along with these urban initiatives, today’s budget provides over $18 million for rural capital projects such as sewer and water and the Interlake Natural Gas project.

The Rural Economic Development Initiative provides $15 million in support to local governments for youth programs, regional development corporations, community development programs such as Grow Bonds, and the Community Works Loans Program.

The Community Ring Dykes Program provides funding, with federal cost sharing, for communities in flood-prone areas.

We will also be introducing a program to replace older ambulances in rural Manitoba.

Aboriginal and Northern

Today’s budget includes Aboriginal and northern communities in our community and economic development efforts. For example, this budget provides additional resources for winter roads to Manitoba’s remotest communities. It also provides $1 million to establish an Aboriginal Economic and Resource Development Fund for programs to address the economic, cultural, recreational and social needs of Aboriginal communities.

We will help an additional 12 communities provide sustainable municipal services and maintain infrastructure as part of our self-reliance initiative. To promote self-reliance and economic development, we are restoring core funding to Aboriginal organizations.

I am also pleased to announce that this budget eliminates the $50 fee charged to
northern patients who must be transported to southern health facilities for treatment.

**Agriculture**

Our government is committed to maintaining a viable and vibrant agricultural economy in Manitoba. Last year, in addition to the $60 million in the budget, $166 million more was provided in recognition of income and moisture problems in southwestern Manitoba. This year, the budget provides for improvement to the Crop Insurance Program. Coverage is extended for specialty crops, moisture insurance and a new flexible price option. This program will provide protection to individual farmers and reduce the uncertainty associated with disaster assistance.

Manitoba producers have made considerable progress in diversifying their operations. However, they face serious challenges. The loss of federal transportation support, unfair subsidies in the United States and the European Union and low grain prices have strained the economic viability of our farmers. To address these issues, Manitoba communities are seeking opportunities to attract food-processing operations. This will enhance local economic activity, thereby providing economic opportunities for our young people in rural communities. The provincial government will work to support the agricultural community on all of these issues.

We have negotiated a new disaster aid program with the federal government to replace the AIDA program. We will continue our work on gaining stronger federal government commitments to prairie agricultural transition. Our government has taken a proactive stance on assistance programs, such as crop insurance, the Net Income Stabilization Account and disaster aid.

We recognize that an aging population is an issue in the Manitoba farming community. To this end, we will introduce Project 2000 to assist young people to enter farming. In addition, we recently announced the Livestock Stewardship Initiative to ensure the sustainable expansion of the livestock industry.

We have also provided funding for the development of a rural agrometeorological weather network which will assist our producers in making critical decisions to reduce their risks. Manitoba farmers have done much to build this province over the past century. They deserve our support as they strengthen and diversify their operations to meet the challenges of worldwide competition.

**Responsible Tax Relief**

Manitobans have told us they want a responsible and balanced approach to programs and taxation. They want important public services maintained and improved. And they are prepared to pay fair and reasonable taxes to support those services. Our government is working diligently to achieve a sustainable balance between increasing resources in priority areas and providing responsible tax relief. Today’s budget is the first step toward achieving this balance.

Au cours de notre campagne électorale, nous avons promis d’augmenter le crédit d’impôt foncier de 75 $ cette année. Je suis heureux de vous annoncer que le Budget d’aujourd’hui tient cette promesse.

[Translation]

In the election, we promised to increase the property tax credit by $75 this year. I am pleased to announce that today’s budget fulfils that commitment.

[English]

Both the maximum and minimum property tax credits are increasing for all eligible homeowners as well as tenants. Most homeowners will see the increased minimum property tax credit as a reduction of $325 off their municipal property tax bills. On average, this provides a 3.3% reduction to Manitoba property taxpayers. For an average Winnipeg home, the additional $75 represents a tax saving of 2.7 percent. For an average home in rural Manitoba, the saving is even higher at 4.8 percent. Manitoba now has the most generous property tax relief program delivered through the income tax system.
Manitobans are already seeing significant income tax relief totalling $50 million this year alone. Basic personal income taxes were cut on January 1, saving Manitoba taxpayers over $40 million. In addition, we are reducing income taxes a further $10 million, because we are paralleling the tax base changes announced in the federal budget. Our government is pleased to deliver this responsible and tangible tax relief to Manitobans.

* (15:30)

In February, I announced that Manitoba, along with the other provinces, would begin to apply provincial income tax directly on taxable income, rather than on basic federal tax. This new system provides us with the flexibility to end the use of the net income tax and the surtax and put in place a single 3 rate tax structure.

Our government will deliver additional personal tax relief to Manitobans of $68 million in 2001, as well a further $34 million in 2002, for an annual total of over $100 million in tax relief. Manitobans from all income groups and family sizes will benefit from these significant new tax reductions. We are reducing taxes across the board by enhancing the non-refundable tax credits and adjusting tax brackets.

We are providing more support to families with children through the new Family Tax Reduction. We are providing more support to persons living with disabilities in the Family Tax Reduction. We are removing 15,000 low-income Manitobans from the tax rolls. We are increasing the tax recognition for charitable donations.

We will simplify Manitoba's income tax. The new system will have just three tax brackets. For 2001, the new system levies tax at 10.9 percent on taxable income up to $30,544; 16.2 percent on income between $30,544 and $61,089; and, 17.5 percent on the excess. For 2002, the rate on the middle bracket is reduced to 15.6 percent and the bracket is increased to $65,000. We will eliminate the use of net income tax, and we will no longer have a surtax.

The following are some examples of the tax relief we deliver. For a family of four with one income of $40,000, Manitoba income tax falls by $153 this year, $421 next year and $515 in 2002 relative to 1999. Their savings over the period: $1,089.

For a single senior with an income of $20,000, taxes drop $60 this year, $192 next year and $214 in 2002 compared to 1999. Over the three years, this senior will save $466 in provincial income tax.

For a single parent with earnings of $20,000 and one child, Manitoba income tax drops $76 this year, $197 next year, and $229 in 2002. Over the three years, this presents savings of $502 in income tax.

For a two-income family at $60,000 with two children, income tax falls $194 this year, $526 next year, and $605 in 2002. The three-year income tax savings total $1,325.

Grâce à ces mesures fiscales, le Manitoba est bien placé pour demeurer l'une des régions les plus abordables du Canada où élever une famille.

[Translation]

This tax relief means Manitoba remains one of the most affordable places in Canada to raise a family.

[English]

Both as a preventative health measure and also as a revenue measure, we have increased the tobacco tax from 8.0 cents to 8.6 cents per cigarette.

This budget is balanced.

For several years, the Provincial Auditor has recommended improvements to financial management and reporting procedures. These recommendations were endorsed by the independent review of the fiscal position of the Province conducted by Deloitte and Touche. We are responding. We will issue a single set of combined financial statements commencing this September rather than separate statements, one in September and another later in the year. We will end the practice of describing withdrawals from the Fiscal Stabilization Fund as revenue.
We will bring financing for health capital under the provincial umbrella to reduce interest costs on existing debt commitments made by over $1.2 million annually.

We will begin to address the province’s pension liability for employees and teachers. This liability stands at an estimated $2.8 billion today and would surpass the $9-billion mark around the year 2030. To prevent this burden from falling on the shoulders of our future generations of young people, we are broadening debt retirement provisions to deal with both pension liabilities and general purpose debt. We believe a balanced plan is required and addressing both obligations will achieve real long-term benefits.

Our government is committed to putting Manitoba’s finances on a sustainable footing. This budget makes additional progress toward the goal of sustainability. Today’s budget proposes a draw from the Fiscal Stabilization Fund of $90 million, less than one half of the $185 million drawn in 1999-2000. Today’s budget proposes a draw of less than 50 percent. This entire amount of $90 million will be used for the debt retirement fund.

Today’s budget also projects a $10-million positive balance, consistent with the provisions of the balanced budget legislation. Our budget provides greater transparency and accountability as called for by the Provincial Auditor, and legislation will be strengthened to give effect to these matters.

**Medium Term**

The economic outlook for Manitoba and Canada projects sustained growth over the medium term. Real average annual growth of the Manitoba economy between 2000-01 to 2003-04 is projected to be 2.3 percent, with nominal economic growth of 4 percent. Revenue is projected to grow at an average rate of 3 percent annually.

Program expenditure growth in our medium-term fiscal framework averages 2.8 percent annually. Public debt servicing remains stable. We have reduced reliance on the Fiscal Stabilization Fund, and we will continue to work toward eliminating the need for future fund draws.

**Conclusion**

Monsieur le Président, le Manitoba est un endroit merveilleux où élever une famille. Grâce à ce Budget, il le sera encore plus.

[Translation]

Mr. Speaker, Manitoba is a great place to raise a family. With this budget, it will be even better.

[English]

Today’s budget provides Manitoba with an even stronger quality of life that includes public programs such as health care and education that are once again receiving priority attention; lower tuition fees for post-secondary education students who are training for the jobs and opportunities of today’s economy; affordable housing and vehicle operating costs that are among the lowest in North America; the lowest hydro rates in North America; a low unemployment rate; and a lower personal taxes for low- and middle-income families.

When major taxes and other significant costs are added up, a typical Manitoba family has among the lowest taxes and living costs in the country.

Monsieur le Président, notre gouvernement aborde l’établissement du Budget d’une façon à la fois responsable et équilibrée, afin de répondre aux priorités des familles qui vivent dans le Manitoba d’aujourd’hui.

[Translation]

Mr. Speaker, our government has taken a responsible and balanced approach to budgeting in order to respond to the priorities of today’s Manitoba families.

[English]

Improving the lives of Manitoba families is at the heart of today’s budget, Mr. Speaker. Our government is keeping our five commitments to
Manitobans, and we will continue to be responsive to Manitobans' needs and remain focussed on their priorities in the years to come.

Thank you for your attention.

Mr. Eric Stefanson (Kirkfield Park): Mr. Speaker, I move, seconded by the Member for Tuxedo (Mr. Filmon), that debate now be adjourned.

Motion agreed to.

Mr. Selinger: Mr. Speaker, I move, seconded by the Minister of Justice (Mr. Mackintosh), that this House at its next sitting will resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

Motion agreed to.

Mr. Selinger: Mr. Speaker, I move, seconded by the Minister of Health (Mr. Chomiak), that this House at its next meeting will resolve itself into a Committee to consider of Ways and Means for raising of the Supply to be granted to Her Majesty.

Motion agreed to.

Messages

Mr. Selinger: Mr. Speaker, I have two messages from His Honour the Lieutenant-Governor of Manitoba.

Mr. Speaker: Please rise for the reading of the messages.

The Lieutenant-Governor transmits to the Legislative Assembly of Manitoba Estimates of sums required for the services of the Province for the fiscal year ending the 31st day of March, 2001, and recommends these Estimates to the Legislative Assembly.

The Lieutenant-Governor transmits to the Legislative Assembly of Manitoba Estimates of sums required for the services of the Province for capital expenditures and recommends these Estimates to the Legislative Assembly.

You may be seated.

Mr. Selinger: Mr. Speaker, I move, seconded by the Minister of Intergovernmental Affairs (Ms. Friesen), that the messages together with the Estimates accompanying the same be referred to the Committee of Supply.

Motion agreed to.

* * *

(15:40)

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, I would like to advise everyone that there will be a reception following adjournment in Room 200.

I move, seconded by the Minister of Finance (Mr. Selinger), that this House be now adjourned.

Motion agreed to.

Mr. Speaker: This House is now adjourned and stands adjourned until 1:30 p.m. tomorrow (Thursday).
LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 10, 2000

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