



Second Session - Thirty-Seventh Legislature

of the

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

**Official Report  
(Hansard)**

*Published under the  
authority of  
The Honourable George Hicke  
Speaker*



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

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

## LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, April 24, 2001

The House met at 1:30 p.m.

### PRAYERS

### ROUTINE PROCEEDINGS

### MINISTERIAL STATEMENTS

**Mr. Speaker:** [*interjection*] Order. Is it the will of the House to revert to petitions? [*Agreed*]

### PRESENTING PETITIONS

#### Manitoba Hydro Lines Routes

**Mr. Ron Schuler (Springfield):** Mr. Speaker, I beg to present the petition of Ron Slobodian, Bill Oleschuk, Robert Palaschuk and others, praying that the Legislative Assembly of Manitoba request that the Minister responsible for Manitoba Hydro (Mr. Selinger) consider alternative routes for the additional 230kV and 500kV lines proposed for the R.M. of East Paul.

### READING AND RECEIVING PETITIONS

#### Manitoba Hydro Lines Routes

**Mr. Speaker:** The honourable Member for Springfield (Mr. Schuler), I have reviewed the petition, and it complies with the rules and practices of the House. Is it the will of the House to have the petition read? [*Agreed*]

Will the Clerk please read.

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

THAT the R.M. of East St. Paul has the highest concentration of high voltage power lines in a residential area in Manitoba; and

THAT the R.M. of East St. Paul is the only jurisdiction in Manitoba that has both a 500kV and a 230kV line directly behind residences; and

THAT numerous studies have linked cancer, in particular childhood leukemia, to the proximity of power lines.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY THAT the Legislative Assembly of Manitoba request that the Minister responsible for Manitoba Hydro consider alternative routes for the additional 230kV and 500kV lines proposed for the R.M. of East St. Paul.

\* (13:35)

### MINISTERIAL STATEMENTS

#### Flood Conditions

**Hon. Drew Caldwell (Acting Minister of Conservation):** Mr. Speaker, I have a flood condition and forecast update for April 24.

It is a pleasure to bring the flood conditions and a forecast update to the House again today, April 24.

Levels of the Red River have risen less than a quarter of a foot since yesterday. The crest is expected in the Emerson and Letellier areas today and at the floodway inlet on Friday. Additional rises will just be a few inches at Morris and less than half a foot from Ste. Agathe to the floodway inlet. The bridge on PTH 75 at Morris will not be overtopped and the highway will remain open.

The river level in downtown Winnipeg has been steady at 17.5 feet for the past five days and is not expected to rise any higher. The crest on the upper Assiniboine River is presently in the Miniota to Virden area and is expected at Griswold, Sioux Valley First Nation on Thursday and at Brandon by the weekend. Significant flooding of the valley lands is underway from St. Lazare to Brandon. Crests in the Virden and Griswold areas will be just one foot below those of 1995, whereas at Brandon the crest will be

close to three feet below that of 1995. The Sioux Valley First Nation should be protected by dykes constructed after the 1995 flood.

Streams in the Riding Mountain and Duck Mountain areas have just begun to rise due to recent mild weather. Significant rises should develop on these streams later this week as very mild weather melts the remaining snow existing on high ground. Crests on most streams in these areas are expected on the weekend and should be lower than those of 1995. Flooding of low-lying areas is likely, but villages and towns such as Minnedosa, Ste. Rose, Ochre River and Dauphin will not be affected. Roseau River levels continue to fall slowly and no further difficulties are expected.

The Souris River has been very steady for the past five days. Low-lying areas are flooded from the international boundary to Hartney. It appears that flooding on the Souris River may last a little longer than earlier anticipated due to heavy runoff from the Moose Mountain in Saskatchewan.

Agricultural flooding from Melita to Hartney may last another three weeks. The Coulter area may also be flooded until late May. Levels of the Whitemud River at Westbourne have been falling slowly since the crest on the Easter weekend; however, levels will rise about two and a half feet over the next five to seven days due to additional waters coming from the Big Grass Marsh area. The second crest at Westbourne will be about three feet lower than the first. Levels in the Big Grass Marsh and near its outlet east of Gladstone will be as high as those of 1979 for the next week or so. Levels at Woodside should remain below those of 1979. Significant flooding of agricultural lands is underway in the vicinity of the marsh.

Levels of the Fisher River continue to fall and no further difficulties are expected. Overland flooding continues in many areas near Lake Manitoba. Conditions should continue to gradually improve unless heavy rain develops. Weather forecasts for southern Manitoba call for very mild weather with little precipitation in the next five days.

**Mr. Harry Enns (Lakeside):** I thank the Government for these daily updates of the flood situation throughout the province of Manitoba. As I indicated yesterday, I think we all heave a sigh of relief that Mother Nature is co-operating, that the anticipated highs are lower, and again our appreciation to the number of people in the public services, particularly in the departments of Highways, Conservation, Government Services, who are in many instances being asked to serve beyond the call of duty, if I can use that phrase.

Mr. Speaker, I use this occasion to address the Premier (Mr. Doer) on the issue of the second phase of flood protection here in Manitoba, which the Premier and this Government have committed themselves to. I remind him that it was after the disastrous 1950 flood that a royal commission was created to resolve or find solutions to that issue. It was regrettably a recommendation that the then-coalition-led Liberal government under Premier D. L. Campbell chose to ignore at their peril and a young Mr. Roblin accepted the challenge, committed himself to protecting the Capital Region in Winnipeg with what is now commonly known as one of the more visionary public decisions made here in the province of Manitoba.

What I am suggesting to the Premier is that he find some vehicle to bring into this House a discussion of what the next phase should be. I listened to the Premier this morning on Winnipeg's finest radio station, CJOB, among others, and there is an issue developing between proposed proposals involving an expansion of the present floodway or other alternatives such as potential works at Ste. Agathe that have been made public in the general public. I think it is incumbent upon the Premier (Mr. Doer) to find some form of resolution or some formal way of presenting it to this Chamber for the kind of public debate that this very important and, I might add—and nobody is fooling—very expensive public works project that it will be, again, to be supportive of the Government in their efforts with Ottawa, that they share fully in their responsibilities of providing us with this next phase in public works protection.

\* (13:40)

## TABLING OF REPORTS

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, I would like to table the Department of Finance's Supplementary Information for Legislative Review 2001-2002 Expenditure Estimates.

**Hon. Becky Barrett (Minister of Labour and Immigration):** I would like to table the Annual Report of the Workers Compensation Board of Manitoba for the year 2000, and the Five Year Plan for the Workers Compensation Board of Manitoba for the years 2001 to 2005.

**Hon. Eric Robinson (Minister of Aboriginal and Northern Affairs):** Mr. Speaker, I would like to table Supplementary Information on the 2001-2002 Department of Aboriginal and Northern Affairs Estimates.

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** I would like to table the following annual reports: Annual Reports Concerning Complaints about Judicial Conduct, 2000; Office of Chief Medical Examiner Annual Review, 1999; Manitoba Public Insurance Financial Report, November 30, 2000.

### Introduction of Guests

**Mr. Speaker:** Prior to Oral Questions, may I draw the attention of all honourable members to the gallery where we have with us today from Archwood School, 19 Grade 5 students under the direction of Mrs. Connie Stanley. This school is located in the constituency of the honourable Minister of Finance (Mr. Selinger).

Also, I would like to draw the attention of all honourable members to the Speaker's Gallery where we have with us Mr. Rick Durand, from Richer, Manitoba.

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

## ORAL QUESTION PERIOD

### Regional Health Authorities Funding

**Mr. Stuart Murray (Leader of the Official Opposition):** Well, Mr. Speaker, a government should not be increasing its spending if it has

absolutely no plan to ensure those resources are going to be there to generate future and sustainable spending. A government should not be making new spending commitments when it has failed to take responsibility for existing commitments.

Can the Premier explain why his Government is considering reopening a collective agreement when he has not funded existing ones?

**Hon. Gary Doer (Premier):** Mr. Speaker, this is coming from a government who placed a \$185 million requirement out of the Fiscal Stabilization Fund for debt repayment of \$75 million in their last budget. In our first Budget, we were able to pay \$96 million down in debt without taking any money out of the Fiscal Stabilization Fund. So we need no lectures from the member opposite.

**Mr. Murray:** Mr. Speaker, the letter that I tabled yesterday from the South Eastman RHA is clear. Despite assurances from this Government that it would cover existing collective agreements, they have not. This Premier has failed to keep his promise.

Instead of going down the road to reopening a collective agreement that was bargained in good faith, can the Premier explain why his Budget failed to improve working conditions for our nurses, failed to convert part-time positions to full time, and failed to provide meaningful tax relief that would have been an across-the-board pay increase for hardworking Manitobans?

**Mr. Doer:** Mr. Speaker, I would like to ask the Leader of the Opposition what collective agreement—

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

**Mr. Speaker:** Order.

\* (13:45)

**Mr. Doer:** Thank you. What collective agreement was over 10 percent in terms of the funding to the regional health authority? On Tuesdays, Thursdays and Saturdays they want us to cut spending and lower taxes; on Monday, Wednesday and Sunday, they want us to

increase spending or decrease taxes. Mr. Speaker, this is the party of Connie Curran, \$4 million to lay off nurses, to destroy the morale of nurses in Manitoba, and we pledge that we are going to rebuild the respect with nurses day by day, week by week.

**Mr. Murray:** Mr. Speaker, the people of Manitoba would like this Government to take responsibility for existing commitments and make wise decisions when it comes to new spending. They want a government that does not mislead them. Can the Premier explain why his Government announced three new CT scanners without providing the operational support the RHAs required to fund them?

**Mr. Doer:** I know the member opposite may not have read the Deloitte Touche audit, Mr. Speaker, but the Deloitte Touche audit identified a number of collective agreements that were not built into the \$185 million spending out of the Fiscal Stabilization Fund in the 1999-2000 year and identified tens of millions of dollars on top of SmartHealth that they evaluated at a value of \$2 million or \$3 million for a \$35-million expenditure. We had a fund that the members opposite knew they had spent \$35 million for \$3 million worth, and they held it from the people of Manitoba. The SmartHealth project was not worth \$35 million. The collective agreements that had been agreed to were withheld in terms of support from the members opposite and that is when they were drawing down the Fiscal Stabilization Fund way beyond the debt repayment.

We have a balanced approach to the province of Manitoba. We have invested in health care, we are investing in respect with our nurses. We will continue to work with our nurses with a mutually respectful perspective. We are also lowering our taxes and making our province more affordable, a balanced approach.

#### **Regional Health Authorities Funding**

**Mrs. Myrna Driedger (Charleswood):** Mr. Speaker, yesterday the Minister of Health (Mr. Chomiak) misled Manitobans by fudging his budget numbers. He fudged his budget numbers

by trying to infer that there was a certain amount of money actually going to the Southeast RHA and was quite a little bit vague about what the new money actually was. All I am looking for is honesty. Will this Minister of Health admit that he is misleading Manitobans when he includes the RHA's deficit in his so-called increase?

**Hon. Dave Chomiak (Minister of Health):** Mr. Speaker, this coming from a member who said that the contract for the Deputy Minister was a quarter of a million dollars when in fact we proved her wrong, this coming from the member who said we should not put the two health authorities together in Winnipeg in order to do that, this coming from the member who opposed our nurses' program.

Mr. Speaker, the members opposite are trying to have it all ways. They say: Oh, it does not cover the collective agreement. It does not cover the deficit. It does not cover the new programs. It does not cover the CT scans.

We gave South Eastman a 10% increase, the largest increase in the history of the regions, far beyond anything the members opposite did, and in recognition of some of the underfunding that occurred. If you go to them and ask them they will tell you the underfunding occurred dramatically under the leadership of members opposite.

**Mrs. Driedger:** I would like to ask the Minister of Health if he is—

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

**Mr. Speaker:** Order.

**Mrs. Driedger:** Thank you, Mr. Speaker. I would like to ask the Minister of Health if he is calling the head of the South Eastman RHA board a liar for saying that the RHA cannot meet its wage requirements when in fact it is the Doer government that broke its promise to fund these collective agreements. Instead of his shooting the messenger all the time, we are just telling this House what Mr. Paul Campbell said in his letter yesterday. Is he calling Mr. Campbell a liar?

\* (13:50)

**Mr. Chomiak:** Mr. Speaker, as I indicated yesterday and I indicate today, the increase to the South Eastman over budget is a 10% increase. It is the largest increase that South Eastman has ever received.

I would suggest that members opposite read the letter carefully. I would also suggest that members opposite talk to the region as well to talk about—*[interjection]* Well, you know, Mr. Speaker, the member slipped out there a few months ago and met with the board and was told quite candidly by the board that the funding difficulties in that region were as a result of underfunding out of the Tory years. We have tried over the past two years to balance the funding off.

Mr. Speaker, I think it is terribly ironic that the member of the back bench for the Conservative Party said that he thought in his opinion that they had adequate funding. We gave them 10 percent, the largest increase in their history.

**Mrs. Driedger:** I would like to ask the Minister of Health how he intends to deal with the demand by the nurses' union to open the contract and pay nurses more when he refuses to fund the increases he promised in the current collective agreements as indicated yesterday in the letter by Mr. Paul Campbell.

**Mr. Chomiak:** Mr. Speaker, as I indicated yesterday, and of course I indicate today, but I do not think the member is able to actually listen, but I will repeat it again, the collective agreements will be covered.

I think it is ironic that a collective agreement entered into by members opposite was not covered when they were in their term in office. We have covered, and we will cover. Mr. Speaker, I must add it is very ironic that that very member put out a press release asking us to put additional incentives to nurses in all of the regions in the province of Manitoba in violation of that contract. They cannot have it both ways.

### Regional Health Authorities Funding

**Mr. Stuart Murray (Leader of the Official Opposition):** Mr. Speaker, while the Premier (Mr. Doer) likes to spend taxpayers' dollars, he does not understand that by failing to provide

meaningful tax relief and keeping our province competitive he has chosen to spend today rather than to work for tomorrow.

While real priorities such as ensuring sufficient funding is in place for rural health authorities to cover existing collective agreements, he chose to spend \$7.3 million on the Pan Am Clinic, \$27 million to buy bricks and mortar that provides food service to hospitals, \$10 million to hire another 200 civil servants. He increased spending in 21 of 24 government departments, and he increased the average salary of many of his political staff by about \$10,000 a year more than the previous government.

Can the Premier explain how he expects his Government to sustain his current spending commitments when his priorities are wrong, and he has no economic plan to ensure the resources are going to generate the future sustaining of the level of this province?

**Hon. Gary Doer (Premier):** The members opposite consider a property tax credit that will reduce property taxes by \$75 a household to be a spending increase rather than a tax decrease. Our ratio of spending to tax reduction is 3 to 1. Their record of spending to tax reduction was 12 to 1. I think the people of Manitoba will find on balance we are the balanced party we promised.

**Mr. Murray:** Well, Mr. Speaker, the Premier's failure to ensure Manitoba, as a province, can sustain its current funding commitment is irresponsible and the spending that he has put in is mind-boggling.

Can the Premier explain why, when rural health authorities are warning that they may have to lay off staff, close hospitals and delay construction of personal health care homes due to insufficient funding, he thinks it makes sense to spend tens of millions of dollars of their tax dollars on bricks and mortar and making his friends and fishing buddies happy, instead of scarce dollars on real priorities?

\* (13:55)

**Mr. Doer:** The members opposite spent \$185 million and then ran a deficit in the triple numbers in health care and a number of other

areas when we came into office. We have the memos and the alerts to the former government, the former Minister of Health, the former Finance Minister, indicating that not only were they taking \$185 million out of the Fiscal Stabilization Fund for a \$75-million debt repayment in 1999-2000, they were going way beyond that, a fact that is well documented in the audit that was conducted in co-operation with the Provincial Auditor.

Mr. Speaker, the last two provincial audits that were conducted when members opposite were in government, the Provincial Auditor stated that the numbers did not accurately reflect the true nature and the financial situation of the province. I am proud that in our first Budget, the Auditor did give us the good housekeeping seal of approval by having honest, transparent numbers available to the people of Manitoba.

**Mr. Murray:** Mr. Speaker, the Premier has not even taken care of existing commitments and already he moves forward with new spending. That is poor management and the province will suffer because of it.

Can the Premier explain to Manitobans why they should support a Budget that spends irresponsibly, that is unsustainable, that makes middle-income Manitoba families the highest taxed families west of Québec and that does nothing to make our province more competitive?

**Mr. Doer (Premier):** The member opposite in his rambling question asked about 15 different questions—*[interjection]*

Let us deal with the issue of sustainability, the point that was first raised, I guess raised a number of times this week. Mr. Speaker, \$185 million out of a Fiscal Stabilization Fund for a \$75-million debt repayment and then running a deficit in the first six months of almost the same amount of money over the \$185 million to \$350 million, that is unsustainable. That is an unsustainable amount of money.

Deloitte Touche said this is not—*[interjection]*

Mr. Speaker, perhaps the members opposite will listen to the answer. The Deloitte Touche

report along with Mr. Cameron when the Budget was first released, an individual appointed by members opposite to be on the Lower Tax Commission, said the Tories were running a deficit with their last budget here in Manitoba.

Point No. 2—

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

**Mr. Speaker:** Order.

**Mr. Doer:** Well, Mr. Speaker, the members opposite are into motivation now. They are into all kinds of false allegations. Mr. Cameron was hired by the Progressive Conservative government of the day, and he said that the Government was running a deficit. Secondly, in our first year in office we projected a \$96-million debt repayment and pension repayment for the first time in the last 30 years and that debt repayment did not come out of the Fiscal Stabilization Fund. It came out of general revenues, another—

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

**Mr. Speaker:** Order. May I remind all honourable members when the Speaker rises, all members should be seated and the Speaker should be heard in silence. I would ask the full co-operation of all honourable members.

\* (14:00)

**Mr. Doer:** Thank you. Point 2, Mr. Speaker, is dealing with tax reductions. I mentioned before that a tax reduction that members opposite call a spending increase will be noticed by every homeowner in Manitoba in the next six months, a promise we made.

I have received the BDO Dunwoody Chartered Accountants and Consultants report about our Budget. The Budget was good news for individuals and corporations who both received tax cuts, another independent source beyond the ideological extreme rant and ravings of members opposite.

Thirdly, we are trying to deal with the spending increases, Mr. Speaker, and we are trying to do it in an honest way. We have funded

our health authorities in a meaningful way, we think in a sustainable way. We are working with our health authorities and our employees to try to get balance and retention in our system. We have a lot of respect for nurses and other health care staff on the front lines, but at the same time we recognize that when we came into office and health care spending was the highest per capita in the country, with waiting lists and nurses fired, we have to work in a better way, and that is what we are doing in this Budget.

### Economic Growth Forecast

**Mr. John Loewen (Fort Whyte):** Mr. Speaker, last April the Premier gave a speech, and I quote his words: I want to assure people who have left Manitoba that we are just on the cusp, if you will, of a massive economic expansion.

Last week in this House, and I quote from Hansard, the Minister of Industry, Trade and Mines (Ms. Mihychuk): "I know, during the recession right now, there is a small slowdown."

Mr. Speaker, my question to the Minister of Finance is: Who was right? The Premier who is saying we are on the cusp of a massive financial expansion or the Minister of Industry, Trade and Mines who tells us we are in a recession? Who is right?

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, perhaps the information that we received from the federal Export Development Corporation will answer the member's question. It forecast that Manitoba will see one of the largest increases, in the order of 7 percent, in export sales this year despite the U.S. slowdown.

### Budget Revenue Growth

**Mr. John Loewen (Fort Whyte):** Mr. Speaker, the largest export increase that we are going to see in Manitoba is the exportation of our young people.

I would like to ask the Minister of Finance if he will agree to hold a meeting with the Premier (Mr. Doer), who has huffed and puffed around this House that he has looked high and low for

the billion dollars and, lo and behold, he was not able to find it. I would ask the Minister of Finance if he would explain page B 6 in his Budget document to the Premier of this province where it fully shows that in less than three years revenues in this province have grown by over a billion dollars. Will he explain that to his leader?

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, my response to the member from Fort Whyte's question is this: If he thinks there is an extra billion dollars there, why did he have to take \$185 million out of the Fiscal Stabilization Fund, and why under the 50-50 plan was there no tax relief till the year 2002?

### Budget Expenditure/Tax Rate Ratio

**Mr. John Loewen (Fort Whyte):** Mr. Speaker, the Finance Minister should look at last year's Budget where his Budget indicated they were going to take \$60 million out of the Stabilization Fund, the same as this year.

My question to the minister is: We have heard from the Canadian Federation of Independent Business; we have heard from the Winnipeg Chamber of Commerce; we have heard from the Manitoba Chamber of Commerce that the spending ratio is 6 to 1. Would he please explain to his Premier that the—

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

\* (14:10)

### Point of Order

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, this is the second supplementary question where the member has a preamble. I just refer to *Beauchesne's* Citations 409 and 410: Supplementary questions require no preamble.

Mr. Speaker, would you please remind the member of that long-standing practice in rule of Oral Questions? Thank you.

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

**Mr. Loewen:** It seemed pretty clear. All I was asking the minister is will he confer with the Manitoba Chamber of Commerce that the spending ratio is 6 to 1, not 3 to 1 as the Premier (Mr. Doer) is trying to indicate?

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

**Mr. Speaker:** Order. On a point of order raised by the honourable Government House Leader, I would like to take this opportunity to remind all members that *Beauchesne* Citation 409(2) advises a supplementary question should not require a preamble.

\* \* \*

**Mr. Speaker:** The honourable Member for Fort Whyte, please put your question.

**Mr. Loewen:** I ask the Minister of Finance why the Premier is saying that the spending ratio is 3 to 1, when the Chamber of Commerce of Manitoba and the Winnipeg Chamber of Commerce have proven that it is 6 to 1? Why is the Premier using 3 to 1?

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

**Mr. Speaker:** Order.

**Hon. Greg Selinger (Minister of Finance):** Last year, when we made our three-year rollout of tax reductions, members opposite said the tax cuts coming into effect January this year did not count. This year when we brought in those tax cuts, they said they do not count because you announced them last year. You really cannot have it both ways.

When you take into account the tax reductions in this year's Budget and the spending in this year's Budget, the ratios we have put forward are sound.

#### **Post-Secondary Education Graduates Professional Opportunities**

**Mrs. Heather Stefanson (Tuxedo):** Mr. Speaker, Trevor Percy, a student at the University of Manitoba, is deciding where to live when he graduates. He notes in an article in the *Selkirk Journal*, which I will table for the

House today, he says, and I quote: I am young. I am educated and I am ready to contribute to the economy in a big way.

Mr. Speaker, I ask the Minister of Finance to answer Mr. Percy's question, and I quote: It is true that I enjoyed a cut in tuition, but once I have my degree what will stop me from walking out of the university into a moving van bound for Alberta or Ontario?

**Hon. Greg Selinger (Minister of Finance):** I am very glad the member opposite asked me that question. Not only did the student get a high quality education at one of the lowest tuition fees in Canada, when students graduate they will enter a labour market with one of the lowest unemployment rates in the country. They will find that there are abundant professional opportunities opening up for young people to be here. They will find that the cost of living is among the most affordable in the country. They will find that their Autopac is the most affordable in the country. They will find that their housing costs are among the most affordable in the country. They will find their electricity rates are among the most affordable in the country, and they will find that Manitoba has one of the best quality of life of any place on this planet.

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

**Mr. Speaker:** Order.

**Mrs. Stefanson:** Mr. Speaker, will the minister just admit that this Budget fails to address Mr. Percy's question and the retention of young people in this province, and will he admit that he has failed to tackle the serious issue of the brain drain and the loss of our best and brightest young people in this province?

**Mr. Selinger:** Mr. Speaker, there is no better province in Canada to start a career or to settle down and to raise a family. I have enumerated several advantages of staying in Manitoba. We will build on those advantages in the future and make Manitoba one of the best places to live in Canada.

**Mrs. Stefanson:** Mr. Speaker, my question is for the Premier (Mr. Doer). Given that the

Minister of Industry (Ms. Mihychuk) has admitted that we are in a recession, given that the Minister of Finance (Mr. Selinger) has admitted that his Budget fails to address the issue of retention of our young people, will he commit today to putting the young, educated—

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

#### Point of Order

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, on a point of order. I really have two minds about this. The member is asking her first question, but at the same time I hate to think she is perhaps getting advice from the Member for Fort Whyte (Mr. Loewen) or perhaps heading off on the wrong path.

Would you please remind her that preambles are not allowed on supplementary questions. Phrasing that begins with "given that" is clearly a preamble.

I wish the member the best in her future questions.

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

**Mr. Marcel Laurendeau (Opposition House Leader):** On the same point of order, Mr. Speaker. *Beauchesne's* 417 refers to: Answers to questions should be as brief as possible, deal with the matter raised and should not provoke debate.

The reason I bring this up, Mr. Speaker, is if you listen to some of the answers today that are coming from the ministers on that side of the House, they are provoking debate. They are asking members on this side of the House questions, and when we answer those questions they stand up on a point of order.

Well, I do not believe the minister has a point of order. I believe the honourable member is answering to the provocation brought upon her by the Minister of Finance (Mr. Selinger).

**Mr. Speaker:** Order. On the point of order raised by the honourable Government House

Leader, I would just like, once again, to remind all honourable members that a supplementary question should not require—and I am sure the honourable member was just about to put her question.

\* \* \*

**Mrs. Stefanson:** Mr. Speaker, my question is for the Premier (Mr. Doer). Given that this Budget fails to address the issue of retention of our young people, will he commit today to putting the young, educated people of Manitoba back on a level playing field with other provinces to ensure they stay here in Manitoba and work and live and raise a family right here?

**Mr. Selinger:** I would direct the member to page E 16 in the Budget papers where the annual personal costs and taxes for a single person earning \$30,000 are the lowest in the country, Mr. Speaker.

#### Foot and Mouth Disease Economic Impact

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, let me thank the Minister of Agriculture for arranging the meeting last week on foot and mouth disease with her deputy minister. The livestock industry, cattle, sheep, hogs and bison, which could be directly affected by foot and mouth disease, is a very large and important industry in Manitoba with annual sales of about \$1.7 billion a year.

My question to the Minister of Agriculture: Based on the experience with foot and mouth disease in 1952 in Canada, and more recently in Europe, what would be her estimate of the economic loss to Manitoba should foot and mouth disease come to this province?

**Hon. Rosann Wowchuk (Minister of Agriculture and Food):** Mr. Speaker, the issue of foot and mouth disease has certainly been the subject of a lot of discussion and also of a lot of work being done, both by the federal government which has responsibility for the disease and people in the Department of Agriculture, ensuring that people who are travelling have the proper information, that people take the proper steps when they are

coming into the country, that the disease is not spread, and that farmers who are the managers of these herds know what the risks are, that someone from another country where there is this disease, they know that they should not take the risks.

So all the information is provided, Mr. Speaker, and we hope, certainly, that the disease does not come to Canada or to Manitoba because it would be devastating to a very important industry in this country.

\* (14:20)

### **Foot and Mouth Disease Provincial Action Plan**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, my supplementary to the Minister of Agriculture, I ask: Given that the economic losses over a four- or five-year period could be as high as \$5 billion to \$10 billion for this province, when will the minister publish and make public her provincial action plan to prevent foot and mouth disease coming here and to make sure that we are well protected?

**Hon. Rosann Wowchuk (Minister of Agriculture and Food):** Mr. Speaker, because this is a very important issue and it has been raised by the member opposite, a briefing was arranged for him and for the critic of the Progressive Conservative Party to indicate the steps that are being taken to ensure that every possible step is taken to prevent the disease from coming into Manitoba. There are meetings that are being held with producers to give them the information, and there are publications that are available. So it is an ongoing process of putting information out to the public and to the farming community to ensure that they have the information.

But, ultimately, Mr. Speaker, the big issue is ensuring that people who are coming into the country know the regulations, and anybody who has been on a farm in another country does not go to a farm in Canada for a two-week period.

**Mr. Gerrard:** My supplementary to the minister: Given the urgency and the importance of this issue, when will the minister bring the standards of monitoring livestock movements in

this province up to those in Saskatchewan? When will the minister enforce her own government's laws, demanding that everyone moving livestock has a manifest, and when will she arrange for a central registry of this information so that we can be on top of animal livestock movements and make sure that we are well prepared?

**Ms. Wowchuk:** Mr. Speaker, the member does raise important issues about moving livestock interprovincially, whether it be for foot and mouth or other diseases. I want to assure the member that steps have been taken to ensure that certain species of animals are not moved between provinces to ensure that the risk of these particular diseases are not spread.

### **Child Care Paper Status Report**

**Ms. Bonnie Korzeniowski (St. James):** Mr. Speaker, in February, a paper entitled "A Vision for Child Care and Development in Manitoba" was released for public input. Many day-care providers in my constituency have been asking what response has been coming from this paper and when the deadline for submissions occurs.

Could the Minister for Family Services update the House on the status of this paper?

**Hon. Tim Sale (Minister of Family Services and Housing):** Mr. Speaker, our Government believes that it is important to consult with Manitobans on major public policy issues such as this. I am pleased to tell the member that as of last Friday we had approximately 8150 responses to this paper; 1500 came in on Friday alone. The deadline for responses is May 1, but we expect we will keep that open for a little while afterwards because there are obviously a lot of people who want to respond. As well, I can tell members that some organizations have responded with very thoughtful, quite lengthy documents while many parents have written simply endorsing the broad vision of the paper itself. So it has been a very lively response. We expect to make a summary of those responses through a studied process over the next few months so that we will be able to tell Manitobans in total what has been the response of our province to this vision paper.

### **School Divisions Funding**

**Mrs. Joy Smith (Fort Garry):** Yesterday in this House we revealed that the 10% increase to the southeastern RHA was in effect actually 2 percent. The same thing has happened in school divisions all across Manitoba. When the Doer government misled Manitobans into believing that public education was funded at a 2.8% rate, in actual fact the Doer government forgot to talk about the costs that were offloaded on school divisions across Manitoba.

Can this minister tell this House how many education dollars have been denied to students across Manitoba when the Doer government offloaded the cost of the Grade 3 assessment on the local school divisions?

**Hon. Drew Caldwell (Minister of Education, Training and Youth):** I am not sure which minister the member was referring to, but as it was an education issue I will take it on myself to respond. This Government has invested in education at historic levels in the province of Manitoba. In the last 19 months, we have added \$53 million worth of tax credits to property taxpayers who suffered \$135 million of offloading by members opposite when they were in office. We will continue to invest in the public school system.

**Mr. Speaker:** The time for Oral Questions has expired.

### **MEMBERS' STATEMENTS**

#### **Regional Health Authorities—Funding**

**Mr. Leonard Derkach (Russell):** Mr. Speaker, I would like to take this opportunity to express my tremendous concern over the critical situation in several of Manitoba's regional health authorities due to funding shortfalls in this year's Budget. Despite promises made by the current government to make health care a priority, many regions now fear that they will have to make cuts to programs and staffing in order to balance their budgets this fiscal year. Waiting lists in the province are already intolerably long. We, as a province, cannot afford to ignore the warnings of the rural RHAs as they will not be able to follow

through on planned initiatives to alleviate the stress on the health care system.

This Government loves to boast about new programs and initiatives it has implemented in the area of health care; however, they fail to mention at the same time they are announcing these programs they are underfunding the regional health authorities that are responsible for implementing them. What good is a new CT scanner or an MRI machine when the RHA cannot afford the staff required to run the tests? This new and expensive equipment becomes utterly useless. Is this the Doer government's idea of making health care a priority? What is more, the Government has recently announced plans of spending \$7.3 million to purchase the Pan Am Clinic building. It appears that members opposite do not realize or rather do not care that this money could better be used by the RHAs who are the ones responsible for providing health care to the citizens of the province.

This Government keeps demonstrating time and again that its first priority lies not in the improvement of the health care system but rather in throwing money at any initiative it feels fits its political agenda. The Doer government has increased health funding by 22 percent since 1999, and the people of Manitoba have nothing to show for it. It is very disappointing to see the extent to which this Government is mismanaging the province's health care dollars. The lack of leadership and sound mismanagement when it comes to spending initiatives demonstrates that this Government cares less about the effectiveness of its spending initiatives than it does about promoting its own political agenda. Mr. Speaker, this is very disheartening.

#### **RCMP Staffing**

**Mr. Stan Struthers (Dauphin-Roblin):** I rise today to bring all members' attention to one of our Government's exciting new initiatives. As a result of new funding contained in Budget 2001, the RCMP is employing a full complement of police officers in Manitoba for the first time in a decade. The RCMP has been underfunded and operating under strength since 1991 despite the fact that Manitoba was experiencing high rates of crime under the Tory government.

Our Government has reversed this trend by increasing the support to the RCMP by \$2.8 million this year, bringing the two-year total funding increase to nearly \$6 million. Our support for the RCMP means more police officers which will help in our ongoing efforts to ensure greater public safety throughout our province.

The new support allows the RCMP to bring the force up to the full complement of 622 from 563 back in 1999. Enforcement efforts such as these, along with intervention and prevention measures through programs like Citizens on Patrol and Lighthouse, are part of our balanced approach to preventing crime.

Our Government is building a safer Manitoba, where justice is effective and responsive to the needs of the communities across our province.

I want to take this time to congratulate our Minister of Justice (Mr. Mackintosh) for taking this very positive step. Thank you, Mr. Speaker.

\* (14:30)

#### **Standing Committee on Agriculture**

**Mr. Jack Penner (Emerson):** Yesterday morning, at ten o'clock in the morning, the provincial committee on agriculture met in a somewhat historic event in Dauphin to hear the concerns of many farmers, community leaders and business leaders from across the western part of the province.

In the afternoon, the committee sat from 6:30 in the afternoon until 3:30 this morning and heard again the expression of disaster that is pending in rural Manitoba. Communities are dying, businesses are closing, schools are closing, health care facilities are lagging for staffing, and the people, the young people are leaving rural Manitoba. We heard this story time and time again.

They also heard that this Province had, over the last year and a half, spent better than \$750 million. They wanted to know, Mr. Speaker, what this Government was spending it on. They asked: Where is the priority of this Government

as far as agriculture is concerned? When is this Government going to recognize the huge economic impact the agricultural community brings to rural Manitoba, to rural communities and indeed to cities such as Brandon and Winnipeg? Where is the priority? they asked.

They told us that, according to Manitoba Agriculture Department statistics, losses could vary anywhere between \$40 and \$70 an acre. They questioned the minister, and indeed the Premier, whether they would want to make the commitment to sustain the agricultural community and prevent the disaster that is going on currently in Manitoba.

#### **North American Indigenous Games**

**Mr. Gerard Jennissen (Flin Flon):** I was privileged this morning to attend the first news conference for the 2002 North American Indigenous Games. Winnipeg was selected to host the games next year from July 25 to August 4. This event promises to be one of the largest and best-run Aboriginal sport and cultural events in the history of North America.

Seven thousand athletes, officials and coaches are expected to attend, as well as 3000 cultural performers and 4500 volunteer workers. Manitobans indeed should be proud that their capital city was chosen to host the Indigenous Games that will highlight the immensely positive contributions made by First Nations, Métis, Inuit and Native Americans to the spiritual and cultural fabric of North America.

I thank the many participants at the news conference this morning, particularly the elders and the co-chairs of the North American Indigenous Games committee, the Honourable W. Yvon Dumont and the Honourable Mr. Justice Murray Sinclair. As well, I thank my colleagues who were in attendance, the honourable Minister of Aboriginal and Northern Affairs (Mr. Robinson), the honourable Minister of Culture, Heritage and Tourism and the Minister responsible for Sport (Mr. Lemieux), as well as the MLA for the Maples (Mr. Aglugub).

A colourful logo was unveiled this morning. I hope all honourable members will wear a pin with this new logo. The yellow on the logo

represents the sun and everlasting life; the blue represents the spirit of friendly competition; the red represents both the lifeblood of indigenous people and the colour of the Métis sash. The feathers that adorn the hoop represent the colour of all people that share Mother Earth. Manitobans were instrumental in making the Pan Am Games of 1999 a great success. Let us make the 2002 North American Indigenous Games an even greater success.

### **Elliot Sim—Fundraising Abilities**

**Mr. Mervin Tweed (Turtle Mountain):** Mr. Speaker, I would like to take this opportunity to congratulate a young man from the MacGregor area whose fundraising efforts will have a significant impact on the Manitoba Agricultural Museum in Austin. Thanks to his hard work, 15-year-old Elliot Sim convinced Pioneer Grain to donate \$10,000 towards the popular museum. The facility boasts the largest collection of operating vintage farm machinery in Canada, many of which are used during the museum's popular Threshermen's Reunion.

Elliot first approached the museum board when he was 14 with the idea of contacting various machinery and grain companies for donations. Sim has long had an interest in the museum as his father is the past-president and he has spent much time there. Said museum president Bill McCreery of Sim's efforts: It was a self-initiated project on his behalf and for him to take on a project like this shows that his heart is in the museum. It has shown the museum has a future because if you do not have young people involved, there is no future.

Once again, I would like to offer my congratulations and thanks to Elliot Sim for his efforts on behalf of the Manitoba Agricultural Museum in Austin. He set a fine example, and it bodes well for the future of the museum and Manitoba. Thank you.

### **House Business**

**Hon. Gord Mackintosh (Government House Leader):** On the matter of House business, could you canvass the House to determine if

there is a will to waive private members' hour tomorrow?

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

## **ORDERS OF THE DAY**

### **BUDGET DEBATE (Eighth Day of Debate)**

**Mr. Speaker:** On the proposed motion of the honourable Minister of Finance (Mr. Selinger) and the proposed motion of the honourable Leader of the Official Opposition (Mr. Murray) in amendment thereto, standing in the name of the honourable Member for Transcona (Mr. Reid), who has 28 minutes remaining.

Has Transcona concluded his comments? Transcona has concluded his comments. The honourable Member for Ste. Rose.

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

**Mr. Speaker:** Order. On the proposed motion of the honourable Minister of Finance (Mr. Selinger) and the proposed motion of the honourable Leader of the Opposition (Mr. Murray) in amendment thereto, standing in the name of the honourable Member for Transcona (Mr. Reid), who has 28 minutes remaining. Is there leave to leave it standing in the name of the honourable Member for Transcona?

**An Honourable Member:** No.

**Mr. Speaker:** Leave has been denied. The honourable Member for Ste. Rose.

**Mr. Glen Cummings (Ste. Rose):** Mr. Speaker, it is with a great deal of pleasure that I rise to speak on the 2001 Budget but it also gives me an opportunity, as you and other speakers before you have reminded us, that we can use the Budget and the Throne Speech to speak on other particular matters that are in fact impacted by the decisions and by the information that arises out of those documents.

Having just spent a day with the Agricultural Standing Committee in Dauphin

and Brandon yesterday, I feel motivated to comment on the discussion that we heard there and some of the implications that I believe that has with the Budget that we are currently debating. First of all, I would be remiss if I did not say that this was a first and a positive first when you have in fact all-party agreement and a presentation being made to the public that all three parties represented in this Legislature are prepared to work together to seek the input from, in this case, the agricultural community, in order to provide a united stand to the federal government or as we disparagingly refer to it very often as the eastern power interests that represent governance in this country far too often.

Mr. Speaker, one of the things that came up just a few minutes ago was the fact that even though the now-Premier (Mr. Doer) voted for the Budget in 1999, I believe it was, where there was a significant amount of money that was left in the rainy day fund—he voted for that Budget. He said, oh, we maybe changed a few things. In fact, he said he was just a nicer Conservative, an NDPer in a blue suit, or words to that effect, in order to make himself more amenable to those who were appreciative of the fiscal management that had occurred over the previous decade. I think now is the time to challenge the Premier to live up to that image that he put forward and for him to recognize the image that he put out there also left a certain flavour and a certain expectation on the parts of rural and agricultural Manitoba about what he might choose to do.

While I wholeheartedly participated in a multiparty approach to the committee, and I continue to, I want to use this opportunity to raise in this Chamber, however, the fact that we heard last night in Brandon not only about the current grain crisis and the crisis in grain and oilseeds prices primarily, we recognize, driven by world price fixing, if you will, world trade wars that I do not need to go into any debate upon because I think that is agreed and understood in this House, but the concern that was left—and I remember very distinctly a comment that was made by the Premier (Mr. Doer), and I do not have the precise quote in front of me, Mr. Speaker, so I am going to paraphrase what the Premier said when he indicated that he was not going to take the money for the spring of '99 flood problem, he

was not going to take it out of the Fiscal Stabilization Fund.

\* (14:40)

*Ms. Bonnie Korzeniowski, Acting Speaker, in the Chair*

He had disparagingly, along with his colleagues, referred to it as various things, including a slush fund, a rainy day fund, Clayton's old sock, Minister Gilleshammer's old sock, all sorts of disparaging comments, but they have not done away with the rainy day fund or the account, the savings account that this province has at its disposal.

But today's Premier, shortly after coming into office, made it very clear that he would continue with the commitment that was made by our government to those farmers in the southwest, but he said: I am not going to take it out of the rainy day fund.

Now, that is fine. The revenues were growing in the province sufficiently that he could do that, and that was very good, that the revenues were growing, but he left a taste and an expectation in my mouth, along with a lot of other people, as to what his next statement or his next phrase led to because he said: Well, we have enough money to cover it. We might need it for a future problem, and we will use it then.

Well, ladies and gentlemen in this Chamber and our colleagues who sat at the table last night listening to the farmers from the southwest—and I am not trying to cut the grass of my colleagues who represent that area, but I am just freshly from hearing this discussion up until almost three o'clock in the morning last night, where these farmers said: The impact from 1999 has never truly been dealt with. I know all the arguments, and I will acknowledge the arguments that the federal government never came to the table in terms of considering that a real disaster problem, even though they dealt with all those same problems in the Red River flood in '97. In fact, they dealt with them very generously.

So, if there if there is an attack in my words, it is mainly against the federal government,

Madam Acting Speaker, but I am calling the Premier (Mr. Doer) to task for the comment that he made at that time because it did seem to me that he said if there is future unpredicted and unmanageable problems of this nature—now, those are my words, not his, but he said he would save that money and use it in the future, as needed.

Now, unless he plans on using it as a slush fund, sort of a pre-election pot of money that he could use—and I see at least one of his Cabinet ministers over there shaking his head. They would never think of doing that. Well, maybe he would not, but I am pretty sure there are a few people over there who would, and I am highly suspicious

**An Honourable Member:** The Premier being one?

**Mr. Cummings:** Well, frankly, yes. The Premier knows very well that those funds could in fact be dipped into in a pre-election situation. I am challenging him to keep the implication in his mind of what he said when he came into office about that money because he said it could be used in the future. I am saying to him the same as the nurses said at one time, the same as many other sectors of the community have said when they look at surplus funds of that nature: Mr. Premier, it is now raining.

It rained in the spring of '99 in the southwest. It caused an immeasurable loss which under normal circumstances those farmers would have recovered from. I think Don Dewar put it in proper perspective when he said: 10-15 years ago I could have recovered from a bad year in probably 2 years or 3 years, but he says today it would take 12 years.

Given that the provincial government acknowledges that it is unable to deal with the federal government on this problem, that they have been unassailable in terms of getting them to understand, even though there are many of the M.P.s and I would suggest some of the Cabinet ministers in Ottawa that understand the problem, but they are unwilling to set a precedent.

Yesterday we heard farmers talk about what I would phrase as the lost generation. There is a

group of young men and women out there beginning about five years ago who are making the very clear decision to walk away from century farms, to walk away from opportunities that they had dreamed of, opportunities that their families had dreamed of, because they are fighting a grain price war internationally, a trade war.

But these farmers who are also doubly affected by the impacts of the 1999 spring excessive rains and those who followed the guidance that they were given at that time, which was to go ahead and do what they could to seed a crop, those who found a few dry days and seeded were hit a double whammy, because it turned out that the June and July following their seeding operations were also the wettest in history.

Not only did they lose their crop for the year, they lost the cost of their inputs. They were only partially covered by crop insurance and partially covered of course by \$50 an acre unseeded. But the bottom line was that there were many good farmers who lost more when they seeded. I would argue that there are so few of us in this room who actually understand that, because we did it too. Then in the end they lost more.

Now, I am not going to dwell for 40 minutes on this point, but it is too much of an accident that during the Question Period which just passed, the Premier was talking about the fact that he had been able to enhance the rainy day fund. I do not have the Hansard obviously but I remember his comments leaning that way. If they are on the record or off the record I know that that was the implication of what he said.

He said with some justification pay down some debt, put some money in the rainy day fund. It is now over \$300 million. Madam Acting Speaker, you should have seen the look on the faces of some of those farmers in southwestern Manitoba when they realized that there is \$300 million sitting in that rainy day fund, and they are not being given the opportunity to have this Government say to Ottawa: We have got a bit of money in the rainy day fund. We are prepared to put that up front to deal with what happened and then let us see the

colour of your money, because many people in Ottawa have literally defied this province.

When we were in government and since this Government took over they have defied their responsibility in dealing with the problem of the excessive rain in the spring of '99. We are all united in that respect. I now challenge the Premier (Mr. Doer), as the elected leader of this province, to reflect on the statements that he made and reflect on the implication that he made again today in Question Period about the fact that that rainy day fund has, in fact, grown under his tutelage, and the people who are feeling extremely abandoned by the agricultural system as it exists today and the efforts by Europe and the United States to assure themselves of a control factor in the food supply for their nation.

In fact, the United States is so large that it literally has its finger on the pulse and the control of the food supply worldwide. This is not going to go away, and it is not going to get better. In fact, some analysts believe that the Americans are now working on a program where they will actually devalue their dollar. They will lower the value of their dollar, and if the Canadian dollar begins to close the gap to the American currency, we are going to be in more trouble than we are today. We will devalue our exports, we will devalue particularly our agricultural exports, and these farmers will be finished.

\* (14:50)

I asked one farmer last night, it is drier in the southwest, as it normally is, and are they thinking about seeding. I said: Will it be dry enough in two weeks? Even that would be late for their area. The honest answer from a reeve from that area—and this was prior to the committee sitting—he said: Do you know what? There is no enthusiasm. He said: There are people who have not yet cleaned their seed. They are not sure whether or not they can buy enough fuel to put the seed in the ground. Now there were several farmers last night that said: I hate to be reduced to pleading and begging. But they are, and I think there is an onus on us in this House to listen to them. Certainly this Government will receive a great deal of credit from this side, particularly from those of us

involved in agriculture if they will recognize that. There are other groups out there who are attempting to provide leadership: AMM, KAP, Farmers Union, business organizations across the province, Chambers of Commerce. They will unite behind this Government if they will stand up, put their chin in the wind and say: We are not taking this anymore, and we are putting our money on the table.

I am suggesting some money out of the rainy day fund will do the job. If the Premier (Mr. Doer) has the monitor on in his office, and I am sure he usually does, I ask him to think carefully if he wants to go down in the history of agricultural disasters in this province as being one who led the charge to deal with it or one who rolled over and played dead and said: I do not have enough members elected from that part of the province; it does not matter. I do not think he wants to be the latter. I am challenging him to stand up and take that leadership role. As a united Legislature, as a result of the motion that was passed last week and the work that is going on in that committee, we will support him because it is crunch time in the next two weeks. When farmers have not cleaned the seed that they are thinking about putting in the ground on the 24th of April, where is their head at? There is a bad slang term for that in rural Manitoba, but in this case their head is not in their business. They are talking to their bankers. They are talking to MACC. They are talking to FCC. They are talking to their landlords. They are talking to their families. They do not know, some of them, what they are going to do.

The ones with deep pockets will survive. They will find a way, but there is a generation out there that is walking away. There is another generation that is leading them and they are the ones that are about 45 and under who now have 19- and 20-year-olds who may consider agriculture as a future. They will not do it.

Now they are farming in a tough part of the province. Some of the land could be used for other than grain and oilseed production, and they acknowledged that last night. So part of the issue is making sure that they have an opportunity for a transition at the same time as those who have some equity left will have an opportunity to put in a crop, and I must admit, I was critical of the

AMM last night when they felt "encouraged" I believe was the term that the president used, and maybe it was not a mean slip of the tongue but I picked up on it because Ottawa has promised us so many times that they are looking at it through GATT, they are looking at it through green trade policies, they are looking at it in terms of fairness and equity across the country. Fairness and equity left this part of the country about five years ago.

**An Honourable Member:** You supported the elimination of the Crow.

**Mr. Cummings:** Whoa, wait a minute, whoa. The Minister of Labour wants to debate the elimination of the Crow. Well, I do not want to tell her that she does not know anything about what she is talking about, but let me remind her that when the Conservatives proposed that the Crow be bought out, and it was mentioned last night, and the Minister of Agriculture (Ms. Wowchuk) will recall, one of the presenters said: When we talked about the Crow changing, we said we wanted it bought out. We did not say we were prepared to give it away.

The original proposal was that it would be bought out for how many billion dollars—\$9 billion, \$9 billion, the \$9 billion. You know what happened? Those of us as farmers have to—

#### Point of Order

**Mr. Jim Rondeau (Assiniboia):** According to *Beauchesne's* 488, the words that is a lie are unparliamentary language, and the member from Arthur-Virden is saying that across the House to our member.

**Mr. Cummings:** Perhaps the Minister of Labour (Ms. Barrett) would like to repeat what she said, and we will decide whether or not it was a lie.

**The Acting Speaker (Ms. Korzeniowski):** I will take that under advisement in order to peruse the Hansard. I am sorry; I did not hear it either.

\* \* \*

**Mr. Cummings:** Madam Acting Speaker, I will withdraw the unparliamentary language that I

used towards the Minister of Labour that I put on the record, but I am not sure that the supposed dispute over the facts was, in fact, settled appropriately. We will check Hansard with your approval.

If I may continue with my comments about the Crow rate, what I was trying to put across to the Government, and particularly I know the Minister of Agriculture (Ms. Wowchuk) understands, but to the Minister of Labour, I would remind her, this is not meant to be a lecture to the Minister of Labour.

It is truly a problem that those of us in agriculture have. That is that when we talk about several billion dollars or when we even talk about the loss of our own net worth and we say that we are losing a hundred thousand dollars annually on our net worth, people look at each other and say, my goodness, why do these people complain about opportunity when they can afford to lose a hundred thousand dollars a year. I cannot even afford to lose a hundred thousand dollars in 10 years. I mean, that is a legitimate problem of communication that those of us in agriculture have.

But I cannot go on with my comments until I have put clearly on the record that the Crow rate, it was suggested that if it was bought out, it would have been about \$9 billion that could have been put into a fund to deal with things like infrastructure, to deal with things like diversification, to deal with some of the real problems that we are dealing with in agriculture, some of them driven by our geographic location, let alone the trade wars that we are now facing, but very clearly the farm community was not unanimous either way, even at \$9 billion. There was debate among the farm community whether they should take it or where it should be put and who should have control of the \$9 billion. Should it go in a simple acreage payment? Should it go into programs such as I just suggested?

In the end, what did we get from the federal Liberal administration? I think this is the pertinent point that I hope the Minister of Labour (Ms. Barrett) will put into her cardex, because it is very important to remember that the original discussion was developed around \$9

billion, or at the least \$8 billion; it ended up being \$760 million, depending on how you measure it. I mean it was less than a 10th of the original discussion. The farm community did not rise up and riot because there happened to be a bulge in grain prices at that time, and we said, well, I guess we can handle this. At \$9 canola, yes, you can handle it because there is about a buck a bushel gone out of there so you still end up with a net of \$7.50 to \$8 a bushel, but when you are starting at \$5 and you take another buck out of your canola then you are in deep trouble.

\* (15:00)

That was what the discussion was about last night. I just wanted to use this opportunity to remind this Government and remind this Premier (Mr. Doer) that there is a very real responsibility and a very real opportunity for them to demonstrate the leadership I think that part of the province deserves.

There is a map that I was showing to my colleagues. I have seen it before, but I had forgotten about how vivid it was. There is a line frankly about 10 miles from where I live. Where I live, on the acres that were seeded, the production was anywhere from 60 percent to 72 percent of normal on the acres that were seeded. On the lighter land, where the water soaked away and where it actually benefited from the conditions, they were at 103 percent. I mean I was sitting in the middle of it. To the Minnedosa side was one of the worst-hit areas in the country because they seeded the high spots, they had the expense of the seeding. The other end, on the main part of the Assiniboine Delta aquifer, it actually soaked away and did quite well. Westbourne, of course, and Glenella and those areas, which are part of my riding and I will not dwell on, but they of course suffered and they are still dealing with muddy situations.

In relation to the Budget, it seems to me that while the Premier talks about his desire to bring balance to the management of the books of this province we dispute the prioritization that has been used. Part of it is what I just talked about. I talked about that because there were about 10 or 12 of us who heard directly, including the Premier, part of it, about the problems that are sitting out there. I would agree that in the main

they are a result of the federal government not being at all interested in dealing with the problems here in this province. *[interjection]*

Well, the member from Brandon says: And the Crow. *[interjection]* Brandon West. I thought I just explained to that member that while the disappearance of the Crow means that there can be some economic changes that will occur that might well make this part of the continent a better area to produce livestock in, one of the reasons it has become a better area to produce livestock in is because the grain is going to be so damn cheap. It will be a perpetual problem unless we have a huge increase in the value of grain worldwide. *[interjection]*

Well, the member says he would like to build an ethanol plant. I certainly hope that is a possibility. In fact I have some significant interest in that type of development myself, but remember on that side of the House there are a fair number of people, and I cannot speak for the Member for Brandon West (Mr. Smith), I would not think of doing that, but I know some of his colleagues have been very critical of large livestock enterprises. Big hog barns are the terror of southern Manitoba. Large cattle operations are ruining the surface water across the province, apparently. The fact is, that one of the ways that an ethanol plant will be profitable is if it is attached to a large feedlot, which is exactly what the folks in Russell are talking about doing. They are fighting the environmental struggle in order to demonstrate that they could operate that environmentally.

Interestingly enough, let me put something else on the record. There is a large portion of the environmental community itself that does not believe that in fact you are saving energy in any way, shape or form by going to ethanol production. You are saving emissions from motors and the combustion of a gasoline, but there is a fair section of the environmental community that is not at all happy with the thought of huge ethanol development as an oil or gasoline replacement, because when you consider the total footprint of a litre of ethanol compared to a litre of high octane gasoline, there are some interesting calculations. Off the top of my head, I cannot reproduce them, but the fact is there is a direct relationship between the cost of

hydrous ammonia which is related to natural gas, which it takes to produce the nitrogen to grow the crop to get it into the ethanol plant and then the energy associated from there on.

It is a good alternative use, and I will support it, but I am saying that there are reasons to be thoughtful about how we do it. We can probably look at some other jurisdictions, some of which I have had a little bit of familiarity with, who have been pushing the ethanol development, and because of our location, this may well be. I say this clearly to the Minister of Agriculture (Ms. Wowchuk). This may well be a very positive opportunity as long as, one of the presenters last night reminded us, they remember that this should not just be a branch plant for another large corporate entity.

This may well be an opportunity for the minister responsible for rural development and the Minister of Agriculture and the Minister of Industry (Ms. Mihychuk) to come together and provide mechanisms and support in a way that would allow a community or a farmer-owned co-op to develop this type of a process, because attached to that is undoubtedly going to have to be a livestock or cattle operation to consume the waste product.

In fact, for the record, for those who were not there last night, one of the people reminded us that one of the frustrating things about the current situation was that the dried mash after it left the plant was worth more than the wheat was when he took it in on a per pound basis. So there is an example of value-added that has kind of a backwards twist to it.

Now going back to the Budget, before I so rudely interrupted myself, it seems to me, in looking at the makeup of this Budget, there is an issue around the way this Government has structured their tax relief. It is all a matter of presentation. I am sure that they will readily accept it when they look at their mailer that was sent out, nice orange, green and yellow. It seems to me these used to be blue and white or something, were they not, but nevertheless, they—*[interjection]* This is not September of '99; this is April 2000. It has changed colour sort of like the Premier's suits. Gone are those fuzzy relaxed-looking sweaters, the tight-knotted tie and the blue suit, the new business image.

What the Government is doing and what the Minister of Finance (Mr. Selinger) is doing in this presentation is talking about future tax relief. He is not talking about immediate relief in the current tax year, part of it is. It always goes back to the homeowner tax relief that is so proudly touted by this Government as being part of this overall tax relief package.

Well, education property tax credits are how they are generically referred to, but I have some significant concern. I was a trustee for a number of years, so I can appreciate the problem that the trustees are in.

The Minister of Education (Mr. Caldwell) says he is funding education in a way that has exceeded previous funding. He is talking about the changing of his educational tests—and I will deal with that in a minute—but the fact is that depending on the education property tax credits, the Government is going back to the '50s or to the '60s. These were the times when the education property tax credits were introduced. I would suggest they are introduced as a political salve to put on the wounds of taxes that the people of this province pay because—*[interjection]* Well, just give me a minute. My analogy is not that far-fetched. It is a political salve to put on the wounds of taxes in this province.

On the surface, it is a good idea. You are taking away a little bit of the pain, but what happens is what happens so often in this sector of our tax structure. That is the question which this Government has not dealt with and which we did not deal with, but certainly I have strong views on it, as other people do, that when property tax credits are put in place, that tends to leave taxing room for somebody, and I have seen too often where the provincial government, particularly, because they are taxing on property, municipal taxes on property, when the provincial withdraws its share, who picks up the slack? How many people actually see a little less taxes? I would challenge a lot of people out there to say that they really got less taxed, because much as the Minister of Education (Mr. Caldwell) puts a good face on what is happening out there, we are seeing two and a half mills, 5 percent, 7 percent, those kinds of increases in school taxes, and that

is eating up the homeowner education tax. The people probably do not see the increase in their taxes, or, conversely, maybe all they are seeing is the increase in their taxes, and they are forgetting that they are getting the homeowner education tax rebate.

\* (15:10)

It does tend to skew the responsibility aspect of whether or not local education authority should be exercised to impose taxes in support of the local education system, and the minister himself has thrown open the whole debate about amalgamation of schools. He has thrown open the debate about responsibility for educational standards. That was certainly a telling argument in the fall of 1999, when they said that they were going to do away with standards testing. They were going to just wash it away. The kids would not have those problems, those burdens, those pressures that were being put on them. I would argue in many cases the pressure that was being put on, particularly in the younger grades, was not by the children of themselves worrying about what was going to happen when they were getting a test; it was probably very much conveyed by their teacher and perhaps by the school as a whole wanting to achieve at the time of the test so that they were not perhaps fingered as not being able to achieve at a competitive level.

I am not one who believes that the education system, to use the phrase, is going to hell in a handbasket. I do believe, however, that there needs to be accountability and responsibility in the system. I have a lot of respect for the educators that we have no matter where they are, in the city or in remote communities. Some of them have a job more difficult than others, and there are always reasons why classes will not achieve at the same level.

It can well be because in a small class you can have all very high IQ children in your class, or you could have two or three who maybe have some difficulties and they will skew the results for a small class very badly, but as long as those are understood by those who would look at the numbers, then what is wrong with an evaluation? I am sure that my colleague, our Education critic, has talked about this significantly, as well

as other colleagues, about whether or not we are getting an appreciation in the schools for an appropriate standard.

I will simply close this part of my discussion by saying I think the minister has seriously missed the mark in the changes that he has been making and proposing particularly at the Grade 3 test level, because depending on what he expects to come from this the difference is that we were looking to evaluate so that decisions could be made soon enough so that the reaction and supports could be put in place for those children who demonstrated that they were falling behind in some form. I am not so sure that the post-evaluation, if you will, of the current system has created—it has, I know, created a workload for teachers that they did not anticipate, they did not expect, and they are not very happy about, to be honest and no amount of contract tinkering or good news announcements is going to change that. These are professional people. They know what needs to be done as long as they are prepared to look in the mirror and at least include a question of themselves in terms of that evaluation.

I think the Minister of Education (Mr. Caldwell) can count on the fact that there is going to be a lot more discussion about how this Government intends to deal with that problem because now I would say they have made it worse not better, and the results are simply not worth the pain that is being put into the classroom.

Going back to this tax picture that is painted on this nice green, orange and yellow brochure—there are some very handsome people on here. I am not so pleased with some of the figures though because every figure has a future piece built into it. The announcement here says up to a certain time in the future that will amount to so much, up to a certain time it will get a little bigger, a little bigger, but these are future deductions. These are not deductions that will impact today on the spending power of the community. Much as I am not at all pleased by the education property tax credit system that is in place, I find this additionally deceiving because it in fact is not going to do the job. If a young graduate looks at the tax structure and says: what am I paying in taxes? He is looking at

what he is paying today. He is not going to be saying well, what will I be paying two years from now if I stay here and take a job? He is looking at the comparison today, and it is as simple as that when you are talking to the people who will decide whether or not they will stay in this jurisdiction.

Madam Acting Speaker, this Budget demonstrates that there is close to \$800 million worth of additional revenue in the last two years, and it is all committed. What did we see this year? About \$90 million-odd put into the reduction of debt. There is one thing that I have learned in 35 years of being in business and that is during good times you should be paying the bills because in bad times you might have to borrow again. I think the Minister of Finance (Mr. Selinger), he borrowed from Hydro actually this year. He took a dividend. He is borrowing from the future when he does not more aggressively deal with the debt payment and/or tax reduction. He has not dealt with either one of them aggressively. This is a feel-good Budget; it is not an aggressive Budget; and it is one that I feel in a couple of years' time we are going to regret.

Thank you, Madam Acting Speaker.

**Hon. Rosann Wowchuk (Minister of Agriculture and Food):** I am very pleased to have the opportunity to take just a few moments today to say a few words about the Budget and also to address the issues facing the agriculture industry.

Before I go further, I want to commend the Minister of Finance (Mr. Selinger) for the work he has done and, of course, having had the opportunity to serve on Treasury Board and be part of working through the budgetary process, I certainly found it very challenging, but I commend the Minister of Finance for the work he has done in establishing and bringing forward a budget that has been so well received by the public.

When I think about my constituency, and I am very pleased to represent the Swan River constituency, I can tell you that people within the constituency are very pleased with the Budget that we have brought forward.

I want to take a few minutes to just talk about the series of meetings that we have taken on in rural Manitoba and going out with the Standing Committee on Agriculture to listen to Manitobans and the farming community on the challenges that are facing us and facing the farming community.

We were in Dauphin yesterday and heard from many presenters, and then in Brandon last night. In each of those meetings producers, rural leaders, business people had the opportunity to talk about the industry and the challenges that we are facing and put a human face to the whole issue.

Someone said: Why are you taking this process out to rural Manitoba? Well, we feel it is very important not only to have the debate here in the Legislature but also give the people who are in the farming industry the opportunity to add a human face to this resolution so that we can then put a package together of this resolution and the presentations and ideas put forward by the people, presenters, and send that to the federal government and hope that they will recognize how serious the situation is and that they must put additional support.

Madam Acting Speaker, one of the things that was quite interesting yesterday was, although we are in the Budget process and we have had comments from the Opposition saying that we should be reducing taxes, we should not be spending money, nobody has indicated what programs should be cut, but we did have the Opposition members yesterday in fact telling us that we should be spending more money.

My critic, the Member for Emerson (Mr. Jack Penner), talked about how we had a rainy day fund and that we could be spending that whole rainy day fund. We should be taking over, putting money on the table and taking it before the federal government. We have to understand that the serious challenge is in our grains and oilseeds sector. The grains and oilseeds sector is facing difficulty because of low commodity prices. Part of these low commodity prices are a result of subsidies in other countries.

Europe and the United States are subsidizing their countries to a much higher level, and

Canada is not doing it. The Opposition yesterday was telling the people that were at the committee that the provincial government should be putting money on the table ahead of the federal government. In fact, they were actually saying we should be taking over the responsibility of the federal government in this crisis.

Madam Acting Speaker, on one hand, we have a united front here. We have a united front where we should all be standing together and calling on the federal government for more money, and then, on the other hand, we have the members of the Opposition in committee saying that the Province should be putting money on the table. It does not fit with their idea that there should be a—

#### Point of Order

**Mr. Cummings:** Madam Acting Speaker, I wonder if the Minister of Agriculture sees a difference between this flood damage and how it should be approached and the \$40 million they put up in advance for the floodway.

**The Acting Speaker (Ms. Korzeniowski):** This is a dispute of facts, and not a point of order.

\* \* \*

\* (15:20)

**Ms. Wowchuk:** So there was the issue about the Opposition, on one hand telling us that we are spending too much money in this Budget and not giving tax cuts, and then saying to the public, you know, they could be taking over the responsibility for the federal government.

The other issue that came up many times in these discussions is the huge transportation costs and many people regretting that the Crow benefit was eliminated. I find it very interesting to hear members opposite saying now—I have not had the opportunity, Madam Acting Speaker, but I intend to get some of those speeches out that were made in this House where members who were then in government were saying, oh, yes, if we eliminate the Crow there is going to be all this opportunity for economic development in rural Manitoba. There was very little opposition. In fact it was New Democrats who opposed the

elimination of the Crow, the Conservatives who supported the elimination of the Crow and now are regretting that action which has indeed caused serious hardship for many producers.

I just wanted to raise those two points and I just want to also tell everybody that in my constituency I have only had positive feedback about this Budget.

**Mr. Harry Enns (Lakeside):** Madam Acting Speaker, I am pleased and privileged to enter a few words—

**An Honourable Member:** No, no.

**The Acting Speaker (Ms. Korzeniowski):** Is there leave of the House to allow the member to speak a second time?

#### Point of Order

**Mr. Peter Dyck (Pembina):** The Member for Lakeside (Mr. Enns) got up and spoke exactly 30 seconds while we were waiting for the Member for Portage la Prairie (Mr. Faurshou) to come in, so I would ask leave of the House to allow the Member for Lakeside to give his presentation today. If you look on page 685 it is right there, the bottom paragraph. I would ask for leave.

**The Acting Speaker (Ms. Korzeniowski):** This is what I was trying to ascertain. Is it the will of the House to give leave to the Member for Lakeside? *[Agreed]*

\* \* \*

**Mr. Enns:** I want to thank honourable members of the House. I was well aware I might say, as an apology to you, Madam Acting Speaker, and to the Clerk that I was skating on thin ice when I got up today, but it is true. In deference to my colleague for Portage la Prairie, who wanted very much to make his contribution to the Throne Speech but was scheduled to leave for Brandon and had momentarily stepped out of the House that I filled in for him, as honourable members who were in the House will recognize, just for less than a minute certainly as my contribution. I knew that, by the rules of our House, that constituted my contribution to the Speech on the Budget. I am appreciative of the

generosity of the House in allowing me to put a few other comments to those that I made yesterday in the House.

I am going to do some research to see whether I, in fact, am the first one to break this rule in the House. Madam Acting Speaker and honourable colleagues in the House, I have to make a confession. My confession is simply this: if I were a brand new member sitting in this Chamber and looking at this Budget document that we will be voting on in a couple of hours, I would have no difficulty in supporting it. In fact, I would likely support it with some enthusiasm, because of and by itself it is a reasonable looking description of the Government's plans, economic plans for the coming year. It has some of the features that I am particularly attracted to. It maintains some fiscal responsibility in terms of balance. It certainly recognizes the ongoing pressures and difficulties that we have in funding our highest priority items, such as health and education. For these and other reasons, I would say I would have not that much difficulty in a couple of hours supporting this Budget.

But, Madam Acting Speaker, I am not a brand-new member of this Chamber, and I have sat in this Chamber, regrettably, and witnessed the conduct of just about 16 years of New Democratic Party governments and New Democratic Party management of the House. If members have listened carefully, a number of my colleagues, including my Leader and others, who have spoken to this Budget, what is of major concern to us in the Opposition is the all-too-identifiable pattern of how NDP governments conduct public affairs that leave us no alternative but to strongly, vigorously vote against this document.

Let me begin by saying and by again recognizing, you know, it is not really confession time, but I feel I am in that position right now to some extent. Among the failures, if you like, that the government that I was pleased to represent for the better part of a decade as we approached the last election was our so-called billion-dollar plan, if you recall. While it was sound and it was accurate and indeed very Conservative, as we have now found out a short two years later, I acknowledge that that was a

hard sell on the electorate, and it was complicated.

\* (15:30)

When we projected revenues over the next five years that were to accumulate and how we had proposed to spend it in a very responsible way, 50 percent roughly on the needs of our most important social services, health, education, and, quite frankly, as a minister having represented other, what I call, line departments like Highways, Agriculture, Natural Resources, there was certainly the hope as, and I think the honourable member from Lac du Bonnet kind of put it on the record, that those difficult years of putting this Province's fiscal affairs back into some semblance of order was not a great deal of fun for many of us in government and that there was hopes that we could do some catch-up, if you like, providing better benefits, greater benefits for our parks and better resources to our highways program, better protection to our flood protection program, things of that nature.

That was the five-year, billion-dollar plan that was ridiculed by everybody and nobody more vociferously than the Opposition. You cannot trust them. Why would you believe them? They succeeded in convincing enough Manitobans that what we were trying to say could not be believed. Well, Madam Acting Speaker, out of the words of the Minister of Finance, both orally in his speeches and written in his Budget documents, we now have the facts that the billion dollars in new revenue that we talked about in the last election did not take five years to be arrived at or created, in two short years the billion dollars is there.

So I think there is an abject apology owed by many, not just the members of the Government but in the general media and the general disbelief that that billion-dollar, five-year plan that the former Minister of Finance, Mr. Eric Stefanson, under the Filmon administration, presented to the people for serious consideration in the last election. It was just rejected out of hand. We are now witnessing the fact, and this Government is enjoying the fact that that Conservative estimate of growth in revenues has, in fact, been accomplished within

a space of two years. Our concern here on this side is how quickly they have fallen into the mould of governance that NDP governments are most comfortable in, spending vastly more money than revenues coming in. We saw that, and I sat and saw that. [*interjection*] That is why I say if I were a brand-new member—but my problem is that you are spending 6 to 1 at this rate—

**An Honourable Member:** 3 to 1.

**Mr. Enns:** Well, I will take your figure, 3 to 1. But, Madam Acting Speaker, if we are facing any kind of a downturn in the economy—and let us not be pessimistic. Let us say we are staying as we are. The simple fact of the matter is it is not sustainable, and we move back into the position that Howard Pawley and company left us in in the mid-'80s. That is the reason why Manitobans and why this House and the Opposition will be voting against this Budget.

Madam Acting Speaker, I commend one of the better speeches made in this Chamber by the honourable Member for Lac du Bonnet (Mr. Praznik) who spelled that out very clearly, what we faced when the Filmon government took over office in '88, when for the first two years of the Filmon administration if Mr. Filmon said stand, every NDPer stood. If he said sit, every NDPer sat down. If he said support a budget, they all supported the budget. If he said pass this bill, they all supported it. Every move the Filmon administration made and did in this Chamber in their first years of government, the NDP supported with enthusiasm because they saw the possible writing on the wall that is going to happen on May 16 in British Columbia when they are reduced from government to third-party status with 12 members, that if, in fact, Madam Carstairs could have brought her act together, they would have been written right off the stage in Manitoba, electorally speaking, written right off the stage.

*Mr. Speaker in the Chair*

So for two years a Conservative government could do nothing wrong in the eyes of the New Democrats in Manitoba. For two years the New Democrats supported every initiative that the Conservatives brought forward in this Chamber,

and I was here to witness that. It was a wonder to behold.

Mr. Speaker, my problem is that what we see in this Budget is the all too familiar pattern of New Democratic Party disrespect for the taxpayer. They wallow in the luxury of handing out money to every special interest group that comes along. They will put money where it suits their ideological beliefs, such as buying the Pan Am Clinic. It is still not quite clear in my mind whether they bought the clinic or the pool, but I understand it is the clinic that you bought, and maybe next week you will be buying the pool because if the ideology feels that public swimming and publicly owned pools is an ideologically correct thing to do, why you might just buy out the sister facility, the Pan Am Pool, at the same time while you are denying regional health units the kind of monies that they require. So we see that pattern in this Budget and that pattern is all too clear.

Mr. Speaker, what I particularly regret, and I think all of us felt that, even those who are not involved in politics, but in the latter years of the last administration, after we had gone through a recession, after we had gone through difficult downsizing, if you like, in government—and there was some downsizing in government.

**An Honourable Member:** Yes, 1000 nurses.

**Mr. Enns:** Well, that is the kind of thing that serves nobody with credit. No nurses were fired in that administration. It is the collective agreements that called for that, when a facility like Misericordia was changed and 400 nurses had to be reshifted to St. Boniface, or the Health Sciences Centre, or somewhere else. That is entirely misappropriate. It is, in fact, being less than truthful in referring to that as a downsizing of 1000 nurses, but unfortunately, honourable members will do that.

We went through that period, Mr. Speaker. We moved in '95, '96, '97 into a position of optimism in the province. There was a general degree of optimism in the province. Manitobans started looking differently at themselves. Manitobans began to appreciate the fact that we, in our modest sized province, could compete with the world on trade matters. It was a source

of pride to us to see how a growing number of Manitoba companies were competing around the globe and around Canada and providing, of course, at the same time, increasing revenues and jobs for both Government and its people.

It was perhaps best epitomized by the successful organization and running of the Pan Am Games, when hundreds, thousands of Manitobans came together, enjoyed the optimism that was in the air and the determination that Manitoba could and would pull itself up. There was a striving in Manitoba in fact to change our status in the standing of provinces of Canada. There was a belief that we could become a have province instead of a have-not province.

Mr. Speaker, what has been missing in the last little while and missing with the coming of this Government into office is the dissipation of that optimism. We now find ourselves more concerned again about getting our fair share out of the equalization payments in the country, getting our fair share out of these kinds of programs. This enthusiasm that was evident in Manitoba is no longer on the surface. That is plain to people on the streets, that is plain to people on the avenue. That is a tragedy. That is one of the reasons why I cannot support this Budget.

Mr. Speaker, I do want to talk a little bit about some of the things that the honourable Minister of Agriculture (Ms. Wowchuk) just briefly alluded to. I take no particular pleasure in talking about them, but they happen to be true. Some of these things I forecast and prophesied would be happening. I recall, although I always felt there was some reluctance in their position, but I did believe that the Premier (Mr. Doer) and his Minister of Finance (Mr. Selinger) and Minister of Industry and Trade (Ms. Mihychuk) were enthusiastic when they met with the officials of Schneider-Smithfield.

A little over a year ago there was a firm commitment made by one of North America's largest meat processors of following up with the \$30-40-million expansion that Schneider had already engaged in at St. Boniface, would add to that with another \$150 million and another 1000 to 1200, 1500 jobs here in our fair city of

Winnipeg in St. Boniface to add to the growing importance of Manitoba as the pork processing centre as well for Canada and this part of the continent. I believe that they were sincere when they negotiated with those officials the kind of arrangements that would be called to bring such a major capital investment into Manitoba that was good for all our working people. It was certainly good for Government's revenues. It was certainly good for the farmers and the livestock producers to have a second major world-class competitor competing to buy the Manitoba-grown hogs. That was very important. That was part of the original strategy. That was the plan.

That was a vision that I had when I was Minister of Agriculture, to make the world-class processors come to Manitoba and vie for our hogs. I accomplished half of it when Maple Leaf came to Brandon. When Maple Leaf came to Brandon, we were on the verge of accomplishing the other half when one of the biggest competitors, one of the biggest competitors to Maple Leaf in the pork, meat processing industry was the Schneider people, but somehow that slipped through their fingers. That slipped through their fingers. That opportunity slipped away from Manitoba. I know exactly why. I will tell you. If the Minister of Finance was here, I would—he has very little to do with it.

My colleague from Fort Whyte might be a little concerned when I say it is not even so much the taxation regime that had anything to do with it. I will tell you who was responsible for it. The person sits right beside the Premier (Mr. Doer), Minister of Intergovernmental Services (Ms. Friesen), with her Bill 35. Bill 35 killed the Schneider deal. Yes, it did.

\* (15:40)

I can recall we were discussing a labour bill, Bill 44, I believe. I can remember all the Government's friends and supporters were there pushing the Government ever further with that bill. I can particularly remember one morning about three o'clock in the morning when Mr. Bernie Christophe was there at the committee making representations. I took a few minutes off to sit down with Bernie, and, I said: Bernie, you realize, of course, what you are doing is you are ensuring that you will deprive yourself of an

additional 1200 to 1500 dues-paying union members, because with the direction this Government is going and the direction you are pushing this Government, Schneider, you will never see the Schneider plant built here in Manitoba.

That was when were we considering Bill 44. That must have been, well, last summer. It was four or five months later that we finally get the news that Schneider is dead.

I will tell the honourable Premier (Mr. Doer), and at least we have one member from Brandon here, within five years Maple Leaf will be out of Brandon. Within five years Maple Leaf will be out of Brandon.

Now I can probably even hear scattered applause among honourable members opposite, because that is how fuzzy their thinking is. You see, the members of the Government do not like big plants. They do not like big hog productions. They discuss at great lengths at their annual meetings placing a moratorium on all hog production in the province of Manitoba. That is fine, but you see this is what I say that you do not understand. This is why the Minister of Intergovernmental Services does not understand at all why she is responsible for Schneider not being in Manitoba and why she is going to chase 1200 jobs and the Maple Leaf plant out of Manitoba within five years.

Now, you did not believe me when I said that a year ago about Schneider. I am putting it on the record today about Maple Leaf. Brandon, it is not the end of the world, but if they are lucky they will find a truck terminal to make it into a warehouse. After all, it is a pretty decent building. There may be 40 or 50 non-unionized warehouse workers in that plant where right now there are 1200. If that is the direction that this Government wants to go, they are well on their way.

I, as a farmer and a former Minister of Agriculture, what have you done to the pork producers of Manitoba? You have taken away their purchaser.

There was a lot of hue and cry went up, if I recall, when Maple Leaf bought out Schneider.

Do you recall that? Oh, we heard from the Fred Tait and we heard from the Government while they were very concerned about the monopoly power, that purchasing power that this now gave Maple Leaf, and that is true to some extent. Certainly my hope was that Maple Leaf would have to compete for every hog they needed in that Brandon facility with another major processor like Schneider-Smithfield, but that is lost on us.

So now we do have, you know, we have other processors, Neepawa and smaller regional processors, but nothing of the class that take the volume and have the export marketing opportunities that the Schneider-Smithfield people had and the Maple Leaf people enjoy.

Incumbent upon Maple Leaf staying in Manitoba is that they get to their second shift. The whole economics of that plan is based on a second shift. I am told by a number of people in different parts of Manitoba that I have travelled to that it is now nigh impossible to get approval from the Technical Review Committee that used to operate independently, as individual experts from the various departments, water, agricultural, soil, planning that now are tucked neatly under the minister's thumb, one of the first moves that this Government made by the way, but I am told that now it is next to impossible to get an approval for new barn construction, expansion of the hog industry.

Mr. Speaker, you do not have to be a rocket scientist to understand that if that is going to happen, then the Michael McCains and Maple Leafs of this world are not going to stick around here for too long. That is a tragedy, a tragedy for our farmers, a tragedy where our agriculture could be heading.

That, Mr. Speaker, gives me no joy to contemplate, and it should give the Minister of Agriculture (Ms. Wowchuk) a great deal of concern, because, as we continue to diversify, we will continue to grow hogs, but now we will add to our costs, the costs of shipping them to Alberta, to Toronto or to the States, where many of them are going today.*[interjection]*

My honourable colleague reminds me about potatoes. Again, a great photo op. There was the

Premier (Mr. Doer), there was the Minister of Agriculture (Ms. Wowchuk) and the Minister of Industry (Ms. Mihychuk) and perhaps even the Minister of Finance (Mr. Selinger) welcoming Simplot with again one of our natural advantages, a diversified cash crop for our farmers.

A good employment agency, these plants employ upwards to 500, 600, 700 people, again well paid, unionized. These are not, what did they use to call those call centre jobs, McJobs, until they found them to be very helpful in their photo ops.

This was solid processing, solid industrial growth nicely evolved with agricultural in the Portage la Prairie area.

**An Honourable Member:** Where is it now?

**Mr. Enns:** I will tell you. I will tell you that and I will tell the Premier again, that Simplot plant will not be built in Manitoba. Again, you have, by government action, seen to it.

So, Mr. Speaker, when we speak of things that we see happening on the landscape in Manitoba, and they are characterized by members opposite as a litany of doom and gloom, we are seeing, perhaps because we are closer to it, the factual things happening on the landscape. We are seeing the demise of not just a promise but a committed major pork processing plant that rivalled what we have in the plant right now. It is out of the window.

It was always my dream as Minister of Agriculture that we would continue to see our potato industry grow, which is now about the second largest in the country. Again, it is a diversified crop. It is a crop that we do not have to worry about whether we like the Canadian Wheat Board or we do not or whether we like paying \$35 a tonne freight to get the product to either the Lakehead or Vancouver.

No, it is a crop doing precisely what we should be doing, grown here, processed here, using it ourselves, and then shipped to the world for exports. That is what we were doing so successfully and that was the course that we were on.

These are the things, Mr. Speaker, that have already been put at risk or lost in totality and are

continuing to slide this economy in the direction that we were at in the mid '80's, '84 and '85. The Premier (Mr. Doer) knows what I speak of. He was admittedly just laterally part of that group.

Honourable members, when is the last time you have heard the Minister of Agriculture (Ms. Wowchuk) speak enthusiastically about pork, hog production in the province of Manitoba? When have you seen anything positive about that kind of agriculture, generally speaking?

They want to live in yesteryear. They want to live and nostalgically talk about the family farm, about that 160 acres, with 8 cows in the back and 7 cows in the little shed, 250 chickens that the missus gathers every day and takes to the store.

The truth of the matter is no retailers would buy that product right now. We consumers have made that happen. We expect our eggs to be perfect and clean and graded. We expect our meat processing and all that to be packed, not hanging in the back of a butcher's unrefrigerated shop where you come in and say, well, I would like about five pounds out of this haunch or this side of beef, something like that. No, no, we want to walk into a supermarket, 400 feet of deep-freeze, where roasts are packed in one-pound packages and three-pound packages and, if you have a bigger family, get an eight-pound roast. We want to be able to buy pork chops two at a time, one at a time or ten at a time, all individually plastic wrapped, while we give all kinds of lip service about packaging and how we are doing, how we are ruining our environment. No, you cannot even buy there. There used to be at least a standard can of Campbell's tomato soup, but now for the apartment you have a smaller one and you have a bigger one for the family ones. Consumers are driving all of this.

\* (15:50)

Now my socialist friends, they like to heap all the blame on the big multinational corporations that are doing this. The multinational corporations of Campbell's soup are only providing what we are asking for and demanding in our super stores in the way we do groceries, and agriculture is no different. There is a future for agriculture in this province. There

is a great future for agriculture in this province, but it requires some affirmative, some positive leadership which is sadly lacking from this Government.

In a province like Manitoba, this is what we were achieving and in the role of achieving so well in the last years in the late '90s. It was the combination of our natural resources, our natural agricultural products, plus attracting the further processing into the province to provide both a better economic base for the province, better job opportunities for our Manitobans. In many instances, rural youngsters, rural people who gave up decided that, for lifestyle reasons, it was actually much more preferable to be working at a steady job, even at what these people derisively call a hog factory, where they have 10, 15 families working. They have their weekends off, they have their paid holiday times off, they have other benefits. Quite frankly, I am still one of those farmers. I am still one of those traditional farmers.

You know, my wife enjoys to have about 20 sheep around the place, and I am only running about 35 or 40 cows on the place. I do not have enough there to have a hired man, so I have to be there Sundays, Saturday, Christmas, New Years to feed those animals. More importantly, I have to be there in the morning after last night's party. That is why there are only 2 or 3 percent of Manitobans that are engaged in what we call the family farm. Farmers are not stupid. They have learned that, hey, it is much better to incorporate into larger units, and you can get those benefits for yourself, for your children and for your family members, and you can produce a better product. Those who are doing it that way will survive.

Well, Mr. Speaker, I appreciate that I am probably exercising a little bit of—well, the word escapes me. What I am saying is it is by grace of the House that I was allowed to add these additional words on the Budget, having spoken very briefly yesterday while I was marking time for another member to appear in the House. I appreciate the opportunity for speaking to this Budget.

I would conclude by simply saying that I would like to vote for this Budget. I started my

speech by saying that, if I were a brand-new member, I would be voting for this Budget because of and in it by itself I would have not that great deal of difficulty. There is much in the Budget that commends itself to me, but my trouble is I know these folks. I saw them here for six years in the Howard Pawley government. Before that, I saw them for eight years in the Schreyer government. Mr. Schreyer, who was revered as one of our more popular premiers, also had the good fortune of provincial revenues rising, with his former Minister of Finance, at 14, 16, 17 percent. It is easy to be Mr. Good Guy with those kinds of revenues.

But notwithstanding that, they found 101 different ways to tax people. It was this Government—they berate us about not having completely gotten rid of the payroll tax. They do not tell you who put it in. My government, the Filmon government, was committed to reducing the payroll tax, and we, in virtually every budget, increased the category of exemption. Now, admittedly, we did not get it all cleaned up, but as my Jewish friends would say, it is sheer chutzpah for members opposite to chastise us about the tax on jobs, as we correctly labelled it. They found 101 ways to tax people. We are seeing no change in that pattern in this Government, and the pattern that is concerning us most, Mr. Speaker, is their penchant for spending money, and that takes a lot to fall.

\* (16:00)

First of all, prior to September—when was that awful day, September 23? Election day? September 21—they went around this province saying you cannot believe Mr. Stefanson. You cannot believe the Conservatives with their billion dollars of revenue that they said would be available within the next five years. They said no way is that possible; why would you believe them? They got the billion dollars in two years, and although they are doing some things right, their penchant for spending it is just too self-evident, and that leads me to fully understand where the province will be if they stay in office too much longer.

With those words, Mr. Speaker, I will vote correctly and with a conscience against this Budget.

**Hon. Gary Doer (Premier):** Mr. Speaker, you know, it is easy to start off in my comments today with the optimism that we feel on this side of the House with an announcement that the President of the United States and the Prime Minister of Canada are working with us to deal with energy, energy fulfilment, and to be very optimistic about this Budget and the work that we and past governments have done in the past to make this possible.

But I want to start off with a few comments on this Budget, dealing with some of the points raised by the member opposite and referencing why this Budget is different and why we, in my belief, are receiving support from the public of Manitoba over the decisions we are making. The member opposite mentioned two things in his last three minutes. He mentioned two points in his last three minutes. One, he mentioned the payroll tax, and, two, he mentioned the so-called billion-dollar promise.

The problem with both of those issues was the question of integrity and honesty. In 1988, the previous government promised to eliminate the payroll tax in four years. We asked how are you going to pay for it? Where are you going to take the money from? What programs are going to be cancelled? When they came into office in 1988, the Auditor identified the fact that there was an ongoing budgetary surplus which was taken away with the creation of the Fiscal Stabilization Fund.

So they had 11 years to keep a four-year promise. Now, we said that 50 percent of that money was coming from larger corporations. Yes, in a perfect world, all taxes would be hopefully lowered and some taxes would be eliminated. Nobody likes paying taxes unless you need it for fundamental investments. The issue with the payroll tax was that they promised to get rid of it in four years. In fact, the former Liberal Leader promised to get rid of it in three years, and the former Conservative leader, who then became Premier, promised to get rid of it in four years.

That is the problem with the member opposite on another tax issue, and that is the billion dollars. Conservatives will want to know where that billion dollars came from. You had a

Budget presented by the former Minister of Finance with mid-term, five-year forecasting, dealing with the mid-term forecasts of revenue and expenditures. There was no 50-50 plan in that. Do you know where this developed? You should know where this developed. Conservatives should know what happened, because you probably do not know what happened in the bowels of the Conservative campaign office.

In the first week of the campaign after the flush of the Pan Am Games, the Conservatives were feeling rather optimistic calling the election, but soon the chickens came home to roost in the election campaign. The first week of the campaign we had made tremendous inroads into the bubble that had been created by the optimism of the Pan Am Games and by the tremendous work of all the volunteers, which was infectious for all of us. Then the same weekend there were inquiries being made about why one Sue Hoplock was working in the Conservative headquarters. The media were starting to go around, trying to poke around at that. So the Conservative establishment decided they were going to blow this scandal off the front pages of the paper, and they sat down formulating on the back of an envelope a 50-50 plan that they could leak to the newspapers and get into the front page on the first Monday of the election campaign after the call on the Tuesday.

Now the Conservatives should know what happened because we kept hearing for comment: oh, is it a \$600-million plan? No, that will not get on the front page. Is it \$700 million, is it \$800 million, is it a billion? The reason why the public and why we knew there were problems in it is because 12 weeks before that there was no 50-50 plan, there was not a billion dollars in revenue, there was no plan to reduce income taxes by 25 percent; it was 3 percent, a percent and a half July 1 and another percent and a half, I believe it was, on January 1, 2000. That was the 50-50 plan. You also did not take into consideration the \$185 million in deficit financing coming out of the rainy day fund for that Budget.

Now I digress for a moment, but it is important for members opposite to know from our perspective and from the public's perspective where that came from, because they had

laboured hard to be a government that had been perceived as reasonable, had not been perceived as gambling on tax reductions, had produced affordable tax cuts.

You know, when I read the former Minister of Finance's comments in the Budget of 1999, notwithstanding the fact he is a much bigger spender than the present Minister of Finance (Mr. Selinger), I recall and have his comments, saying: Well, because of our balanced budget legislation I could not possibly make a three- or four-year projection on tax cuts because the tax cuts under our provincial laws have to be affordable. That is the position taken by the Member for Minnedosa (Mr. Gilleshammer), that was the position taken by the former Conservative government and then these new Ontario Darwinian Conservatives who had run campaigns in the past where Mike Harris came in with a Harris plan for Manitoba with the 20 percent, 25 percent, 30 percent, \$500-million income tax reductions.

It was not a payroll tax deduction. It was not a corporate tax reduction. It was not a small business investment. It was not an investment in universities. It was not an investment in community colleges, as Duff Roblin had recommended. It was put together on the back of an envelope in the middle of an election campaign. Do you know what? The public saw through it, and that was the fatal flaw of the Conservative campaign. That is why the people of this province voted for an affordable and balanced approach in the last election. We have delivered on every one of our election promises. They were modest but we have delivered on them and delivered on it to hardworking Manitoba families.

I suggest, to members opposite, I will only give you one bit of gratuitous advice. The experienced hands that had run the Government for the last number of years that seemed to us to be usurped by the more inexperienced members with the plan that they developed on the back of an envelope in the middle of the election campaign, I suggest that some of the people with their own affordable tax cut budget of 1999 take a little bit more of the authority of that caucus into the future, because people do not want to roll the dice in Manitoba. They had the same

view as the former Minister of Finance about affordable tax cuts, as the present Minister of Finance (Mr. Selinger), because the Manitoba way is not to be a surrogate of Ontario or Alberta but be proud Manitobans with our proud sense of community, our proud sense of vision and our proud sense of balance for average working families. That is why this Budget is positive, and that is why members opposite should be voting for it in this Legislature.

Mr. Speaker, we have made investments in the future, and this Budget is affordable. You get numbers of responses from people during a budget. You get the Opposition. You get the media. You get special interest groups. You get financial institutions. Then eventually you get the public. You know why we are pleased with this Budget? A lot of special interest groups say it is not enough. The spending is not enough, the tax cuts are not enough, a lot of "not enough," but at the end of the day the public is telling us, when we walk out of this building, when I go into the Dauphin rec hall, when I go into Brandon, when I go into Neepawa, when I go into communities in Winnipeg, people are telling us over and over again it is a good Budget. Would we like more? Yes, but it is a good Budget. It is a responsible Budget. It is a Budget I and my family can support because this Budget supports Manitoba families. That is why members opposite should vote for it.

Now the Leader of the Opposition, as part of the chatter after the Budget, said: Well, the Government, it had choices to make. It had choices to make. The new head of choices, the Leader of the Official Opposition. When I reflect on the Leader of the Opposition's comments, he obviously takes this comment about having choices to kind of an nth degree. On Monday, Wednesday and Friday, his choice is to spend and spend. On Tuesday, Thursday, Saturday, it is tax cuts, tax cuts, tax cuts.

When he had a choice to make he was asked by the media about whether he would support agriculture. Would you agree to the \$38 million? They put the microphones under his face. They wanted some leadership. What did they get? Oh, do not ask me that question. I am only the leader of a party. I cannot tell you what I would do on agriculture. There are some people who are in

favour of it; there are some people who are opposed to it, and I am with all the people. That is not leadership. I do not know how the Conservative caucus of Manitoba, who pretends to be the friends of farmers and who is made up of good farming people, can support the Member for Fort Whyte (Mr. Loewen) to put \$34 million into a Kenaston underpass and are not willing to put another \$38 million into agriculture. That is what it has become. This has become a south end Winnipeg party led by two south end members. It is losing its roots in rural Manitoba and the people in rural Manitoba are discovering that every day with the initiatives and leadership of the members opposite.

It is okay. You have your money for the underpass. The farmers do not have anything. I am sure you got permission from your whole caucus for this position. I am sure they do not want any money for Highway 16. They do want any money for Highway 10. They do not want any money for Highway 83. They want all the money to go into the Kenaston underpass. I am sure that is the position of the Progressive Conservative Party because we are going to tell people that is the position of the new Leader of the Opposition in terms of the people of Manitoba.

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

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

\* (16:10)

#### **Point of Order**

**Mr. Marcel Laurendeau (Opposition House Leader):** On a point of order, Mr. Speaker, the honourable First Minister (Mr. Doer) keeps throwing across recommendations to this side of the House about the Kenaston overpass. We already know his stand on the Kenaston overpass. We know he is opposed to it.

What we would like to hear about is his position on this little foot bridge that the Member for St. Boniface (Mr. Selinger) wants to build going over to The Forks, one that is really

necessary I am sure, for \$15 million. That is a waste of money.

**Mr. Speaker:** Order. Is the honourable First Minister rising on the same point of order?

**Mr. Doer:** No, it is not a point of order.

**Mr. Speaker:** Order. On the point of order raised by the honourable Official Opposition House Leader, it is not a point of order. It is a dispute over the facts.

\* \* \*

**Mr. Doer:** Mr. Speaker, of course, the members opposite will want to know why their so-called no-position position of choices is going to get the credibility of the public. You know, when a government has a 12 to 1 spending ratio, it is very, very difficult for them to try to convey that a government that has a 3 to 1 spending ratio is out of balance and out of sync.

Mr. Speaker, the financial institutions have spoken about our Budget, CIBC, Nesbitt Burns, BDO. The Infrastructure Council likes our Budget. Heavy construction likes our Budget. A number of other groups have liked our Budget. The most important part of that, though, when I meet with people, I met with the former chief of Cross Lake a couple of days ago, when I meet with people across this province, the people of Manitoba, the people of this province like this Budget.

You know something, I say to members opposite that, when we knew there was a good budget, we voted for it. We voted for the 1989 Budget. Even though there was a major deficit in 1999, we voted for the Budget. There were nine horrible budgets we voted against. But you are voting against the floodway. You are voting against extra money for the drainage system. You are voting for more money for the infrastructure, for post-secondary education. You are voting against aerospace investments and training. You are voting against the extra money for agriculture. You are voting against money for floodways. You are voting against extra money for highways. You are voting against the rural road program. You are voting against babies across Manitoba getting a head start on life. You are voting against more money

for child care. You are voting for more affordable universities, and that is why we are proud. We are absolutely proud of the positive agenda that is contained within this Budget, and we will be proud to take that forward.

Mr. Speaker, we have a number of strategic initiatives in this Budget that will be very good for our economy. We have a number of measures that will continue to see positive economic development. In fact, our biggest challenge in Manitoba, and the Member for Lakeside (Mr. Enns) was talking about a number of issues, whether it is the Maple Leaf plant second shift or whether it is some of the other companies we are dealing with for expansion, the biggest challenge we have is population and skilled workers.

Mr. Speaker, the former members left this province with the lowest number of students between the ages of 18 and 25 on a per capita basis, trained in universities, post-secondary colleges, and other important vocational programs. When I meet with the manufacturing sector tomorrow, the biggest challenge they have, even though their shipments are going up 7 percent this year, contrary to the doom and gloom from the Alberta surrogates across the way, and the doom and gloom from members opposite. Manufacturing shipments are going to go up 7 percent this year. Retail is positive; mining is positive; and we are continuing to work on the softwood lumber situation.

We feel very confident about the economy. The lowest unemployment rate, or one of the lowest unemployment rates in Canada, positive economic growth 2.4 percent. We feel very confident.

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

**Mr. Speaker:** Order.

**Mr. Doer:** Thank you, Mr. Speaker. Having said that, those of us who attended the agricultural committee yesterday for part of the meeting—I attended the morning part in Dauphin—and those of us who have listened, as I understand it, last evening till three or four in the morning to the many people when we exchanged statistics about how good it is or how bad it is, I want to say that we, with our agricultural support, the change in

rural electrification, the change in crop insurance, the change in policy strategies, the change in water strategies, the change in live-stock stewardship, the grain and oilseeds are really suffering.

I was pleased that the all-party committee left the Legislature, left the Perimeter Highway and went out and listened to Manitoba farmers, producers and families. I want to say that we are absolutely committed to working with all members in this regard. We believe that if we are divided we will continue to not succeed with the federal government. Mr. Speaker, I was touched by many presenters yesterday. I felt all the presentations were extremely helpful, but I think all of us understood when Mr. Elliott stood up and said he had four children—I believe he lived in Grandview or Gilbert Plains, but I think Grandview though—and his eldest child was back working on the farm and having a tough time but making ends meet, that his other two or three children do not want to return to the farm, and his last child who is now completing Grade 12 said that nobody in the Grade 12 graduating class was going to return to the farm.

Whether it is the former government or this Government or the federal government, I think we have a real task ahead of us to ensure that our rural communities, our farm communities, our agriculture communities have the hope and opportunities that other communities feel. I look forward to the work that is going to go on with the ag committee. I could stop and talk about the 6% increase in our Budget for advertising, and I could talk about all the other money, but we know that our farmers, our grain and oilseed farmers, received a huge shock with the reduction and elimination of the Crow rate benefit in 1995. We were told that this was good faith to get rid of the subsidies for the U.S. The subsidies have gone up four times, and people's inputs have gone up at least 8 percent alone this year. We know there are going to be serious, serious challenges on the family farm.

We will continue to increase and enhance programs that will make a difference. I read in the *Free Press* yesterday that the drainage problem was a \$10-million problem per year. I am pleased that we are adding a million dollars in drainage. I am pleased we are going to start

backfilling the overflow in our drains, Mr. Speaker, and I think it is very, very important for our future.

Flood protection, the Member from Lakeside mentioned today that we should have a debate on this issue. I recall last year I was asked to oppose by the Opposition—I will have to reread Hansard—the Ste. Agathe proposal. I should report to the House and I will continue to report to the House that the Ste. Agathe dam, its costs are going up, and the floodway expansion option is going down in terms of costs, but I agree when the engineering report is completed, where these are just preliminary numbers, we should have a debate in the House. Obviously part of the de-bate is part of this Budget, with the \$40 million you are voting against. I recall the Liberals in Manitoba voted against the floodway, a fact that has been mentioned before by the member from Lakeside. In fact, I think he named all the Liberals that voted against that provision. You have a chance to vote for flood protection \$82 million, \$40 million in the floodway budget in this Budget, or you have a chance to vote against it.

\* (16:20)

If you are voting against this Budget, you are voting against \$40 million for the floodway, more money for drainage, more money for Rosenort, more money for Morris, more money for Emerson, and more money for the Rural Municipality of Montcalm. That is what you are voting against with your vote. That is why I am proud we are voting for this Budget and for positive changes, Mr. Speaker.

Mr. Speaker, we voted for two budgets. You are voting against this one. I am particularly proud of the fact that our Healthy Baby program has been received very positively by the Social Planning Council of Manitoba. It was a program that was designed by our Government with other experts in mind. Dr. Fraser Mustard was involved in the design of this program. Dr. Brian Postl advised members opposite to be concerned about prevention. We feel that this will make a lot of difference to mothers and babies. When you talk about targeted tax cuts, what better place to start than babies. What better place to start with targeted tax cuts than mothers. What

better place to start than start with the life of a human being at the start of the second trimester by extending this issue not just to families that are on social assistance, but to all moderate-income families and babies so that the nutritional levels will be adequate. What better targeted tax cut can you make than investing in babies and families? How can you vote against babies by voting against this Budget?

Mr. Speaker, do you realize the cost of this benefit which is extended to all families, including First Nations families, because a baby is a baby, is a baby. The cost of this is some \$4 million. Do you realize 16 severely underweight babies cost more than \$4 million in the first week after birth? Prevention is harder to prove than any other program. That is why people do not spend enough on prevention. I am proud of the fact that we are targeting money and resources for babies' nutrition, mother and resources to families. I urge members to join us in this positive preventative program for all babies in Manitoba by voting for this Budget.

Mr. Speaker, we have a plan for Manitoba. The first part of our plan is to reduce cynicism by keeping our promise. We have promised to reduce property tax credits and we have, or increase property tax credits and reduce property tax in our first two budgets and we have done that. We have promised to maintain affordable government and we have reduced income taxes by 10.5 percent, a higher number in three years of budgets than members opposite did in eleven years. We have reduced corporate income taxes for the first time since the Second World War, and we have made it easier for small business to move to medium-size business with the threshold. We have brought forward water strategies, which is part of our plan, whether it is safe drinking water, private wells, flood protection, livestock diversification, opposing water diversion projects in the United States, using water for our great tourism and cultural industries. The quality of life in Manitoba depends on quality of water. That is part of our plan. That is part of our Budget. That is why you should also vote for this Budget in this Chamber.

Also part of our plan is to treat people as our most important resource. Education and training, infrastructure for universities, investment in

public education, investment in community college course expansion, people-increasing the number of immigrants, providing the training necessary for new Canadians that come to Manitoba, that is all part of our faith in people.

We are interested in developing an educated and trained workforce. We do not see education and training as a cost, we see it as an investment. I suggest to members opposite, in a changing global economy you either can compete by racing to the bottom, as members opposite want to do, or you can race to the top with education and training, which we want to do. That is why there is such a fundamental difference between us, Mr. Speaker.

I have a short time, and I want to conclude my comments. *[interjection]* And there we get to keeping your word again. We are keeping our word in our Budget, and I am keeping my word in the time I am going to speak.

We are very optimistic about our future. We see hydro and energy as the key part of our future. Members opposite cancelled Limestone in the '70s, they cancelled Conawapa in the '90s. They are the mothball party of Manitoba. We are an optimistic party. We do make choices that are positive for Manitoba. Limestone now is producing \$300 million to \$400 million of revenue for Manitoba. Even their Republican friends are wanting Manitoba hydro-electric power.

We are working with the Liberal government and the Republicans to develop more hydro-electric power for Jesse Ventura and the United States. We have also a vision of east-west power, and we also see those export sales lowering our hydro rates. You are the mothball party of Manitoba, and we are the building party, the Doer party of Manitoba. When we say you ain't seen nothin' yet, we are going to build hydro for the benefit of all our people, equity for First Nations people. Hydro today, hydro tomorrow, that is our way, that is the positive way, that is a positive vision. The mothball Conservatives and the can-do NDP. I urge you to vote for a can-do budget.

**Mr. Leonard Derkach (Russell):** Mr. Speaker, I want to begin today with a few remarks on the Budget.

First of all, I want to say to you and to the Deputy Speaker congratulations for keeping this House in order in some times when members in the House get a little carried away, but indeed that is kind of the healthy spirit of democracy and debate in this House. I know that I sometimes partake even more than I should, but it is that friendly spirit of debate that we get into that gives this Legislature some spirit and some life.

*Mr. Conrad Santos, Deputy Speaker, in the Chair*

Mr. Deputy Speaker, today in addressing the Budget speech I asked the Minister of Finance (Mr. Selinger) how much time he wanted or needed to make his address. He was in that rare non-negotiable mood. He said: I need a half hour. That was it. Well, in this Legislature we normally speak for 40 minutes, or a time that is allotted to us. It is not my fault that the Premier (Mr. Doer) and the Minister of Finance could not organize their time to speak for 40 minutes during the debate on the Budget, that indeed they had to wait until the very last day and then try to negotiate a time that they could speak.

Mr. Deputy Speaker, I would have left this alone except I heard from the Premier, who said: We will keep our word. Well, we will keep our word too. I will acknowledge that the Minister of Finance should have some time to address the Budget Address, and, indeed, I will give him his half hour to address this Legislature on the Budget. So when we reach five o'clock or shortly after, I will then sit down and allow the Minister of Finance his time.

\* (16:30)

Mr. Deputy Speaker, now let us get to the nub of the issue, and that is the Budget. I listened very intently to what the Premier had to say a moment ago, and I was not surprised by anything he said. He spoke rather forcefully and tried to motivate the forces, because he is the Leader of what he calls this great party that is taking this province down the wrong path.

Mr. Deputy Speaker, he still talks about this province having the lowest unemployment rate,

but he is still riding on the successes of the former administration. He talks about building. He is still living on the successes of the projects that were started by the former administration. I ask him how many Grow Bonds have they announced since they became government? How many of those had been started in the former administration? I daresay that the only Grow Bond that they have been able to announce is the one they announced today, because we had nothing to do with that in terms of the Grow Bond itself.

Mr. Deputy Speaker, when he talks about Simplot coming into this province creating thousands of jobs, that initiative was underway well before this Government came into office. That initiative was underway well before this administration even knew about it. I ask this Government why they have had such a change of heart, because I remember the days when we were bringing industry into this province, when we were bringing people into this province, and we had nothing but opposition from the members opposite. They were trying to stop projects with their environmental "friends." They tried to stop all kinds of projects. As long as it was progress for Manitoba, they saw it as bad. Today they have had a change of heart. The Premier (Mr. Doer) wants to be a Tory. He wants to dress like a Tory. He wants to go to the business club and look like a Tory, but we know he is a socialist. Manitobans know he is a socialist. We know he comes from the Howard Pawley era.

Now, Mr. Deputy Speaker, I remember the now-Premier (Mr. Doer) used to sit in the second row where the Minister of Highways (Mr. Ashton) is, or I think maybe even one row beyond that. I remember he was Minister of Urban Affairs, and I made a comment to him across the way, and it had to do with control, and he said: You bet, you have to have your hands on the lever all the time. Well, *Insight* interviewed the Premier, and what did the Premier say on *Insight*? I make all the financial decisions.

Now, I may have paraphrased that a bit, but he left the impression that all important financial decisions are his. So he has to take the responsibility for the direction he is leading Manitobans down. Every other jurisdiction in this country is

going in the opposite direction than what Manitoba is. Every other jurisdiction in Canada is reducing income tax rates. They are reducing the reliance on people's taxes to run the affairs of their provinces, but here in Manitoba we are going the other way.

Oh, we have thrown a few crumbs out, says the Minister of Finance (Mr. Selinger). We have thrown that little bit of a corporate tax rebate out. We have put in a bit of a homeowners' tax rebate, but, Mr. Deputy Speaker, does that cover everyone? Does that really help the average income earner in Manitoba in terms of his quality of life in our province? No, it does not, and those are not our words. Those are not our words.

I want you to listen carefully to what the Canadian Federation of Independent Business says to you, the chambers of commerce say to you, Mr. Deputy Speaker, all the business groups say to you. I want you to listen carefully to what average Manitobans tell you. We are overtaxed. We are overtaxed. A young student from the University of Manitoba wrote in the *Selkirk Journal* about his impressions about Manitoba, and there is a young person. That is not coming from us, that is coming from a young person attending a university who says our province is uncompetitive. He is saying that yes, it is appreciated the support that university students get, and members on both sides of this House agree with the investment in young people in education and certainly in our schools. We all agree with that.

The Premier also has to acknowledge that at no time in the history of this province was there such a pressure on finances in education and in health than there was when the federal government reduced the massive amount of money from the transfer payments to Manitoba, and yes, governments at that time were forced to make some very unpleasant decisions not to their liking, but we were on a collision course by a legacy that was left to us by the former administration, a debt that is still around our necks, a debt that we inherited from the Pawley administration. If you look at what was left to us by the Lyon administration and then compared that to what was left to us by the Pawley administration, it is incredible how much the debt of this province grew in those short six

years. Mr. Deputy Speaker, today we are still struggling to pay back the debt, and I congratulate the Government for paying back on that debt, for living up to that commitment, for continuing that. But, where are they getting their money from? The Budget is smoke and mirrors in terms of really telling the people the story. Now, the Minister of Health yesterday could not dodge the question of health authorities in this province only receiving 2% real money, and that is not enough money to pay for the contracts under the collective agreement.

Now he tried to dodge it by saying, oh, it is 10 percent, but indeed the greatest portion of that money goes to pay for the deficit in the previous year. So what are you leaving that health authority to manage their affairs? You can fool Manitobans some of the time, but you cannot fool them all the time, and Manitobans are starting to catch on. They are saying, hey, that is misleading us. That is being dishonest. We cannot trust this bunch. No one can trust this bunch, because time and again they keep putting out news releases about the fancy things they are doing and when the reality hits home it is much different than what they are telling people.

I think it is time for the Government to become honest. It is time that the Government started to tell people exactly where things are and they are not. I remember during the election campaign the now-Premier said, and he used to laugh about this, about where are they going to find this billion dollars. Remember that? Well, it was a thoughtful approach, somebody who had the vision to see that the economic growth of this province was going to continue growing and indeed, we were even conservative in our projections. We said that in five years we would have a billion dollars, and at that time we said we would share half of it with Manitobans in tax rebates and tax reductions and half of it would go to servicing the debt. Well, this Government said, you cannot do that. There is not going to be that. As a matter of fact, they even hired Deloitte and Touche to see whether or not there was a deficit, and Deloitte and Touche finally came out and said: No, there is not going to be a deficit; there is going to be a surplus, Mr. Premier. Again they wasted a bunch of money to tell the Premier what he should have known anyway, but, Mr. Deputy Speaker, it was not even an

audit. The Premier keeps talking about it as being an audit and it was not an audit. So, again, you mislead Manitobans. You do not tell them the truth, you just tell them what you think they want to hear.

\* (16:40)

Well, Mr. Deputy Speaker, that is not good salesmanship. I do not think the Premier does himself any good because Manitobans know better. The Premier talks about the potential that is in this province with hydro-electricity, and there is great potential. We were the party that started the talks on Conawapa and yes, there was a reason for us cancelling—*[interjection]* He says we had a memorandum. Yes, we had a memorandum all right but they did not go anywhere.

Mr. Deputy Speaker, when your buyers back away from a deal, you do not go ahead with the project and hope that somebody is going to come along and buy the power. That is how Limestone was built and it was built two years ahead of its' time. Thank God that there were shortages of power in the rest of the world because there was no vision about that when they built the power dam. I can tell you there was not.

There were no projections that indicated that Limestone would ever be profitable. The only thing they were concerned about was a public political image that they would be able to win the next election, and that is why they started Limestone. There were no projections that indicated that Limestone would be a successful project.

However, history has shown that, indeed, thank goodness for Limestone because it has generated income for Manitoba Hydro.

Mr. Deputy Speaker, the Premier talks about the fact that if we vote against this Budget, we are voting against giving money to people who need it most. That is baloney.

He talks about little children needing the money, needing the nutrition that this Budget is going to provide. If he thinks back a little bit, it was the then-Minister of Family Services, the Member from River East who put in a program in this province, the BabyFirst program, that has

been heralded across this country as being a program of vision, a program that really addressed the needs of children.

But, you see, the New Democrats want to reinvent the wheel at every turn instead of building on that program that has been heralded across this country and provincial jurisdictions of all stripes, whether they are Liberal, Conservative or New Democrat have said that that program made sense.

That is what we should be investing in. That is the program we should be building on. The NDP think that anything that was developed by another government should be torn down, destroyed and then they will start building again. To whose benefit is that, Mr. Deputy Speaker?

Mr. Deputy Speaker, that is simply pure, crass politics because it does not take into consideration the needs and the wants of your residents, of the people that you govern.

This party is going to support good initiatives. If this Budget were a positive Budget, and it showed that we were putting Manitoba in a more competitive position, if it showed that Manitoba was going to be a province where we could compete with Alberta, compete with Ontario, or even Saskatchewan for that matter, Mr. Deputy Speaker, I think that we would reconsider whether or not we could support this Budget.

Mr. Deputy Speaker, it does nothing in that regard. It drives us further away from being able to compete with Alberta, from being able to compete with Saskatchewan, from being able to compete with Ontario, and that is why our young people are leaving.

Now it is one thing to educate people, and we should. We should offer the best possible opportunities for our youth that we can, and I certainly acknowledge and support the construction of a downtown campus for Red River College.

Red River College should have a campus downtown, because it is needed. I would go so far as to say and the member from Thompson, the Minister of Highways and I have had these

discussions about this before, we said that we should have an institution in the North. We should be able to provide education opportunities not for just the residents of the North in Manitoba, but indeed offer those opportunities for people from Nunavut, people who are now going to Edmonton to get their education because there is not an institution in Manitoba.

Mr. Deputy Speaker, we can graduate all kinds of nurses, doctors, lawyers, engineers, you name it, all kinds of professionals, but if we do not have a competitive environment for them to stay in this province, they are going to take their education that they received here, that was paid for by the residents of this province, and they are going to take it to another jurisdiction. We are educating students for other markets. That is why when I look at the Budget, it completely avoids motivating people to stay in Manitoba, it completely avoids recognizing that we have to retain those graduates. We should be recruiting graduates into this province by offering programs that will give people a reason to stay in this province.

We know there is a labour shortage in Manitoba. We know that there are professional jobs that are waiting to be had in Manitoba, but if other jurisdictions are coming into this province and are taking our best and our brightest, then obviously there is something wrong with government policy. This Budget does not address that, Mr. Deputy Speaker. This Budget does not address the issue of retaining our young people, our brightest minds for the industries and for the technological industries, the knowledge industries that we have in this province and the professions in this province.

You talk to young people. I would have to say that there are 50 young people from my community that now live in either Lethbridge, Red Deer, Olds, Edmonton, Calgary. As a matter of fact, I have two sons in Alberta. Why are they not in Manitoba? Every one of them will tell you that we are just not competitive with Alberta. We are not competitive with Ontario. We are not even competitive with Saskatchewan, and that is an insult. We should out-compete some of these jurisdictions because we have the resources to do it with. It is where you spend your money. It is the priorities that you choose that determines

whether or not you are going to be competitive or not. *[interjection]*

The Premier (Mr. Doer) says we had 11 years, and he is right. If you take a look where we were in 1988, we were the highest taxed province in Canada. We were as uncompetitive, perhaps even more uncompetitive, than we are today, but we are going that way, unfortunately. In 11 1/2 years, we brought this province to a state where we were competitive; as a matter of fact, I believe we were second to Alberta in many ways. In some sectors we were. We had the lowest unemployment rate, I think, of all the provinces.

Now, we reduced personal income taxes. Every time we came in with a budget, we looked at reducing the costs of living in Manitoba, the costs of being a Manitoban. That was a goal of ours. I could refer the Premier (Mr. Doer) to reviews that were done by independent agencies of the budgets that were put forth in this House by either the Member for Kirkfield, the Honourable Eric Stefanson, at that time, or Clayton Manness, either one of those two gentlemen who put budgets before this House, where the reviews on those budgets were positive in every respect.

Now, Mr. Deputy Speaker, I would love to see this minister's budget receive those same kinds of accolades, but unfortunately they do not. They fall short. Why do they fall short? Because the priorities are not right, of this Government. This Government has misappropriated the money. A government that receives a billion dollars of increased revenue in two years and then squanders it cannot be called a government that has any interest of the people that it governs over in its heart. The Premier (Mr. Doer) said that we cannot find a billion dollars. During the election campaign, the Premier said he cannot find a billion dollars.

#### Point of Order

**Mr. Jack Penner (Emerson):** Mr. Deputy Speaker, I heard the Minister of Family Services (Mr. Sale) say from his seat: Squander \$38 million on farmers in this province, is that what you want us to do? That, I think, is a demonstration of this Government's priorities.

This Minister of Family Services has continually lambasted the previous government for supporting the farm community and rural Manitoba. This is clearly a design that this current Government has on agriculture.

**Hon. Tim Sale (Minister of Family Services and Housing):** What I said was in response to the Member for Russell (Mr. Derkach), who claimed that we were concerned about squandering. Well, his own Leader would not come clean on what your position was on spending money on farm support, and you seem to be opposed to the spending of \$38 million to help Manitoba farmers. You wanted us to not take part in that. That is what I was referring to.

**Mr. Deputy Speaker:** Differences of opinion as to facts are not points of order.

\* \* \*

\* (16:50)

**Mr. Derkach:** Mr. Deputy Speaker, I think this was just an example of how we get into a debate in a lively way. I do not begrudge anybody that. But I think that the issue here is where monies are placed in a budget. In our view and in my view, the Government has missed the mark. When a government receives a billion dollars of revenue in two short years, two and a half short years, you have to ask yourself whether or not the money that it has received in greater revenues has, indeed, gone to help the population.

I would like to suggest that this Government should rethink its priorities, rethink where it is putting its money. Yes, there are places that the money has gone where I would support the Budget, but I cannot support the Budget in its totality, because indeed there are many, many shortcomings. When I look at the area of agriculture, we can talk about education, we can talk about health. We know that the funding in health is not 9 percent, it is more like 2 percent. We know that the funding to education is not the 3.8 percent or whatever was announced, it is more like 1.8 percent. It is not us saying this. Talk to the divisions who are out there telling you that they are going to have to increase their special levies because the funding did not

adequately cover what was expected and what the Government had said that it would cover.

Your regional health authorities are starting to come forward, and they are saying to you, you did not provide the money that you announced that you were providing. *[interjection]* Now the Minister of Family Services asks me whether I am suggesting that more should be spent. I will repeat for his edification that it is not how much money you spend, it is where you spend it and where you invest it so that the results can be beneficial to the population of this province.

**An Honourable Member:** Where should we spend some more then?

**Mr. Derkach:** Well, Mr. Deputy Speaker, the member says: Where should we spend more? I will tell him where we should not spend it. I will tell him that we should not spend it in buying a food service for \$38 million or whatever it was, \$30 million, plus then another renovation cost of about \$12 million. We should not be spending it there, and yet the food has not changed one iota. All you did was you gave jobs to your union buddies. Of course, we know where the Premier (Mr. Doer) comes from, a former union boss. What do you expect of them? So they liked the company so much they bought it, but the food has not changed one iota. Remember the fiasco about frozen food before? It is still the same food exactly.

I will tell you what else I would not have done. I would not have spent \$7.3 million in buying the Pan Am Clinic. What did you get for it? You got a building. What did you need a building for? The physicians? The physicians are going to practise in the same way they did before. They are going to bill you for whatever services they provide. So what did you buy? You bought a building, bricks and mortar. I would not have done that, I can tell you that.

There is lots more. Mr. Deputy Speaker, I would not have increased the civil service. During the 12 years that we were in government, we reduced civil service. We reduced the civil service. I know that within the departments I had, there were massive reductions. What have they done? They have increased them massively.

I will tell you what else I would not have done. Every minister has, and I had when I was minister, people around me that we called special assistants, executive assistants--

**An Honourable Member:** Spin doctors on that side.

**Mr. Derkach:** Spin doctors. We were pretty tough on our people. We would not allow them to start at the highest levels. When this Government took over, what did it do? Every salary in that category, special assistants, we call them hacks, every salary went up by something like \$10,000 beyond what we were paying. I would not have done that either, because I think that money is spent better on Manitobans. If we leave it in the pockets of Manitobans, they will know better how to spend it than we will as a government. So those are some of the things I would not have done.

I will tell you what else I would have done. I would have lived up to the commitment for the 1999 flood for farmers in southwestern Manitoba. I would not have reneged on that. Now the Minister of Agriculture (Ms. Wowchuk) keeps telling me: Our money is on the table. It is not doing any good on the table. It has to be in the pockets of the people in southwestern Manitoba who had the pain and the suffering. I know the Minister of Family Services (Mr. Sale) would be screaming in this House if he knew the salary levels of those farm families, because every one of them, I can almost guarantee you, is living in what we call poverty. Their children are living in poverty. Why? Because we were too chintzy to put our money on the table.

If that happened in the Red River Valley, because of the populations in the south of this province, I know that the Government would be there with money right away. The Premier said that when he went on his tour. He said: If there is a flood, if there is a problem, if families are hurt, we will come to their rescue. There are families that are still hurting from 1999, families who have lost their dwellings, lost their homes, lost their homesteads, lost generations of work.

I know of one family that lost their entire savings, their home. They lost their land--they were from Reston, Manitoba--because they could

not come up with the money to meet a commitment at the bank. Why could they not come up with the money to meet their commitment at the bank? Because of the 1999 flood. Today that family is living in Roblin. They are living on a rented piece of land. They have lost everything they worked for because Government was not sensitive. Government did not have the compassion and still does not have the compassion to live up to an obligation that it has. So that is something I would have done.

I can go on for hours about the things that we would do. I will tell you what else we would do. We would put incentives in place that would attract nurses to this province, not by simply throwing more money at contracts. Eventually you may have to do that, but there are other ways of doing that, by providing perhaps tax incentives for young graduating nurses who then can be competitive with nurses in other jurisdictions and can find it attractive to stay in our province because they want to stay in our province. *[interjection]*

The member says: Why did you not do that years ago? If you look at what we did years ago, in years when the federal government cut back funding to this province, we did everything we could to attract and keep people here in this province, but that is where the choices of government are. That is where the Minister of Finance (Mr. Selinger) could have put his foot down and said: We are going to keep these nurses here. We are just not going to open up contracts and allow for negotiations to go on for two years. That is not going to help nurses. That is not going to relieve stress. Let us relieve stress by giving some tax incentives in this Budget to nurses.

Now you can say oof to that, but, Mr. Premier, I tell you this, that until you come to grips with those kinds of issues you are going to lead this province down a path that you will not like a few years down the road. You are going to regret the direction you have taken with this Budget, because you are becoming uncompetitive with other jurisdictions, other provinces. You are not going to be in the same ballpark as provinces like Alberta and Ontario. *[interjection]*

Yes, and even Saskatchewan. Saskatchewan has seen the light. It is an NDP government.

They have seen the light, and they have done things to reduce the reliance on taxes. I live right next to the Saskatchewan border. *[interjection]* Well, the Member for Brandon West (Mr. Smith) says we have not seen the light. It is the Member for Brandon West who has not seen the light, and it is his Government that has not seen the light, because they are the ones who were responsible for bringing the Budget forward, not us.

The Minister of Finance is looking at me with begging eyes and saying: It is my turn, Len. I am saying: Okay, Mr. Finance Minister, I agree with you.

Mr. Deputy Speaker, in the short few minutes I had, I tried to put some comments on the record regarding how I feel about this Budget and the reasons that I cannot support this Budget. I will not listen to the Premier (Mr. Doer) saying, well, you do not support children, you do not support education, you do not support health. That is wrong. Let him show me that he has a vision for this province, let him show me that he has a plan for this province, and then I will be able to support him. Until such time, I am sorry, his Budget does not meet the mark. His Budget does not meet the needs of Manitobans. His Budget falls far short of what Manitobans expected of this Government, and so, therefore, I will not be supporting this Budget, regrettably.

\* (17:00)

**Hon. Gord Mackintosh (Government House Leader):** Mr. Deputy Speaker, is there leave to revert to tabling of reports?

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

## TABLING OF REPORTS

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** I would like to table the Supplementary Information for Legislative Review for Manitoba Justice 2001-2002.

## BUDGET DEBATE (Continued)

**Hon. Greg Selinger (Minister of Finance):** I would like to thank the Member from Russell for

the brevity of his comments today and giving us a little more time to speak. I appreciate that.

On April 10, I had the honour of introducing our second Budget to this Legislature and to the people of Manitoba. At the outset, I want to thank the members of Treasury Board and the Department of Finance for all the work they have done. I think, if the Member for Minnedosa (Mr. Gilleshammer) was here, he would agree with me that the amount of work that these people put into preparing a budget, the week-ends, the evenings, the extraordinary amount of work that they do to make these budgets come in on time with accurate information, is to be commended. It is not something they have uniquely for this Government; they have done it for many governments over many years.

Also this year we did the Budget speech in French and English. We delivered portions of the text in French and English, and we printed it in French and English. So our translators deserve a lot of thanks for getting a job well done with very short notice as well.

I would like to also thank members from both sides of the House for their contributions to the debate. There have been many points of view entered in Hansard. Those have been taken into account, and I think all can agree, no matter how they vote, that we have tried to put a balanced agenda forward for all the people of Manitoba.

In the last 18 months we have tried to build on the accomplishments that we have started with our first Budget. We have a strong and competitive, diverse economy. We are changing the culture of hallway medicine. We are implementing significant tax reductions as we continue to make Manitoba one of the most affordable places to live, work and do business. We are undertaking continued significant investments in our schools, our colleges, our universities, to ensure that quality education remains strong and affordable. We are renewing our commitment to preserve and promote hydro in our great province and to create new development opportunities in the North, where the northern communities and the First Nations people will be the partners and beneficiaries of the projects we undertake.

We are making sure that the books of the Province are balanced. We balanced the Budget last year and achieved this balance, along with a \$96-million debt retirement, without any draw from the Fiscal Stabilization Fund. That is the first time that has happened since the Manitoba Telephone System was sold and the money was put into the Fiscal Stabilization Fund.

We also made moves to increase financial transparency and accountability. Last year we ended the characterization of transfers from the Fiscal Stabilization Fund into the Budget as revenues. We now identify them as interfund transfers. They go below the line. The Auditor is satisfied that there is no misrepresentation of this resource as being a source of sustainable funding.

We have also, for the first time ever, started to address the pension liability. In 1989 it was worth about \$1.1 billion. When we took office, it was worth about \$2.9 billion. It was projected to grow to \$8 billion in the next 30 years. We needed to move on addressing that. I am happy to say that in our first Budget we actually made, for the first time in 40 years, a \$21-million deposit into retiring the pension liabilities in this province.

We now have a plan in place that will fully fund the pension plans of teachers and civil servants by the year 2035 and retire the general purpose debt by the year 2040. This is a significant improvement in managing all the liabilities of the province, something that has been well recognized by the bond rating and credit rating agencies, something that certainly could have been done by the former government in the 12 years in their office, and they refused to do that.

The general purpose debt decreased by \$110 million to 18.7 percent of GDP. Our debt costs per capita on the general purpose side are the third lowest in the country. We project a draw of \$60 million from the Fiscal Stabilization Fund, the lowest amount in recent years, and total program expenditures increased by 2.5 percent in the year 2001 and are projected to increase a further 2.9 percent in 2002.

For the first time, we are offering a summary budget presentation for the entire government entity. We are also strengthening the mandate of the Provincial Auditor, and I will be bringing forward legislation in this session to do that. We are taking full steps to disclose all the northern development initiatives which had been covered under the water power rental agreement.

This Budget has \$40 million put in it for the expansion of the Red River Floodway. This is a significant investment in the future security of Manitobans. It is part of an \$82-million flood-protection and water-related infrastructure strategy. We recognize in Manitoba that water can be a resource in terms of filling the reservoirs to provide hydro-electricity, but it also can be a detriment in terms of the overland flooding that we have seen and the damage that it causes to infrastructure, so we need a balanced approach here. We need an approach that builds on the strengths that we have in Manitoba in terms of water but also reduces the risks and the liabilities that water generates in this province as well.

As I went across the province this year in budget consultations, Manitobans asked us to continue to make investment in priority programs such as health and education our focus. They asked us to make sure we make those programs sustainable. We travelled to nine communities for the Budget consultations this year. Communities, most of them, seven of those communities were outside the city of Winnipeg. Two consultations were inside the city. This approach, by going into every region every year, allows us to get a good cross-section and diversity of views from Manitobans. Interestingly enough, the views of Manitobans that were put forward to us by roughly 3 to 1 were to continue to focus on priority spending for health care and education, with the remaining resources we have to continue to reduce the debt in Manitoba and to offer responsible tax cuts. We have done that in this Budget.

In health care we continue to make important strategic investments, including more funding for medical equipment, including the innovative approach of bringing the Pan Am Clinic into the public sector as a way of allowing more timely surgeries for people that need it, as a way of reducing waiting lists in the tertiary hospitals. We also continue to do the short-

sighted cuts of the past with respect to nurses in Manitoba. We lost over a thousand nurses under the former government. This Budget has more money for training nurses than any budget in the last decade, Mr. Deputy Speaker. We have a 60% increase in the enrolment in nursing schools, and in a few years, those people will start graduating and providing services to Manitoba, allowing us to rebuild the health care system.

In education, our tuition fee cut of 10 percent and our increased support for universities on the operating side, as well as our investments in infrastructure, mean that we will be positioning those institutions, those post-secondary institutions to provide the necessary training that will lead us into the future in this province. The Red River College investment downtown is but one example of how we are expanding the community college system, a community college system where we had the lowest participation rates of Manitobans compared to any other province in the country when we took office. We will be increasing those participation rates. We will have a downtown campus that focuses on the new economy. We will provide a revitalizing stimulus to the downtown, and we will see enrolment in community colleges increasing dramatically in the next few weeks, as much as 40 percent potentially this coming fall. That is a dramatic improvement for young people in this province. It is a positive signal for the future of Manitoba as a place where people can have quality jobs and can contribute to the economy.

We have also increased funding to ACCESS programs for the first time in over a decade, so that Aboriginal students can pursue post-secondary education in this province. We know that the demographic structure of Aboriginal people in Manitoba, it is a young demographic and if we do not provide opportunities for our First Nations, Métis and non-Status people, we are going to create enormous social problems. We have made significant improvements in that area.

\* (17:10)

We continue to support the Manitoba Bursary Program which we introduced last year.

In the last two years, we have invested \$12 million in bursaries, the first investment in bursaries in over a decade. This will complement the Millennium Scholarship money of \$11 million, or \$22 million over the last two years. Those monies combined are \$34 million in bursaries which we are seeing in Manitoba for young people to go to university for the first time in well over a decade. You can vote for this.

Last year we provided a record level of capital funding to our public schools. Support continues to be at higher levels than under the previous government this year. We have put \$101 million into capital funding for colleges and universities, the largest investment in post-secondary education in the history of the province of Manitoba, and that investment will pay us back for many decades to come.

Our Budget also supports the Healthy Child Initiative. It is a 42% increase to the Healthy Child Initiative. It includes the BabyFirst, the Healthy Baby Initiative. It includes money for parent-child centres. Research shows that for every dollar you invest in a young family and young children, you save \$7 in social costs by the time that child is 21 years old. That is the kind of investment that will build a better Manitoba for the future. That is the kind of thing that could have been done by the former government, and that is the kind of thing that the members opposite are voting against in this Budget.

We are also investing to make workplaces safer. Last year we increased the number of health and safety inspectors by seven, after years of leaving it not increased at all or actually reducing it. This year we have another half a million dollars being invested in health and safety in Manitoba. We have to move forward to make workplaces safer. Not only is it better for the working people of the province, it is also better for business in that productivity levels increase and everybody is better off. So those kinds of strategic investments are also continuing in this Budget.

This Budget also has significant and sustainable tax relief for Manitoba families and businesses. Manitobans will continue to enjoy

lower personal income taxes, thanks to the measures in the last two budgets. By 2003, these personal income tax reductions will amount to 10.5% reduction in the overall personal income taxes. This is in addition to the \$53 million in property tax relief we have offered in our first two budgets. Our property tax credits for Manitobans have increased by 60 percent in our first two budgets, which compares to the reduction of \$75 or over 20 percent in the budget of the previous government.

The combined impact of personal income tax reductions and property tax credits means that we have outpaced the former government in our first two years in tax reductions for individuals and families in Manitoba. In addition, our top marginal rate for income taxes remains the third lowest in Canada. For Manitobans, personal income taxes for a family of \$50,000; they will be paying \$545 less than they did in 1999 when they fully roll out in 2003. In addition, they will be paying \$150 less in property taxes. By 2003, a Manitoba resident earning \$75,000 will pay \$952 less than they did in 1999 and save an additional \$150 in property taxes. By 2003, a Manitoba resident earning \$75,000 will pay \$952 less than they did in '99 and save an additional \$150 in property taxes. By 2003, a Manitoba resident earning \$100,000 will be paying \$1,119 less and saving an additional \$150 in property tax credits. In just two budgets, our tax reductions for individuals alone and their families are \$218 million, Mr. Deputy Speaker. That surpasses anything done by the former administration.

As well, Mr. Deputy Speaker, we have done some interesting things with respect to tax credits. We brought in the environmentally sensitive areas tax credit, a tax credit which will allow agricultural producers to restore land to natural cover, to increase the ability of land to absorb moisture, to absorb water, to reduce the problems of drainage. We have also put a million dollars in the Budget for drainage, money that was cut by the former government.

Mr. Deputy Speaker, we have a little bit of fun with ratios in this Budget. The members opposite, when they were on their spend, spend, spend theme, indicated that we were spending \$6 for every \$1 we reduced. They refused to

consider the tax reductions that were announced in last year's Budget and this year's calculations. They refused to consider them last year as tax cuts. They said this year they were last year's tax cuts. They tried to have it both ways. When you look at the numbers properly, we have spending increase to tax reductions of a 3 to 1 ratio, just about spot on what the residents of Manitoba told us in our Budget consultations would be an appropriate ratio.

*Mr. Speaker in the Chair*

Overall, the Budget Papers in this year's Budget indicate that Manitoba's cost of living on the tax levy side alone make us among the most competitive in the country, just on the tax levy side alone. When you add in the additional cost of living advantages in Manitoba, the advantages of having a Crown corporation that provides the lowest auto insurance rates in the country, when you add in the advantage of a Crown corporation that provides the lowest electricity rates in North America, the overall cost of living in Manitoba remains among the lowest in Canada and among the most affordable in the country.

In 2000, Manitoba posted its strongest employment growth since 1986. Far from losing jobs, Manitoba's economy created almost 12 000 new jobs over last year. Over the first quarter of 2001, Manitoba economy has continued to produce jobs, with unemployment up 1.3 percent versus the same period in the year 2000.

Manitoba's increase in personal disposable income per capita in 2000 was the highest increase in 11 years. That means more money in the pockets of Manitoba, more money to purchase essential goods and services. Labour income grew by 7.3 percent in the year 2000. Hydro-electric sales increased by nearly 10 percent, and the value of exports increased by 25 percent. Single family housing starts increased 5.2 percent in 2000. The total value of mineral production in Manitoba jumped 41 percent, to 1.26 billion in 2000, the highest level since 1990 and the strongest increase in 12 years.

Manitoba's unemployment rate over the first three months remained at 4.7 percent, the lowest unemployment rate in Canada over the first quarter. That is a notable achievement to have

the lowest unemployment rate in the country. Stats Canada surveys indicate that private investment will be down less than 1 percent this year in the order of 0.5 percent and will remain among the healthiest in Canada, as well.

This Budget continues to reduce the corporate income tax rate for small business to 5 percent in the year 2002. Beginning that year, the rate for small business will apply to the first \$300,000 of taxable income, up 50 percent from the \$200,000 during the entire period of office of the former administration.

By 2002, the general corporate income tax will be reduced by half a percent a year, from 17 percent to 15 percent in the year 2005. This is the first general corporate rate reduction since the Second World War. It represents 11.7% reduction in corporate income taxes, something the former government never had the courage to do.

In addition, we have provided renewed support for the film and video industry by renewing the credit. We have expanded that credit to include larger budget films so that there can be partnerships between larger firms and smaller firms. We have increased our support for microbreweries in Manitoba. *[interjection]* I am just giving you another reason to vote for the Budget, the member from St. Norbert, and I am sure the member from Fort Whyte would want to vote for the Budget for that reason, as well.

\* (17:20)

We have more support in the Department of Culture for new media, for the new economy, and in a little-known change in the Budget, we have clarified the retail sales tax to make sure it is not collectible on electronic books, which is a notable achievement in tax relief in this, the official reading week, in Manitoba.

Mr. Speaker, this Budget is a balanced Budget. It is one that Manitobans have told us that they support. We invest wisely in needed services. We continue to pay down our debts, all of our debts, not just the ones that the Government prefers but including the pension liability. We increased transparency and accountability, and we provide responsible tax relief for all Manitobans. Members opposite seem to want to

have it both ways. We hear over and over again that they want us to increase spending at the same time as they want tax reductions. We have provided a balanced approach, where we have focused spending increases in priority areas for Manitoba and provided responsible tax relief focusing first and foremost on families and then all Manitobans.

What have the economists across the country said about our Budget? The TD economists said: The surplus streak stays alive. The Manitoba Finance Minister has presented a list of new measures that included tax cuts, as well as increased spending. Although the overall surplus came in at an estimated \$26 million, this massed a considerably better underlying performance. Building on aggressive tax cuts introduced in last year's Budget, the Government announced further reductions to personal income taxes while providing tax relief to the business community.

As a share of GDP, Manitoba's debt burden will continue to fall this year to 22 percent and will remain the third lowest among Canadian provinces. The Government can be praised for its ongoing efforts in this year's Budget to lower the tax burden in Manitoba. Although initiatives on the personal tax side will be geared towards low- and middle-income earners in this year's Budget, previously announced cuts by the Manitoba and federal governments will send the top marginal tax rate down to 46.4 percent, the third lowest among Canadian provinces.

The Bank of Montreal and Nesbitt Burns say Manitoba unveiled a relatively balanced approach with no major change in direction. Manitoba is basing its budget projections on a modest 2.4% GDP growth estimate. That growth estimate moves us into the middle of the pack for provinces. While most other provinces outside Québec have generally held the line on personal income taxes, Manitoba trimmed taxes on top of reductions announced in last year's plan. Manitoba will also cut the corporate tax rates for the first time since the Second World War. Those are what others are saying, not what we have said.

This is what the CIBC World Markets has indicated. The Manitoba Budget reinforced a commitment to reduce taxes, pay down debt and invest in key programs, all the while maintaining

a positive fiscal balance. New initiatives were aimed at improving tax competitiveness, as well as meeting key program spending requirements. Manitoba enjoyed a broadly based economic expansion in 2000. All told, the budgetary surplus came in at \$26 million for 2000 and 2001. That topped the original \$10-million target and was made all the more impressive by the fact it was achieved without a scheduled \$90-million withdrawal from the Fiscal Stabilization Fund. Taken together, efforts in the past two budgets will amount to a double-digit personal income tax reduction by 2003.

The importance of business tax reductions was clearly acknowledged with a cut in the small business tax rate and a jump in the associated income threshold pegged for 2002. Moreover, the Budget announced the first cut in the general corporate tax rate in more than 50 years.

In addition to the weak currency, a large portion of the Government spending was a result of bringing health financing onto the Province's books, a move that has meaningfully improved budget transparency.

Mr. Speaker, we could see in this Budget, and I have many more comments here including from the Scotiabank and BDO Dunwoody, careful progress. Another \$75 per household in the education property tax credit, education and Learning Tax credits will be doubled. With health care accounting for 38 percent of Manitoba's program spending, the Province's focus remains the creation of a sustainable cost-effective system.

The Budget is good news for individuals and corporations who received tax cuts. Individuals received increases and non-refundable tax credits as well as reduced rates in the middle and top income brackets.

In Budget 2001, Manitobans are provided with a plan for a prosperous future. We are meeting our election pledges while we are going even further with significant tax reductions and investments in flood protection. We are working hard today, preparing for tomorrow.

Mr. Speaker, in conclusion, we have provided a balanced approach to Manitobans.

We have provided focused spending on health care, in education and in post-secondary education. We have seen the largest investment in post-secondary education infrastructure in the history of Manitoba, something all of our young people will benefit from in the years ahead.

We have seen the first reduction in the corporate income tax rate in 50 years. We have seen a reduction in personal income taxes of 10.5 percent. We have seen a reduction in small business tax rates of 37.5 percent and an increase in the threshold from \$200,000 to \$300,000.

**Mr. Speaker:** Order.

#### Point of Order

**Mr. Enns:** Mr. Speaker, I appeal to you to cut down on the noise coming from honourable Government members. You see, I am still in that position where I could be influenced by the Minister of Finance's speech, and I am hanging on every word. I am trying to get it.

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

**Mr. Selinger:** Mr. Speaker what can I say. When it comes to points of order, it is usually a dispute on the fact as opposed to—

**Mr. Speaker:** Order. On the point of order raised by the honourable Member for Lakeside, it is not a point of order, but he has an excellent point. I would ask for the co-operation of all honourable members so we can hear the comments of the honourable Minister of Finance.

\* \* \*

**Mr. Speaker:** The honourable Minister of Finance has about two minutes left.

**Mr. Selinger:** Mr. Speaker, I had the privilege of visiting some long-time friends in the constituency of the member from Lakeside last week and I noted that there was quite a bit of water lying out in the fields. I am also happy to announce in this Budget, for the first time in many years, we have more than a million more dollars in this Budget for drainage in Manitoba.

So, when all things are brought together, Mr. Speaker, we have invested in the key priorities of Manitobans. We have addressed pressing issues that Manitobans have said to us need to be addressed after many years of neglect, including drainage.

We are preparing for the future with investments in the floodway, in post-secondary education. We are making sure that families have responsible and affordable tax cuts and proper support when they are working for their children. Overall, I would like to commend this Budget to the Legislature, Mr. Speaker, and ask that we move towards the vote on it.

\* (17:30)

**Mr. Speaker:** Order. The hour being 5:30 p.m., in accordance with subrule 30(5), I am interrupting the proceedings to put the questions necessary to dispose of the proposed motion of the honourable Minister of Finance (Mr. Selinger) that this House approve in general the budgetary policy of the Government and all amendments to that motion.

The question before the House now is the proposed amendment moved by the honourable Leader of the Official Opposition (Mr. Murray) to the proposed motion of the honourable Minister of Finance that this House approve in general the budgetary policy of the Government. Do you wish the motion read?

**Some Honourable Members:** Dispense.

**Mr. Speaker:** Dispense.

*THAT the Motion be amended by deleting all the words after "House" and substituting the following:*

*Therefore regrets this Budget ignores the present and future needs of Manitobans by:*

*(a) failing to work hard today, to adequately prepare Manitoba for the challenges of tomorrow;*

*(b) failing to address very real concerns about the sustainability of the high level of expenditures built into this Budget;*

(c) *failing to provide a vision or plan for Manitoba's economy;*

(d) *failing to protect the strong economic climate established in Manitoba during the last decade;*

(e) *failing to provide meaningful tax cuts to Manitobans;*

(f) *failing to recognize the importance of tax competitiveness so Manitoba can continue to prosper;*

(g) *failing to create an economic climate that will draw investment to Manitoba;*

(h) *failing to provide any incentive for our young people to stake their futures in Manitoba;*

(i) *failing to address the serious socio-economic crisis facing rural communities due to the crisis in the grains, oilseeds and specialty crops sector;*

(j) *failing to provide assistance to agriculture producers still affected by severe flooding in southwestern Manitoba in 1999;*

(k) *failing to properly prioritize the highways and infrastructure needs of Manitoba;*

(l) *failing to end hallway medicine as promised;*

(m) *failing to address the growing shortage of health care professionals;*

(n) *failing to address health care waiting lists; and*

(o) *failing to address the critical shortage of teachers at all levels across this province.*

*As a consequence, the Government has thereby lost the confidence of this House and the people of Manitoba.*

#### Voice Vote

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

**Some Honourable Members:** Yea.

**Mr. Speaker:** All those opposed, please say nay.

**Some Honourable Members:** Nay.

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

#### Formal Vote

**Mr. Laurendeau:** Yeas and Nays, Mr. Speaker.

**Mr. Speaker:** A recorded vote has been requested. Call in the members.

Order. The question is the following:

THAT the motion be amended by deleting all the words after "House" and substituting the following:

**An Honourable Member:** Dispense.

**Mr. Speaker:** Dispense.

*Therefore regrets this Budget ignores the present and future needs of Manitobans by:*

(a) *failing to work hard today, to adequately prepare Manitoba for the challenges of tomorrow;*

(b) *failing to address very real concerns about the sustainability of the high level of expenditures built into this Budget;*

(c) *failing to provide a vision or plan for Manitoba's economy;*

(d) *failing to protect the strong economic climate established in Manitoba during the last decade;*

(e) *failing to provide meaningful tax cuts to Manitobans;*

(f) *failing to recognize the importance of tax competitiveness so Manitoba can continue to prosper;*

(g) *failing to create an economic climate that will draw investment to Manitoba;*

(h) *failing to provide any incentive for our young people to stake their futures in Manitoba;*

(i) failing to address the serious socio-economic crisis facing rural communities due to the crisis in the grains, oilseeds and specialty crops sector;

(j) failing to provide assistance to agriculture producers still affected by severe flooding in southwestern Manitoba in 1999;

(k) failing to properly prioritize the highways and infrastructure needs of Manitoba;

(l) failing to end hallway medicine as promised;

(m) failing to address the growing shortage of health care professionals;

(n) failing to address health care waiting lists; and

(o) failing to address the critical shortage of teachers at all levels across this province.

As a consequence, the Government has thereby lost the confidence of this House and the people of Manitoba.

#### Division

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

#### Yeas

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

#### Nays

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

**Madam Clerk (Patricia Chaychuk):** Yeas 24, Nays 30.

**Mr. Speaker:** I declare the motion lost.

The question before the House is the proposed motion of the honourable Minister of Finance (Mr. Selinger) that this House approve in general the budgetary policy of the Government.

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

**Some Honourable Members:** Yes.

**Some Honourable Members:** No.

#### Voice Vote

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

**Some Honourable Members:** Yea.

**Mr. Speaker:** All those opposed, please say nay.

**Some Honourable Members:** Nay.

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

#### Formal Vote

**Mr. Laurendeau:** Yeas and Nays, Mr. Speaker.

**Mr. Speaker:** A recorded vote has been requested. Call in the members.

The question is the following: That this House approve in general the budgetary policy of the Government.

#### Division

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

#### Yeas

Aglugub, Allan, Ashton, Asper, Barrett, Caldwell, Cerilli, Chomiak, Dewar, Doer, Friesen, Jennissen, Korzeniowski, Lemieux, Mackintosh, Maloway, Martindale, McGifford, Mihychuk, Nevakshonoff, Reid, Robinson,

*Rondeau, Sale, Santos, Schellenberg, Selinger, Smith (Brandon West), Struthers, Wowchuk.*

### Nays

*Cummings, Dacquay, Derkach, Driedger, Dyck, Enns, Faurschou, Gerrard, Gilleshammer, Helwer, Laurendeau, Loewen, Maguire, Murray, Penner (Emerson), Penner (Steinbach), Pitura, Praznik, Reimer, Rocan, Schuler, Smith (Fort Garry), Stefanson, Tweed.*

**Madam Clerk:** Yeas 30, Nays 24.

**Mr. Speaker:** I declare the motion carried.

\* \* \*

**Mr. Mackintosh:** Mr. Speaker, is it the will of the House to call it six o'clock?

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

The hour being 6 p.m., this House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Wednesday).

### CORRIGENDUM

Vol. LI No. 17 - 1:30 p.m., Monday, April 23, 2001, under MEMBERS' STATEMENTS, the second column should read:

#### Volunteer Week

**Mr. Jim Rondeau (Assiniboia):** This week of April 22 to 28 has been proclaimed as Volunteer Week in Manitoba. Manitobans take great pride in their commitment to volunteerism and public

service, and Manitoba is well known for its spirit of volunteerism and community.

In Manitoba, volunteers of all ages make invaluable year-round contributions to this province. I had the privilege of attending Winnipeg Community Clubs Past Presidents Awards Dinner last week where a Mr. Jerry Jones of Assiniboia West and Mike Ottenbreit of Heritage Park community centres were honoured for their outstanding contributions as volunteer community club presidents. Many, many other community club presidents were also honoured at this dinner.

In my own constituency many people in a variety of ways volunteer. Recently three other people were honoured during the annual general meeting of the Salvation Army where Irene George was honoured for her contributions as president of the auxiliary, Major Lou Ashwell for his dedicated service as a volunteer to the Golden West Centennial Lodge, and Tiffany Holland for her hard work as a volunteer from Silver Heights Collegiate.

Community clubs, school teams, Pan Am Games, world curling, baseball competitions and many others could not have been possible without the countless volunteer hours that were donated by Manitobans. We should all take a moment this week to thank those in our neighbourhood and communities who give of their energy and time to make our province a better place to live and for everyone to have a better Manitoba.

Thank you very much.

# LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, April 24, 2001

## CONTENTS

<b>ROUTINE PROCEEDINGS</b>		
<b>Presenting Petitions</b>		Manitoba Public Insurance Corporation, Quarterly Report, Nine Months, March 1, 2000 to November 30, 2000 Mackintosh 723
Manitoba Hydro Lines Routes Schuler 721		Supplementary Information for Legislative Review 2001-2002 – Departmental Procedure Estimates – Manitoba Justice Mackintosh 760
<b>Reading and Receiving Petitions</b>		<b>Oral Questions</b>
Manitoba Hydro Lines Routes Schuler 721		Regional Health Authorities Murray; Doer 723 Driedger; Chomiak 724 Murray; Doer 725
<b>Ministerial Statements</b>		Economic Growth Forecast Loewen; Selinger 727
Flood Conditions Caldwell 721 Enns 722		Budget Revenue Growth Loewen; Selinger 727
<b>Tabling of Reports</b>		Budget Loewen; Selinger 727
Supplementary Information for Legislative Review 2001-2002 – Departmental Expenditure Estimates – Manitoba Finance Selinger 723		Post-Secondary Education Graduates Stefanson; Selinger 728
Annual Report of the Workers Compensation Board for the year ending December 31, 2000 Barrett 723		Foot and Mouth Disease Gerrard; Wowchuk 729
Five Year Plan for the Workers Compensation Board for the years 2001 to 2005 Barrett 723		Child Care Paper Korzeniowski; Sale 730
Supplementary Information for Legislative Review 2001-2002 – Departmental Expenditure Estimates – Aboriginal and Northern Affairs Robinson 723		School Divisions Funding J. Smith; Caldwell 731
Annual Report of the Chief Judge of The Provincial Court of Manitoba Concerning Complaints about Judicial Conduct for the year ending December 31, 2000 Mackintosh 723		<b>Members' Statements</b>
Annual Review of the Office of the Chief Medical Examiner for the year 1999 Mackintosh 723		Regional Health Authorities–Funding Derkach 731
		RCMP Staffing Struthers 731
		Standing Committee on Agriculture Jack Penner 732

North American Indigenous Games Jennissen	732	Wowchuk	741
Elliot Sim—Fundraising Abilities Tweed	733	Enns	742
		Doer	749
		Derkach	754
		Selinger	760
<b>ORDERS OF THE DAY</b>			
<b>Budget Debate</b> (Sixth Day of Debate)			
Cummings	733		