



HANSARD

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 Hickes  
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

Thursday, May 17, 2001

The House met at 10 a.m.

### PRAYERS

### ORDERS OF THE DAY

**Hon. Gord Mackintosh (Government House Leader):** It is our intention to move into Estimates later but, Mr. Speaker, would you first please canvass the House to determine if there is consent to vary the sequence of Estimates by setting aside in Room 254 Health to consider Family Services and Healthy Child Manitoba for this morning; and by setting aside Health, Family Services and Healthy Child to consider Education this afternoon. That is for today only.

**Mr. Speaker:** Is there unanimous consent of the House to vary the sequence for consideration of Estimates by setting aside in Room 254 the Estimates of the Department of Health to consider the Estimates of the Department of Family Services and the Estimates of Healthy Child Manitoba for this morning; and by setting aside the Estimates of Health, Family Services and Healthy Child Manitoba to consider the Estimates of the Department of Education, Training and Youth this afternoon? [*Agreed*]

**Mr. Mackintosh:** Mr. Speaker, I see with the new rules that on page 8 of the Order Paper under Government Motions, we now have available for discussion the First Report of the Standing Committee on Agriculture, so we will deal with that first.

### GOVERNMENT MOTIONS

**Hon. Gord Mackintosh (Government House Leader):** I move, seconded by the Minister of Intergovernmental Affairs (Ms. Friesen), that the First Report of the Standing Committee on Agriculture be concurred in.

*Motion presented.*

**Mr. Mackintosh:** I am pleased to move this motion. This is of course the result of some very intensive and extensive work by the standing committee. The origins of this report go back several weeks recognizing the serious, serious issues that are facing the farm economy and, in particular the grains and oilseeds sector, but all rural Canada and all Manitoba. It was important, I think, as the standing committee went out and met with Manitobans on this important issue, that the point be made that this is not simply an issue affecting the incomes of particular producers. This affects the well-being of this province as a whole.

What we saw in the course of the meetings of the committee were many Manitobans coming forward, organizations and individuals, including producers, that came and shared their experiences firsthand with the committee.

As a result of hearing from Manitobans and considering the resolution that this House had referred to the standing committee, the committee then worked together, all three parties, to come up with a resolution that succinctly puts forward the concerns of Manitoba as a whole. So I am pleased, Mr. Speaker, that this is now before the House. It is, of course, our hope and expectation that this resolution will have the unanimous support of this Legislature so that in every way Manitoba can express a strong, strong voice to Ottawa. Thank you very much.

**Mr. Jack Penner (Emerson):** Mr. Speaker, it is a pleasure to rise today on this matter. The report that has just been tabled in the House certainly represents in large part much of what we heard Manitobans of all stripes present to the standing committee, one of the first all-party committees that has in fact held hearings in this province for a number of years.

We commend the Government, those of us on the Opposition benches, that the Government gave us an opportunity to be a participant in this

hearing process, but one of the main reasons why this all-party standing committee was formed in the first place was because of the tremendous number of requests that we received from farmers, farm organizations, municipal leaders, and indeed the business community in rural Manitoba reflecting on the disastrous situation that was emerging very rapidly in much of rural Manitoba. We heard mayors and reeves tell us of the dramatic impact of the inaction of this Government in the southwest area, in the western part of the province.

This opposition party has constantly reminded the Government of the day of how seriously affected rural Manitoba would be if government action was not taken to immediately address the impending disaster that was formulating because of the flooding that happened in 1999, and 1999 had a very dramatic impact on western Manitoba and parts of eastern Manitoba.

It is correct that central Manitoba in large part was spared some of that because the rains that happened both on the east and the west side were not as prevalent in much of the central region. Therefore it is the impact that is now happening and that we are now experiencing in those communities whereby large numbers of businesses have already closed and are closing on an ongoing basis. I know that some of the editorials that we have seen have been critical of the way we have represented the economic situation in Manitoba, but it is factual that the town of Souris and a number of other communities have experienced a very dramatic impact because there was not proper address given to this situation back in 1999.

We also have heard of the disastrous effect of a program that was designed and negotiated by this Province and the federal government in respect of the downturn in prices afforded by the trade agreement. The AIDA program has been identified time and time again by presenters as being a cause of a disaster that is now out there and in fact should have been a program that would have relieved much of the financial distress many farmers are facing because of the trade actions taken by other nations and how they are affecting Manitoba.

We saw and heard the negative effect of the CFIP program, which has just been finalized by

this Government in a new generation of farm supports as being very similar to the old AIDA program and would in fact not serve any better and that we as the farmers in Manitoba were kept at the status quo level while all the other provinces in Canada except Saskatchewan received increases in their support levels, and that this Government agreed to that process. We heard many times compliments to all parties that there was co-operation shown by all parties to come out to rural Manitoba and listen to the plight that rural Manitoba was facing and the so-called, and I quote the AMM organization, disasters happening to our community.

\* (10:10)

So I say to you that we are pleased to present this report today which I think closely reflects the requests that were made by many, many organizations and farmers who said the immediate need would amount to between \$40 and \$60 an acre for Manitoba to cause an immediate address. Secondly, we have heard that there needs to be action taken on a long-term basis by our federal government and that we need to immediately approach the Prime Minister for an all-party meeting with the Prime Minister, including farm organizations, municipal organizations and business leaders, to properly address the situation and reinforce what our rural communities and leaders in rural Manitoba have said constantly on this matter. We believe that Ottawa has not heard the message clearly, and we believe that this is one way, by forming a united position and by being all-inclusive in the approach that will be made to the Prime Minister.

We have asked, the committee has asked, as has the rural community in Manitoba. Indeed we are now hearing from businesses in the city of Winnipeg how important it is to address the rural economic situation. So we have asked the Premier (Mr. Doer) to be the head of a delegation that would meet with the Prime Minister. We honestly do not care where the meeting would take place, whether it takes place in Manitoba, in British Columbia, in the Maritimes, or indeed Ottawa. To us it does not matter where or when the meeting takes place as long as it takes place soon, because we believe that it is imperative that this meeting happen

soon and that the address comes quickly for the short term. We are quite prepared to participate with this Government and with other organizations to formulate a long-term policy.

Indeed we have shown an interest to appear before the Standing Committee on Agriculture in Ottawa to lay out our view on the long-term best interests of the agriculture community in the economic crisis facing rural communities and I believe facing all Manitobans. We are prepared to work very closely with the federal and provincial governments. I think this resolution, the report, clearly indicates our united effort as an all-party committee. We commend the Government for having taken the steps to bring this united process into place.

**Mr. Stan Struthers (Dauphin-Roblin):** I consider and I always will consider it a privilege to be chairing the committee that travelled to Dauphin, to Brandon and to Beausejour, and then heard presentations here in the Legislature, concerning the crisis that our province faces in terms of agriculture.

I want to begin my comments by congratulating those MLAs who participated in this exercise. I want to congratulate them for showing the public, for showing our farm community that every now and then we in this Legislature can step up above what usually happens in this Legislature, that when there is an issue that is of such grave importance to people living in this province and trying to farm in this province, we as legislators can sometimes see the bigger picture.

Mr. Speaker, it has always been my opinion since I have become an MLA that the public sometimes gets the wrong impression about what happens in this building. It has been my belief that we, as legislators, are Manitobans first, and that when the time calls for it we can rise above the usual partisan politics that occurs here from day to day. This, no doubt, was one of those rare times when we connected with the people of Manitoba as legislators representing the Province of Manitoba. That may be the most valuable aspect of this whole procedure that we went through.

So I want to commend the members opposite and my colleagues here on this side of

the House who listened very intently, who were open to the ideas and to the predicaments that many farm families are facing in Manitoba. I want to commend all the staff, too, that came with us and kept me out of trouble and my colleagues and advised us on procedural matters. It made the experience, from my point of view, a positive one, and given the feedback that I have got from presenters, I think they understand that it was a positive experience as well. They have indicated to me that they understood that we, as legislators, were dealing in a very serious way with a very serious crisis in Manitoba.

What we have done up to this point is introduced in the House the First Report of the provincial Agriculture Standing Committee. It deals with the resolution that all parties agreed to following the presentations by Manitobans. To begin with, the most persistent piece of advice that we got from presentations given to the committee was that the federal government needs to come to the plate, needs to step up and be counted in terms of this agricultural crisis. It was absolutely agreed upon across all sections throughout all the meetings that farmers and people living in rural parts of Manitoba believe that the federal government should increase its support for farmers by an additional \$500 million, and the committee was instructed to get that message to Ottawa.

We also heard that producers believe that the federal government should be much more aggressive in trying to convince other countries to decrease the subsidies that they have that skew the world production of grains and oilseeds, that the federal government needs to take a much more aggressive stance with the Europeans and with the Americans because the subsidies that those countries use are way out of the league that any provincial Treasury can match, and that the only people that can deal with that issue are at the federal government level. So that, Mr. Speaker, as well, is reflected in our resolution.

We also were told that we need to review the current safety net programs. We were given ideas on what we can do in terms of helping farmers out with the safety net programs that are there now, so our resolution also reflects that view. There was, I thought, some very positive

conversation take place in terms of the opportunities that could face us as a province in the agricultural sector, and that had to do with pursuing ventures such as ethanol production, new varieties of sugar beet, a number of different ideas that came through from the presentations that I thought were very positive and put forward confidently and put forward with the hope that we, as legislators, would move on. So that, I thought, was very positive.

Mr. Speaker, we also decided, as a committee, that we would make sure that the Prime Minister of Canada got a copy of Hansard so that he could review the presentations that were made on this very important matter. I want to and I hope that the Prime Minister will flip through the Hansard that we send him and take particular note of a presentation given in Brandon by a Ms. Paterson, a young woman, a high school student, who very succinctly and very passionately described how this agricultural crisis was affecting her little community in the southwest of Manitoba.

I would like to send the Hansard to the Prime Minister with a little yellow sticky next to Ms. Paterson's presentation so that the Prime Minister can see exactly what this young woman, so he could read what she said, so that he could get an understanding, get at least a feel for the kind of crisis that has hit, particularly the rural parts of Manitoba.

We have also taken the step of inviting the federal agricultural standing committee to come out to Manitoba, see for themselves, see first-hand the crisis, see how it is affecting the Ms. Patersons of the world, see how it is affecting constituents of ours, see what kind of decisions farm families have to make because of the shortage of cash in the farm community today, then see if the Prime Minister can understand the importance of this matter to us.

\* (10:20)

Finally, Mr. Speaker, the committee has asked and the Premier (Mr. Doer) has responded positively to inviting Mr. Chrétien out to Manitoba, and indeed the Premier has pursued this request and is in the process of trying to meet with the Prime Minister, and, that, again, I

think, is a positive commitment on the part of our Premier who listened to all of the presentations that were presented in Dauphin, in our first leg of this trip.

Mr. Speaker, in closing, I want to say that the all-party committee has done a fine job in listening to producers, and other people who presented to our standing committee. We have taken into consideration the advice that they have given us, and we have brought that information together in the form of this resolution that was presented to this House last week. I want to say that I do appreciate the hard work that all of the members of the legislature who were involved with this committee put in, and I want to say thank you to all the presentations, all the presenters who came before us and helped us get even a better understanding of this agricultural issue.

So, with those few words, Mr. Speaker, I look forward to continuing our work on this very important issue for Manitoba.

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, as a member of the Agriculture Committee, I rise to say a few words on the resolution before us today, a resolution which has come from the Agriculture Committee and which focuses on the concerns of farmers in Manitoba.

Throughout the hearings which were held in Dauphin, in Brandon, in Beausejour and Winnipeg, we heard from farmer after farmer and community leader after community leader about the situation in agriculture in Manitoba, the high input costs, the low commodity prices creating a squeeze which is making it very difficult for farmers at the moment. Of course, in southwestern Manitoba the situation is exacerbated by the fact that the 1999 flood and wet weather has created an unfortunate legacy in that area, with many people still suffering from the conditions that they lived through and the things that happened at the time in 1999.

I think it was particularly noteworthy that the presentation by the Association of Manitoba Municipalities, Wayne Motheral presenting in Brandon, mentioned that this was perhaps the most important public policy issue in Manitoba

in the last 50 years, clearly putting this in a very serious, a very significant category in the community of Souris with many businesses closing, with the community suffering in a major way because of what is happening in the farm community, and many, many more examples, the difficulties clearly more severe in the west and southwest of Manitoba, where the transition to the world after the WGTA and the diversification of agriculture has not proceeded at quite as fast a pace.

Clearly, in other areas, as people like Marcel Hacault emphasized, there are young farmers coming in in diversified enterprises, and in some parts of agriculture people are actually doing very well, in the livestock industry. This transition that we are in at the moment to the agriculture that we have that was supported by transportation subsidies to the agriculture of the future where we are doing a lot more processing and higher value agriculture here in Manitoba is an important one, and, hopefully, when we get through this transition we will have even more vigorous and vibrant agricultural communities than we have ever had. But, right now, we are clearly in a position where many farmers are suffering because of the low commodity prices, and there needs to be some assistance for the agriculture community as this resolution has emphasized.

This committee was charged with looking at the agricultural situation and making recommendations for action, both at a federal and a provincial level. Clearly the resolutions emphasized the dual nature of the attack that was needed on this particular problem at a federal and a provincial level. At a federal level, we have moved this forward and are requesting meetings. Hopefully these will occur, that the Prime Minister and the federal Minister of Agriculture and the members of Parliament from across Canada will become involved and help to improve the situation and advance from where we are at the moment.

It was in this respect somewhat disappointing that the provincial government did not make more effort to build the case for farmers. Just the other day in the Estimates for Agriculture, I asked the Minister of Agriculture (Ms. Wowchuk) about the situation with the

Manitoba Agricultural Credit Corporation. She said that, in fact, the arrears were down from last year and she was not able to put on the table information which would make the case of the severity of this crisis in Manitoba.

I think it is a major disappointment that this provincial government did not do their homework properly, that they should have put on the table a lot more information on the severity of this crisis that should have been there and would have made a big difference as we move on to the next step and go to the federal government. The lack of that information, I predict, will almost undermine some of the major efforts that farmers have been making, that community leaders have been making and that we are all making to try and advance the cause of agriculture in this province.

I am also disappointed that the members of the Government voted against a number of significant amendments that I had put forward with Jack Penner for action at the provincial level. I cannot understand why this provincial government will not act to eliminate the education tax on farmland, why the provincial government will not act to give farmers a rebate, why the provincial government is not interested in acting to eliminate the PST on farm inputs, why the provincial government is not interested in doing anything about the bad mistake that was made in extending Crop Insurance in 1999 which caused a lot of problems for many farmers in southwestern Manitoba.

It was very disappointing that this provincial government voted against the implementation of the Rose report. This was unbelievable. I put on the table an amendment to implement the Rose report; it was supported by Jack Penner; and this provincial government voted against it. This was incredible, for a government which has talked about concern for farmers, talked about concern for southwestern Manitoba, to have voted against efforts to implement the Rose report, and to have this as a meaningful response of this Agriculture Committee was a major, major disappointment.

I think it was a tragic mistake of this Government. I just do not understand why when this is so important. As the Association of

Manitoba Municipalities has pointed out, this may be one of the most important public policy issues in 50 years. This provincial government is clearly not very determined to do much at the provincial level, a real disappointment.

\* (10:30)

That being said, I support the farmers of this province. I support improvements in agriculture. I support all that we are doing to work together with the federal government and try and get increased federal support, and I support with the other parties the resolution as it now stands. I am just disappointed that we could not have had a little bit more, and a little bit more particularly on the provincial action side.

**Mr. Speaker:** Before I recognize the honourable Member for Lakeside (Mr. Enns), I would like to once again remind all honourable members, when making reference to honourable members, to use their constituency or ministers by their title and not by their names.

**Mr. Harry Enns (Lakeside):** Mr. Speaker, I, too, want to add a few comments on this important resolution, but I must say that I felt the fiery blast of the Liberal Leader here on my back. I understand why he is pumped up, of course. It is cause for general rejoicing on the part of the Liberal Party, Liberals anywhere in the country, after yesterday's astounding election in British Columbia, which saw my members opposite decimated, driven into the turf, thrown out by the people of British Columbia. Makes you wonder why we Manitobans are so different and why we cannot come to that same common-sense conclusion in this province.

I do want to very seriously just attach to some extent to what the honourable Member for River Heights (Mr. Gerrard) has said about this resolution. None of my comments are meant to distract from the unanimity that we all have demonstrated in crafting this resolution, in supporting this resolution on behalf of the farmers of Manitoba. We recognize that there are specific and very serious difficulties in agriculture, and that is what this resolution addresses. But this Government has done precious little to help alleviate some of those problems and help direct Manitoba farmers and

Manitoba agriculture into avenues that are there for us. We hear from them instead the bleating about the loss of the Crow and such things, but when is the last time we have heard this Minister of Agriculture (Ms. Wowchuk), or any member from this Government, speak progressively and aggressively about some of the opportunities that there are in Manitoba, as we discovered yesterday in the Estimates when we were looking at the Manitoba Agricultural Credit Corporation?

I want to relate a little short experience that I and some of my colleagues experienced. Some of my colleagues, we went and visited a poultry farm, an egg-laying barn in Altamont, Manitoba, where we have an operation under the Triple S Farms that is producing a half a million eggs from a half a million chickens, for what? For further processing here in the city of Winnipeg, where we are fortunate in having Canada's largest egg processing company in Canada. That company, regrettably, is buying hundreds of thousands of American eggs every day and is still buying them.

Three or four years ago it became such a serious problem that they came to our government, to my office at that time, and said, look, Mr. Minister, if this carries on, particularly with the Canadian dollar being pegged at 64 or 65 cents, you know, years ago, when that was not the case, the American eggs economically were not bad deals, but it has not been a good deal now. That firm, a very innovative firm called NovaTech in Fort Garry, Manitoba–Winnipeg–was seriously looking, in fact, they had purchased some facilities in the United States, thinking of transferring their business eventually to the United States, to that country.

The current minister is well aware that I took on the powerful supply management people, that closed monopoly that pretty well controls the production of some of our products, fought CEMA on that and got a special exemption with great difficulty, and, I will openly admit, cost my party the political support of those people involved in supply management. There is no question about it. But it was the right decision to make. It kept 200 jobs in Fort Garry.

Another thing, Mr. Speaker, we asked that owner, that one chicken barn consumes about

700 000 bushels of grain annually. Now, that is 700 000 bushels of grain they do not have to pay the \$35-40 freight to get it to Thunder Bay or to Vancouver. It is grown locally. The farmer pays \$3 or \$4 or \$5 a tonne freight to move that grain four or five miles from the immediate area. That farmer, that producer also said that the current company would like to see two or three more barns like that in Manitoba.

Why are we buying American eggs and not eating up our own grain? I will tell you why. Because this minister and this Government has not got the political will to take on CEMA, has not got the political will to shake up the establishment. They are quite prepared to let a 12-man board, of which we only have one man, three from Ontario, three from Québec, goodness gracious, three from the Maritimes, decide whether or not we can produce eggs in this province, whether we can produce eggs.

Mr. Speaker, the fact of the matter is, since the Crow not only can we produce eggs in the province, we can produce them most economically. The same economic practice that has fuelled our pork industry is there for eggs, for broilers, for turkeys and to a lesser extent for dairy. But is this minister, is this Government, going to help direct agriculture in that direction? Not at all.

I am not suggesting an overnight overthrow of the system but a willingness to challenge it when a case can be made. A case was made for Triple S Farms for those half-million additional non-quota birds, was made by myself successfully with a great deal of effort three years ago. Today we have an \$8-million operation producing half a million eggs from a half million birds, helping to keep, helping to sustain a highly innovative egg processing company here in Winnipeg.

That company today still is importing American eggs. Why are we not replacing them and giving an opportunity for several more operations like that in the province of Manitoba? Why have we not heard anybody in this Government say something positive about the pork industry, which is providing thousands of jobs in this province? All we hear from them is naysay. When have we heard something positive

about Maple Leaf, about Michael McCain? No, no, it is all negative. We are going to put moratoriums on hogs. It is getting very difficult to produce a hog barn.

When is the last time this minister has said something good about the pork industry? Has there been a tear shed by any members opposite of the fact that in the city of St. Boniface 1200 well-paying jobs went out of the window simply because his Government does not like pigs, does not like pork, does not like hogs? For every 6000 hogs produced, there are three jobs produced in processing.

The Premier (Mr. Doer) and the Minister of Finance (Mr. Selinger) liked the photo op about a year ago when the Schneider-Smithfield people said, oh, they are going to spend \$150 million, they are going to create 1200 more jobs in this province. Have you heard anything from them since? I mean, it just kind of slid away, everybody quiet. There is no regret; in fact, there is general rejoicing among the rank-and-file members of the New Democrats that Schneider's is not here.

There will be general rejoicing when Maple Leaf leaves the province because they do not want them in the province and the 1200 jobs. When they get together in convention, as they did last in Brandon, as they did in B.C., as they move closer and closer to the Green Party, and when they rid this province of those parts of agriculture that they do not like, then they will be happy, but where will the province of Manitoba be? That is what this minister and this Government has not addressed. While we pass this resolution with full support from all sides of the House, that does not take this minister and it does not take this Government off the hook for doing things that provincially they can do. Some of them require a bit of political courage. Some require a little bit of innovation on their part. But I listen and I hear nothing from the current minister. Thank you.

\* (10:40)

**Hon. Rosann Wowchuk (Minister of Agriculture and Food):** Mr. Speaker, I am pleased to speak on this resolution this morning, and I am very pleased that all members of the

House have been able to stand together and show support for the agriculture industry, an industry that is very important to the economy of Manitoba. Many times we talk about the small number of producers in this province, but what we really have to look at is the number of jobs that are created because of the agriculture industry, and I think we really have to look at what the real opportunities are for growth in this industry in Manitoba.

Although the member just painted another doom-and-gloom story about the growth of the agriculture industry in Manitoba, I would invite him to look at some of the comments that were put on the record yesterday during the Member for Emerson's (Mr. Jack Penner) questioning about the growth of the livestock industry and the number of hog barns and the number of sow placements in Manitoba. He will realize quite clearly that growth is taking place and the producers recognize the opportunity for that industry in Manitoba. Certainly there are opportunities in all sectors of livestock and there is growth in all sectors of livestock, but there are still issues that we have to address.

Manitoba does have low costs of production; we have a large land base; we have a good water supply, and we can have growth in the industry. We are seeing that happen, and I see Manitoba continuing to grow and becoming the area where meat products, all species of livestock, will be there to serve markets around the world.

Mr. Speaker, when I look at this resolution and I think about what we heard from producers, the producers did outline some very difficult situations, particularly those producers who are in the grains and oilseeds sector. I have to say that we recognize as a government that there is a shortfall, particularly in the grains and oilseeds side. That is why we lobbied the federal government right after we formed office and took an all-party delegation to Ottawa. We were successful after a lot of negotiations by our Premier (Mr. Doer) and the Premier of Saskatchewan to get \$100 million for our producers. That was a 60-40 split, and our Province did put money in on that one.

This year, Mr. Speaker, we have put money into the second phase, the \$500 million put forward by the federal government, but when the

federal government made that announcement it was a unilateral decision. There was no consultation, although they had hinted at much larger numbers, the dollars were not there, and that is why five provinces got together with farm organizations at the Agriculture ministers' semi-annual meeting and asked for the federal government to put in an additional \$500 million.

When we met with producers at the public meetings, there was clearly an indication by producers that the money put forward by the federal government was not adequate. They supported the resolution that there had to be at least another \$500 million put forward to help in the short term, but that we have to work on long-term solutions.

We heard clearly from the producers, Mr. Speaker, as well, that the foreign subsidies, the subsidies provided in Europe and the United States, are having a dramatic impact on our producers. That is one of the reasons why prices are being driven down. During this time of low commodity prices and high input costs, our producers are under a tremendous amount of pressure. Part of what we heard from the producers was that Canada has to continue their fight to have other countries reduce their subsidies. What we recognize is that is a long-term issue. It takes a long time for Canada to have an impact at the world trade talks to have that change, and really when you listen to what other countries are saying I am not sure that they are interested in reducing their subsidies. So, if they are not going to, Canada has to take a more active role in supporting our producers.

The other issue that was raised at the standing committee was that the federal and provincial government review the current safety net programs, and as well that they look at crop insurance and see what can be done to in fact ensure that all Canadians are treated equitably in it. That is an issue that I have pushed at the minister's level, and I am pleased that we, after much insistence, have got a review of the safety net programs. That will be a subject of discussion at the next Agriculture ministers' meeting later this summer.

We heard from producers as well about the need to look at additional value added. Issues

such as ethanol production, various value-added, the need to bring new crops into Manitoba, were raised. I say this is a very important area. We have a raw material, a product that is in abundance in Manitoba, but we have to look at how we can build on it, and we have to look at how we can use the resources that we have to then build on that. I think our hydro rates in Manitoba are certainly going to help us to develop further value added of these products. That was something that we heard very clearly from producers that want to see more economic development in the rural areas.

When I listen to the members talk about nothing happening in rural Manitoba, again I outlined for the member—

**An Honourable Member:** Did they say that again?

**Ms. Wowchuk:** They have said many times that, you know, everything is doom and gloom in rural Manitoba. I outlined for the member, and unfortunately I do not have that list with me, but there are many, many companies that are looking at investing in Manitoba, using the products we have, whether it is our straw, whether it is our grains. We hear about a feedlot that is coming into Manitoba. There is discussion about ethanol. Our department, through Intergovernmental Affairs, has made investments through REDI to help with feasibility studies. I can tell you there are things happening, but there are still many opportunities.

Mr. Speaker, the people who presented wanted us to take this message forward to the federal government that there is need for more support. It is our intention, as the resolution says, when Hansard is ready and the report is ready, to send this report to both the Prime Minister, the Minister of Agriculture and to the Standing Committee on Agriculture and Food to ensure that other people understand what the situation is in Manitoba, what the opportunities are in Manitoba and the fact that there is a real need for the federal government to take seriously the concerns in Manitoba and work with us to develop a better future for our farmers and for our rural communities.

So, Mr. Speaker, we have, as a government, invited the Standing Committee on Agriculture

to come to Manitoba. We have heard from the Standing Committee on Agriculture, and I am very disappointed that they are not coming to Manitoba immediately. They have, however, invited us as well as other provinces to make a presentation at the hearings, and we will be taking them up on that opportunity, and the standing committee has said that they will be coming to Manitoba in the fall to hear from producers first-hand. I wish they were coming now, but we have to take every opportunity we can to get the message to them, so we will be making that presentation to the standing committee.

As well, an invitation has been sent from the Premier (Mr. Doer) to the Prime Minister. We understand that the Prime Minister is going to be here in Manitoba at the end of this month, so the Premier has sent a letter asking the Prime Minister for a meeting and asking that he meet with a group of farmers, so that, again, the Prime Minister can understand first-hand what is happening here. Hopefully, we can educate those people who are not from western Canada on how serious the situation is and what the opportunities are, because if we build on our opportunities in Manitoba, it is advantageous to our farmers, to our rural communities, and it is an advantage for the whole economy of Manitoba. It is also an advantage to all of Canada, because when you have a healthy province, a healthy economy, and you build on that, there are opportunities for trade, there are opportunities for growth, and that helps all of us. But we have to get that message through to the federal government which seems to have neglected western Canada.

When you think about it, we were just through a federal election a short time ago, and I think that an opportunity was missed to talk about agriculture and the importance of that industry, but it was not on the agenda for many of the participants in that election. When we look at the Reform, Alliance, their policy has been up until now to reduce support for agriculture, not to further enhance the supports for agriculture. Alexa McDonough had it on her agenda, on the NDP platform, but, as I say, Mr. Speaker, there was very little discussion on agriculture, and it should have been made a much greater issue.

\* (10:50)

Mr. Speaker, there are only a couple of things I want to just address. I really appreciate all the support that has come from members opposite on this important issue, and I think that it is an issue that we have to continue to work on together. There are opportunities and we have to convince the federal government that they have to play an active role in this.

The member talked about the Crow and the elimination of that Crow. Had that money been invested back that the federal government saved, been invested back into Manitoba as we thought was going to happen, then there would be some value-added that would have made a difference, but the federal government has balanced their budget on the backs of western Canada. There was more money taken out of Manitoba than all of the eastern provinces. That is a terrible blow to the Prairie Provinces, and that is what has to be addressed.

But, when I listened to the member for the Liberal Party talking about all the things that Manitoba should be doing and this Government should be doing, I think he is trying to protect his colleagues in Ottawa. He knows we are going to be meeting with the federal government, and rather than standing together, he is being partisan on this issue, and I think he is trying to take a little bit of heat off the federal government. I think about his ranting and raving about all the things that this Government has not done, yet he was part of the government that eliminated the Crow. He was part of the Government that cut back on the safety net programs but did not guarantee Manitobans that money saved from the Crow would be invested back, and now he is saying the provincial government should be doing all of this.

We all know the federal government has a surplus of somewhere in the range of \$20 billion. Manitoba has a surplus of \$10 million. The crisis in agriculture is caused to a great degree because other countries are putting in huge subsidies. The Member for Emerson (Mr. Jack Penner) outlined in his comments the other day about the support in the United States versus his neighbours across the border in southern Manitoba. Those funds are put in by the national

government in the United States, the federal government. It is not the state governments. We have to convince our federal government that they have a major role to play in this.

So, Mr. Speaker, I am pleased that we have been able to come forward with a resolution supported by all parties. I look forward to getting the information to the federal government and a continued united front on a very important industry in Manitoba.

**Mr. Glen Cummings (Ste. Rose):** It is with pleasure that I take the opportunity to say a few words about this all-party resolution. It is in fact unique to have an all-party resolution. The fact that we had hearings outside of the Legislature was in fact unique and I think appreciated by those in the rural areas that had an opportunity to make presentations a little bit closer to home.

It also gave members of this Legislature the opportunity to hear directly from, see and feel the emotion and the concern of some of the presenters in a way that we might not have been exposed to if it had simply been held in the somewhat sterile environment of this Legislature.

But, Mr. Speaker, doing that puts a good face on what is happening in this Legislature. It probably provides a little different perspective for those who were involved in the rural hearings on the willingness and the ability of this Legislature as a whole to listen. But it is only a very small part of what needs to be done to deal with the agricultural situation as we currently face it in rural Manitoba.

One of the biggest concerns that I have is that we spend an awful lot of time talking about immediate relief. That is the most important thing that needed to be dealt with. The situation that many farmers find themselves in as they expressed it at the committee is short of devastating, potentially disastrous and certainly is wreaking havoc not only with their credit rating but probably with their marriages, their family lives and their savings.

I have said it before but I think it bears saying again that there are people out there who farm reasonable sized operations, say in the

1500- to 2000-acre range, that apparently, from the outside, have been profitable and progressive operators and are now finding that they probably dropped anywhere up to \$100,000 of their equity out of that operation in one year and potentially will lose more. That is a stark reality. It should give us some cause for concern more than just to say, yes, we need to deal with the short-term problem. We focussed on that significantly in the hearings and the presentations that we heard.

But I hope this Legislature and I hope the Minister of Agriculture (Ms. Wowchuk) and the government of the day are willing to go beyond that and to understand that we probably missed a window of opportunity for change. We may have missed the signal that there was a need for change. When the Crow rate began to change it just so happened that coincided with an upward movement in prices in grains and oilseeds. A lot of people who were dependent on that part of the industry said, well, I guess we can survive this, it is not as bad as we have been told.

For a number of reasons, not the least of which might have been a sigh of relief, given what I just said, but, for a number of reasons, people, it could have been because of financial concerns, it may also simply be a reflection of the higher than average age of the operators across our province, because, at 50 years of age, who wants to take on another half or a million dollars worth of debt? You think twice once you pass that age threshold, I suppose, for taking on that much debt to change or expand your operation unless you have a family member who is chomping at the bit to take over. That historically has not been the case in the last decade or so in this province.

I want to draw an analogy, because I have said several times in this House that I think a lot of it has to do with the state of mind as well of those who are the operators in our province. There needs to be a feeling of optimism. There needs to be a feeling of moving to the next phase of agriculture in this province.

I think, and I say this humbly, the small role that I played in it, I honestly believe that there was a change occurring in the mid- to late '90s about how we approach agriculture in this province. You could also say probably that our

administration should have been more aggressive and could have been more aggressive, but we were headed in the right direction.

I absolutely implore this Government, this Minister of Agriculture not to let that momentum die or in fact take the wind out of their sails, if you will. I think there has been an element of that that has occurred, because it is reflective of what we saw with Schneider. You can say Schneider might have happened anyway. One of the biggest problems was that they could not get enough pigs. Well, that is exactly the issue.

This previous government burned up a lot of political capital saying we needed to have increased hog production, livestock production in general in this province. Some of it did not happen quickly enough because of what I said about the cloudiness of the situation when we had an upward blip in grain and oilseed prices that people said, well, maybe I do not need to go out and borrow that million dollars to build a state-of-the-art hog facility or risk even more money and time and labour in establishing a cow herd or in establishing alternative crop opportunities on my operation.

There are some areas that did, and they proceeded aggressively, and they are going to survive this current crisis. I would think the Minister of Agriculture (Ms. Wowchuk), more than most of us in this House, would recognize the climatic problems that occur across this province. There are parts of the province, and I represent a good chunk of the Parkland area and the area west, what is known locally as the west lake area, where there are not a lot of options in terms of climate. We are just north of the potato land and the Carberry plains. In the main, that type of row crop is not an option.

\* (11:00)

So there needs to be an aggressive drive coupled with a short-term solution that we have been talking about in the committee whose report we are just receiving. There needs to be an aggressive action on the part of the Government. If they are unable or unwilling to participate in an acreage payment, I know the controversy that surrounds that. I am giving the minister certainly the recognition that we all know the federal

government has to come to the party or it ain't going to happen. Pardon the colloquialism.

The second part of that problem is that the government of the day has to send some aggressive signals to rural Manitoba. It is not enough to stand in this legislature and say we support diversified agriculture. It is not enough to stand in this legislature and say that we are not trying to stop livestock production. In fact, we support livestock production.

I believe the minister when she says that. I believe that she means it when she says it. I am telling her, and I want it on the record in this Legislature, that what needs to happen is, there has to be some aggressive signals go out into the industry to show them that they are being supported. There has to be some political skin on the line from this Government to show that they will support that kind of diversity in rural Manitoba.

Well, I am not going to make this a personal argument with the Minister of Agriculture (Ms. Wowchuk). She has been saying the right things. But I challenge her Government as a whole to put some of the comments now into action. I think they could. I am just not sure that they have the will or the understanding within the realms of their caucus to sell that opportunity and sell that possibility into communities that are what would be completely described as rural agronomic and in many cases fully dependent on the opportunities within agriculture.

People will argue the pros and cons on this, but put an example on the table. A reduction or elimination of the PST on livestock facilities, you can argue the pros and cons of it, but that will certainly send a signal to those who are considering an investment that that is something this Government is now prepared to stand behind.

I would also suggest, and it bothers me that in fact there was a negative signal sent by this Government immediately upon their election. It was a small thing and I am sure that most of the members of the Government did not even twig to the signal that it sends, but in the short rail line legislation that was introduced in this House, and it was subsequently modified

somewhat; but the fact is that when that legislation was introduced, it was not supportive of the establishment of short-line and the expansion of short-line operations in this province. We can argue the pros and cons of the legislation. I am not going to do that. I am going to say that I can assure the Government that the signal it sent out in the community where they were looking at moving high-volume, high-freight-cost goods, it sent out a signal that said we are more concerned about organizational, and let us say the word, labour, issues associated with this than we are about the well-being of the agricultural community.

Look, I am not going to argue with the desire to support the labour community, but let us not send out a signal that is at the same time negative to the agricultural community, because the agricultural community in the end is the engine that will drive that potentially reasonably salaried job that comes with keeping those rails operating. I would grant in this province we have not got a heck of a lot of rails left to save. The fact is that most of the good ones are gone. It is something as simple as that that sends a signal on behalf of the Government that it was unnecessary, unwelcome and, I suspect, not even logically thought through in the way that it impacted the rural communities and how they viewed support or lack thereof.

You can say what is the tie between railways and environment. Frankly, I do not believe we have seen enough encouragement put forward by this Government, and I would include the minister who is now responsible for the department formerly known as Rural Development, that the encouragement to have a family sit down around their kitchen table and say: What future can we develop in our hometown? What future can we develop based on the millions and millions of dollars worth of investment and land values that we have? What can we do to secure a livelihood here for ourselves? Or do we do what I believe an awful lot of 50-plus farmers out there are doing right now? They are living on their equity, they are living on their depreciation, and frankly if we think we have trouble now, without a huge turnaround in grain prices on the world scene, I do not believe that the federal government has the will to intervene.

So that puts a severe question mark behind all of the work that this committee has done and it has also put a significant additional pressure on the government of the day to answer the question that I pose: What is that family going to talk about when they sit down around the kitchen table? Are they going to ask themselves which one of us has enough education to leave? Are they going to ask which one is going to take on the next million-dollar debt? If the kids are under 35, they probably are gone in many cases or they have a serious, serious problem in front of them because, if they do not take on the debt, what is going to allow that 50-60-plus former entrepreneur, now farmer, depending on how he has developed his operation, dependent upon what results may come out of this debate that we are having or dependent upon whether or not he is diversified enough to be able to reallocate funds so that he can either set something aside for his retirement or set up an ability for his family to take over.

All of that, Mr. Speaker, we need to take that into consideration beyond what this committee has done. I will close with one comment. I said it a moment ago. I do not believe the federal government has the will to deal with this issue, but I am saying that, as government today, this minister and her Premier, they have elevated it now to the Premier's and the Prime Minister's level, and that is, I believe, the best thing that needed to be done because, if the Prime Minister is not apprised, if the Prime Minister is not struck by the fact that he is presiding over a massive change in this industry of which there will be many disasters and many wrecks before we see this current price situation of grains and oilseeds play out. If the Prime Minister is not interested in intervening in some way, if he believes that the current AIDA-CFIP program is going to be the only program that will be put in place to deal with this issue, then there will be more and more responsibility resting with this Government to provide programs to encourage people for diversification, whatever that choice might be, and I am not going to name the choices, to encourage to help with transition, whatever kind of transitions can occur in this type of an economy, and to put in place programs, expand on programs. If they are not too proud to steal from what we did when we were in government,

expand on some of those programs, including the feedlot program, it can grow. Expand on them if you want to send some signals. Expand on the—*[interjection]*

I should not be distracted, Mr. Speaker, but the minister says across the floor: We have expanded them. Well, I am not disagreeing with her, but, look, in the cattle industry's example today, the risk factor is enormous because it is at an historic high, and the numbers that are involved, frankly, it is discouraging. It is discouraging some people to take that risk unless they fully believe that they are being supported by public authorities, but they are being supported by programs that will allow them to spread some of that risk.

\* (11:10)

The minister, you know, is feeling somewhat uneasy. This is not meant to hoist her on any petard. I am saying send a signal to the rural community. The farmers that I talk to, I believe I see more dirt-under-their-fingernail farmers on a regular basis than almost anybody else in this Chamber, and I can tell you that they do not feel that encouragement. They are not interested, in the main, in expanding in the current climate.

I said that I would close with that comment because I do not believe that the federal government—and I hope the federal government looks at this and gets mad enough to say, well, if Cummings thinks that, then we are going to prove him wrong. That would be the best thing that could happen, but I am pretty sure that the majority of the elected parliamentarians at the national level in this country are prepared to focus on the fish industry. They are prepared to focus on the golden triangle in southern Ontario. They have particular interests in the Québec economy. The Québec provincial government has set an example, some ideas which I think this Government could also choose to pluck from, but, frankly, we do not have the population Québec does. I recognize that the minister is in a difficult spot in that respect.

Mr. Speaker, we have done about as good as a multi-party committee of this Legislature could in terms of gathering the information. We have

put together a reasonable reflection of what we heard. I encourage this Government to join hands with the active agricultural leaders out there and hammer them.

**Mr. Larry Maguire (Arthur-Virden):** It is my pleasure to stand and support this all-party resolution as well this morning. It has not been done for some time in this House, I believe, that the Ag Committee has gone out into the country.

I want to talk about the minister's comments in regard to the House of Commons Ag Committee and a couple of others. I would like to make a few comments in regard to the signals that the Government is sending in this industry in Manitoba today, this important industry. Albeit the number of farmers is only down to 2 or 3 percent of the economy of Manitoba today, 20 percent of the farmers produce 80 percent of the products in this province. Nevertheless, all farmers have an important role to play in this economy, because, let us face it, while 70 percent of our population may live within 20 miles of the Perimeter Highway of Winnipeg, there is a great deal of this province obviously being rural and north. We have got a very great impact on the economies of our small communities, on the social integrity of the rest of the province of Manitoba, never mind what the rest of the province of Manitoba can offer to the economy.

I say that our party as well supports this resolution, our committee members at least. You heard the passion with which the member of the Liberal party, the Leader of the Liberal party from River Heights, gave his comments in this House today. I also feel as passionate as he does about this particular issue, as the member from Ste. Rose said, that he believes that the members of the Government today have passion on this issue as well. I believe they do as well, but I do not believe that they understand some of the essential ingredients. I do not blame the minister. She does not have a lot of other members in her caucus that understand or come from an agricultural background. So it is difficult for her and some of the other members, the few members there that wish to deal with some of the agricultural issues to have a clear understanding of the urgency with which this issue needed to be dealt with.

So while I support the draft and I commend the Chair of the committee for the draft that was put forward by the Member for Dauphin (Mr. Struthers) on the package that is before us that we have agreed upon and the amendments that they have accepted to help support this and try to get this meeting with the Prime Minister in Ottawa or in Winnipeg, wherever we can meet with him, I have to take a moment to say to this House how disappointed I am with the fact that if agriculture had an importance or an immediate presence upon the Government's agenda paper, if it was well up the list, may I put it that way, then this issue would have been dealt with last November.

I would like to say on record that the problems that we have been faced with in Agriculture did not just happen in March or April this spring, they came about over a two-year period, even perhaps longer than that. This whole process and the extreme lobbying from the rural areas certainly came as a result of the 1999 flood in western Manitoba and south-eastern Saskatchewan. Since then the prices have been forced down even further by the Americans since the election of 1999. They have continued to support their farmers to a greater extent. Wheat farmers, we have seen the examples, 48 percent of a U.S. wheat farmer's income comes from government. It is 11 percent here in Manitoba and in Canada.

So there are inequities that a farmer cannot deal with on a day-to-day basis in his own farming or his or her own farming operation, and those are the reasons that we have put this committee together. Those are the reasons why this side of the House came together with the Government and agreed to have an all-party joint committee go out to the country to hear the presentations from those concerned individuals in the rural communities, not just farmers, many business people, as well. They made roughly 85 to 90 good presentations to us, and they needed to be taken with heed. If we heard one thing, it was that there is an immediate need for a cash infusion in agriculture, not just in Manitoba but in Canada, particularly in western Canada today.

Now, I just want to say that the minister, in her comments, felt that the federal Liberal government has neglected western Canada. Now

I would agree with her. I could not agree with her more on a statement like that, because they hardly even know that western Canada exists, and not just in agriculture but in some of the other areas, as well. I do not know whether the results of the B.C. election last night with something like 76 Liberals and a couple of NDP elected out there will change that or not, that prospectus. Of course, it is a make-up of a good group of Social Credit and Conservative members that are now under a Liberal banner in the province of British Columbia. So I assume that, with their fiscal responsibility, they will not understand and still have a hard time impressing upon Ottawa the need for recognition here in western Canada, notwithstanding the efforts of our good colleagues in Manitoba here from the federal caucus who have been somewhat, if I could say, very supportive of this agricultural dilemma that we are in in Manitoba today, and that has been their focus.

If, in fact, the minister feels that the federal government has neglected western Canada, then I can assure her that the farmers of western Manitoba feel that the NDP government have neglected western Manitoba, and that has certainly been the case. They have given lots of lip service to wanting to deal with support for the disaster that was there, but there has been no action on this whole process, as was the case when we went to Ottawa with the three times that I have been there, the once that I went with the minister and the Premier (Mr. Doer). There was good lip service amongst the federal Liberals in Ottawa and the federal members for southern Ontario to support agriculture, to recognize, Mr. Speaker, that there was a disaster in western Manitoba, western and southeastern Saskatchewan, at the time we were there in the fall of 1999, but there has been nothing done.

Mr. Speaker, there have been dollars come out into the agricultural community that have been generally available in an envelope to all farmers, and those are helpful, as I have said many times in this House. The fact that the dollars have come to Manitoba and that there has been the ability of the minister to sort the differences out in those dollars and make some of them available for the general problem and some of them for the targeted flooded area, has not happened.

I just want to say, in wrapping up, that there are some signals that the Member for Ste. Rose (Mr. Cummings) talked about, and, of course, one of them I just talked about, if there was a heart to do this, that the Government could find a way to put \$6 an acre into that southwest area. So I would ask the minister, when they do have meetings with the minister in Ottawa and when she appears before the House of Commons Agriculture Committee, if she would not forget those members in southwest Manitoba, the farmers in that region or the business people in that region, either implementing the Rose report or asking the federal government to try to put forth some 50-50 dollars at least.

The minister had indicated the last time that they were willing now to look at a 50-50 package for southwest Manitoba in that disaster. I urge her to put her \$6 on the table, because no clearer signal could go to the federal government to show the urgency of a situation than the provincial government to put their \$6 an acre on the table. That \$21.5 million would go a long way towards convincing the federal government then to come to the table with their share.

\* (11:20)

I would also just like to make a caution. I had the opportunity of attending last Thursday evening the Manitoba Climate Change committee chaired by Mr. Axworthy of the province of Manitoba, and their mandate is to look at opportunities and look at how climate change is going to impact the province of Manitoba. There is a working paper that has come out in regard to that whole climatology change committee, and it looks at all of the different sectors, agriculture, transportation, rural development and a number of others, urban issues, as to how we can look at changing the focus in Manitoba to make sure that our gas emissions are reduced in the future.

But, particularly, one of the examples on agriculture, Mr. Speaker, points out that some of the questions leading up that workshop paper really begin to look at how these emissions impact agriculture. The questions are written in such a manner that it may lead to a slowdown in our agricultural economy similar to what happened under the Livestock Stewardship

Initiative a year ago, and that is not a good, clear signal for Manitoba investors, for people who want to invest in the economy of Manitoba and particularly in the wonderful opportunities that I believe still exist in this province in agriculture.

I spoke of the increased cattle numbers, the increased livestock numbers in Manitoba in the past. There are opportunities in value-added processing. There are many more opportunities around these events, and there are regulations still in place, Mr. Speaker, that impede farmers from getting a greater number of dollars out of the value-added chain besides what is on their own farm from the production side.

Mr. Speaker, there was a comment here earlier, the minister made a comment about there being a shortfall and recognized that she knows that there was a shortfall, but I would have to say that before we get into a big fall here in Manitoba, I would urge the minister to act on some of these issues before the NDP in Manitoba take the big fall that the NDP did in British Columbia last evening. That big shortfall in Manitoba is in support of agriculture.

The minister has indicated that she will be appearing before the House of Commons Ag Committee, and she said that the House of Commons Ag Committee was coming out to Manitoba this fall. I want to make sure that there is a distinction made between the House of Commons Ag Committee and the Agriculture committee that Mr. Chrétien put together around the travelling make-work project, the term that has been used in the country, by the members from Ottawa chaired by Mr. Speller that Mr. Harvard is a member of to look at the overall situation of agriculture and report in the fall of 2002.

That is not an urgent situation, Mr. Speaker. There is already a national safety nets council put together in Canada to look at the long-term safety nets in agriculture, and this Government needs to emphasize to the federal government that that committee should be further developed and should continue to fine tune the long-term agricultural programs for this country and in the immediate shortfall here look after the needs of the immediate situation as was presented to us

by every one of the presentations that came forward to us.

Thank you very much, Mr. Speaker.

**Mr. Edward Helwer (Gimli):** I would just like to add a few words to the resolution. I think the idea of the joint committee of all three parties plus the various agricultural groups in Manitoba certainly is a step in the right direction. I think we should congratulate the people who served on this committee who did a good job and listened to many presentations by farmers.

I just want to say that I see the arrogance on the other side there. I see the Minister of Family Services, the Member for Fort Rouge (Mr. Sale), I see the Minister of Labour (Ms. Barrett), waving their hands as if agriculture means nothing to them. This is a perfect example of the arrogance over there. They do not care what happens in rural Manitoba. They do not care what the farmers do. Do they not realize that every job created in agriculture—you look at the Wheat Board jobs down here on Portage and Main. Look at all the jobs provided. They do not care.

#### Point of Order

**Hon. Becky Barrett (Minister of Labour and Immigration):** Mr. Speaker, I understand that the member who was speaking, the Member for Gimli (Mr. Helwer), has stated on the record that the Minister of Labour, that would be myself, was swinging my hands around and that shows that I do not care anything about agriculture.

I want to put on the record, Mr. Speaker, that in the 11 years that I have been in this House, I have probably spoken more on agricultural issues and on agricultural bills than the Member for Gimli (Mr. Helwer) in all of his time in this House, and how dare he think that I do not understand the needs and the issues of agriculture. I would like to ask the member to please withdraw those comments and apologize.

**Mr. Marcel Laurendeau (Opposition House Leader):** On the same point of order, Mr. Speaker, clearly the honourable minister did not quote from *Beauchesne's*. This member has not

broken any rule. It is clearly a dispute over the facts.

**Mr. Speaker:** Order. On the point of order raised by the honourable Minister of Labour, it is not a point of order. It is a dispute over the facts.

\* \* \*

**Mr. Helwer:** Thank you, Mr. Speaker, and I will say it again. The Minister of Labour is leaving. There she goes. *[interjection]* That is right. But she did wave over here as if agriculture meant nothing to them, meant nothing to this Government.

**Mr. Speaker:** Order. I would just like to remind all honourable members to not make a reference of members that are in the House or out of the House.

**Mr. Helwer:** I just want to emphasize a point, Mr. Speaker, how important agriculture is to this province and the jobs that are created right here in Winnipeg. Without the agriculture jobs they would not have the money to pay the Family Services Minister or to have the social service that we have, such as health care, education and family services. These are all important to Manitobans, and it is in agriculture where a lot of the jobs are created that create a lot of the wealth right here in Winnipeg.

When you look at the corner of Portage and Main here, the Canadian Wheat Board, the grain companies that provide the jobs here in Manitoba, these are important, Mr. Speaker, to all of Manitoba, including the city of Winnipeg. The people over there on the other side of the House, the Government, should realize how important agriculture is and the fact that what agriculture has to put up with.

Today we have the weather conditions in Manitoba. Southern and western Manitoba are dry; in this part of Manitoba we are wet, very little seeding done. A lot of stress on these farmers trying to make a living farming, the inputs, costs of inputs, big factor.

The federal government takes \$140 million out of Manitoba in fuel tax and puts nothing back. Something the federal Liberal government

could do to help agriculture in western Canada is to take the excise tax off of farm fuel, make a difference of about 10 cents or 11 cents a litre which would certainly help farmers compete on the world market. And that is what we have to do. Farmers are competing on the world market, and yet we are paying taxes to support eastern Canada. It is not fair. We are not on a level playing field. That is just one factor. Fuel prices and the excise tax that the federal government gets is just one thing.

There is tax on every item farmers buy. *[interjection]* Where was I? What about the education tax on farmland. We had promised in our last campaign in '99, if we would win, that tax would have been off of farmland already, but unfortunately this Government will not do that. *[interjection]* We have got lots of time. There are many factors where that Government does not understand how important agriculture is, and these are all the kinds of things that farmers have to depend on to try to make a living.

I guess our time is getting short so I will have to close off on this. But I certainly support the resolution that the all-party committee has worked on and done an excellent job. I certainly look forward to the assistance that the federal and provincial governments will be able to provide to farmers, and I think their \$40 to \$60 an acre is a very reasonable figure. Hopefully, they can make some headway and try to get some assistance so the farmers can get some money so they can get their crops in this year. Thank you, Mr. Speaker.

\* (11:30)

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

**Some Honourable Members:** Agreed.

**Mr. Speaker:** Agreed? Agreed and so ordered.

**Mr. Stuart Murray (Leader of the Official Opposition):** Make that unanimous, Mr. Speaker.

**Mr. Speaker:** It has been approved unanimously by the House.

### House Business

**Hon. Tim Sale (Acting Government House Leader):** On House business, Mr. Speaker, I wonder if we might have unanimous consent that the section of Supply in Room 255 will not meet this morning but the other two sections will.

**Mr. Speaker:** Is there unanimous consent of the House that the section of Supply in Room 255 will not meet for this morning? *[Agreed]*

**Mr. Sale:** Mr. Speaker, I move, seconded by the Minister of Consumer and Corporate Affairs (Mr. Smith), that the House resolve itself into a Committee of Supply for the consideration of Estimates to be granted to Her Majesty.

*Motion agreed to.*

### COMMITTEE OF SUPPLY (Concurrent Sections)

#### FAMILY SERVICES AND HOUSING

**The Acting Chairperson (Mr. Cris Aglugub):** Good morning. Will the Committee of Supply please come to order. This section of the Committee of Supply meeting in Room 254 is considering the Estimates of the Department of Family Services and Housing.

Before we begin today, I would like to advise members of a change in procedures for the Committee of Supply flowing from the adoption of the provisional rules by the House on May 16, 2001. Our new subrule 75.(19) states: "During consideration of departmental Estimates, line items may be called for the purpose of asking questions or moving amendments, however there is no requirement to pass line items. Departmental resolutions must be called individually for passage." This means that the Chair will no longer call out each line item in the Estimates book for passage. Instead the committee will only need to vote on the resolution for each department. Discussions may still focus on line items, but under these provisional rules there is no longer any requirement to pass individual line items.

When the committee last met to consider the Department of Family Services and Housing, this section had agreed to skip ahead and will be allowed to ask questions in all areas. Is that still the will of this committee? *[Agreed]*

We will now continue with the Estimates of the Department of Family Services and Housing.

**Mr. Glen Cummings (Ste. Rose):** Mr. Acting Chairman, let us begin by asking the minister if he could expand on the devolution of the Family Services programs, the devolution that he announced before Christmas.

**Hon. Tim Sale (Minister of Family Services and Housing):** Just a bit of chronology first, the memoranda of understanding were signed in February with the Métis Federation, the Assembly of Manitoba Chiefs in April, and with MKO in July of last year, the year 2000. So we really did not begin detailed work on implementation until after the signing of the third memorandum.

The process then began primarily with a lot of work last fall involving over 200 line and supervisory senior members of the many Child and Family Services agencies across the province. I think, at that time, there were 14 or so, so we included our own departmental people, Child and Family Services workers and senior staff from the three southern agencies, as well as, I think, at that time, there were nine Aboriginal First Nations agencies. They reported, with significant detail, on seven different work areas, such as legislation, funding, intake and services, other areas in late December. Those working groups' reports are quite lengthy and quite detailed.

The senior part of the organization, the implementation working group and the steering committees then took those seven reports and have been working to put them into an implementation plan that will be tabled with the four signatories. I expect that plan to be tabled some time over the summer. It is in a draft form at this point, but it is not quite completed, very detailed, as the member probably understands, dealing with simply the legal issues of four concurrent mandates. How those would work in

law and regulation raises lots of complexities that have to be sorted through.

I have to say that the partnership has been tremendously effective and helpful to all of us because we have all learned and come to understand some things that probably we would not have understood if it were not for a partnership based on, not one party directing where the thing was going, but on mutual agreement about where we wanted to go, and then figuring out together what needed to be resolved in order to get there.

\* (11:40)

The City of Winnipeg poses particular challenges because we want to have a very effective system that allows children to find their way to the right service very quickly. At the same time, we want to prevent as many kids as possible from coming into care by providing strong front-end services so that people do not come into care inappropriately or unnecessarily. The questions of how you sort out a child's appropriate placement in the system, if the child is of mixed parentage, that has taken a great deal of work. We have come to, I think, a working agreement on a protocol for sorting out which agency will have a mandate, in regard to a particular child, and at the same time sorting out the questions of the rights of the families to appeal where their care comes from. How that will work is a very tricky question. That too I think is coming to a very appropriate conclusion.

So I think the member can understand there is a great deal of complexity here. It is quite unprecedented to have all the parties around a common table agreeing to common processes and common working groups where different signatories take the lead in different areas of work. It is very much a partnership. I think we have managed to do it in a very respectful way. At the same time, in what is not yet a year since the signing of the third protocol—it is about nine months at this point—we made a great deal of technical and policy progress. So I do not know if the member wants more information than that, but it is a deliberate studied process in which we are neither holding back nor rushing forward, but moving at the point at which people reach concurrence on complex issues, recognizing that

it is more important to do it well than to do it fast.

**Mr. Cummings:** I think I mentioned this just prior to our adjourning. I can appreciate that, if this is intended to be a detailed and prolonged process, that will provide some transitional period as well for those within the system.

There was considerable concern expressed, and this may be the wrong place to ask this question, but I think undoubtedly the answer may be very simple or it could be. It is a relevant issue in terms of administration and personnel. Let me preface this by saying the first concern is the safety of the children and the appropriate management of the caseloads.

There was concern raised around the longevity of some people's careers who had been working in this area, had dedicated their careers to being employed in this area. There was some uncertainty that arose as a result of this initiative. Now, I know the minister and the department have said that they expect that no one should lose their job, they might well be reassigned. If that is the correct understanding, then I would like the minister to confirm it.

Secondly, has there been much turnover in the last year? Has the turnover in staff increased? In other words, is this manifesting itself in people seeking other employment in order to avoid what could be potentially disruptive?

**Mr. Sale:** I would like to provide the critic with a copy of the letter of December 22, which gives the specific wording of the government commitment, for his file, so that he has a clear understanding of what was said. I think our Premier (Mr. Doer) probably put this issue most clearly when he said that we have three principles, three priorities which are in tension with each other. All three are equally important, although if there is one of the three that is most important, it is the one the member has identified, and that is the well-being of children as the first test. Clearly, if we are going to move to a system that is administered by Métis and First Nations people on behalf of the families they serve, there must be a change in the staffing model. That is a given. Clearly though, we have a responsibility, both

contractual and moral, to the staff who have served our system very well and under trying circumstances for many years, so that is a priority. The overarching third priority is the priority of children and the best interests of children.

So that is why we made the commitment that over the period of implementation, which we expect will stretch several years, and through the use of secondment arrangements in the early going, we believe that we can minimize the number of people who will actually face a change in work location as a result of the devolution process. By opening up government opportunities in terms of people being able to move into positions which become vacant in government or in the other areas in which government is a major funder such as the regional health authorities, we believe that we will be able to accommodate virtually everybody if we all go at it with a sense of flexibility and good will, which is what, of course, we think has characterized our discussions so far. That is our hope. We believe we can accommodate everyone who currently is indicated in that letter as having an offer of employment.

I will just wait for the member's next question to try and answer his second question, which was the issue of turnover.

**Mr. Cummings:** I was going to re-emphasize that as in any time when something like this occurs, there will be some disruption. Can I interpret what the minister just said that there would be aggressive reassignment opportunities made available to those who are being dislocated? In conjunction with that, is there an aggressive program to train employees or to recruit employees who may, in fact, be more suitable to working in some of the devolved agencies? I take it they will see an increased staff load, or am I wrong?

**Mr. Sale:** First of all, to answer the question that previously had been asked, we have not seen any greater level of turnover this year than in any previous year. It does not seem to have changed much. I hope that continues to be the pattern, but that is certainly the pattern thus far.

In terms of a training strategy, one of the components of the seven work groups that I

referred to in the fall was a human resources planning work group which identified the training opportunities. This initiative potentially is, if not the largest, it is one of the largest employment opportunities for First Nations and Métis people in the history of our province. These are skilled jobs, they are long-term jobs, they are quality jobs and they contribute to the well-being of the community, so they are very valuable jobs.

\* (11:50)

I think all of the partners recognize these opportunities are developing with the help of appropriate provincial training organizations, training initiatives. They all recognize that it is going to take some time to wrap this up, which is why we are trying to do the process in a staged way incrementally, rather than wind it up and suddenly start it up. It is not going to work that way. It is going to work in a staged process. So, for example, the Métis Federation is at the point of developing its mandated agency, and they have been funded to develop that core capacity. We expect they will begin to take on cases before the end dates of the MOU, which is March 2003. So we see this as a stage process, and, by doing it that way, you minimize the big impact at any one time on the staff of the system.

In terms of aggressive, no, we have not been aggressive at this point, because we have not moved any cases at this point. So, in fact, what we want to do by making sure everyone feels secure that they will not be without an offer of suitable work, we want them to stay in the system as long as they are needed, and that is going to be for quite some time yet.

**Mr. Cummings:** So the concern that I have which is related to this is that during the discussions—and obviously the minister just pointed this out in terms of the time frames and the quickness of the transition, but is job qualification and training and classification on the table during these discussions? I mean the question with no disrespect, but the point being, in parallel situations, in the classroom when you are looking for qualified teachers if you have a shortage, you sometimes end up looking for people who are somewhat less qualified but able to fill the position.

Are there any discussions in that respect, or does the minister anticipate that it will be able to, by the time transition is complete, have qualified people in place?

**Mr. Sale:** That is a very important question. The member, first of all, I guess, should be assured that there are specific competency standards required, and we have the responsibility to ensure that those standards are met as a directorate and as a Government.

I will just give the member sort of a little bit of, maybe, historical perspective. The majority of Child and Family Services agencies that started in the '80s and '90s have moved to a very high level of staff competency. For example, the Awasis Agency in the North reached an agreement with the University of Victoria to do I guess it is a four-year BSW program on a remote basis, and many of their staff qualified through that program for their full BSW.

The challenges of training people who are working in the North are well known to the member, but we have also I think developed the kind of appropriate flexible distance delivery, kind of BUNTEP and that approach of training in pods, training sequentially. So that is very much I think a commitment of the First Nations as well as the Métis Federation. President David Chartrand has said he is absolutely committed to the best quality staff that he can possibly get because he does not want failures in his system. As the first such system in Canada, he feels very committed to quality development.

I am also informed that the University of Manitoba Faculty of Social Work and the First Nations and Métis partners in this initiative are very close to concluding an agreement to train a substantial additional number of people in the two-year diploma program, which can be a precursor to a full BSW.

So that concern the member raises is a very valid one and a very important one, but it is also one that I think the partners are fully committed to addressing.

**Mr. Cummings:** In the end, the partners that are assuming responsibility then will set the standard and do their own hiring?

**Mr. Sale:** No. The department will establish—well, has now and does not see any big change coming—the competency standards, the requirements. The actual hiring will be done by the agencies of record, whoever they are, just as is the case today.

**Mr. Cummings:** Just so I understand then, when the agreement is complete, within that agreement will be a statement of required competency as agreed upon?

**Mr. Sale:** No, Mr. Acting Chairperson, the competency standards and those requirements will be in regulation and legislation, not under the mandate of the agencies themselves.

**Mr. Cummings:** So this will require a legislative initiative. When would we expect that?

**Mr. Sale:** I cannot give the member an absolute assurance, but in the work plan that was put forward, one of the working groups was the legislative working group, and it has been acknowledged by all the partners that we will need a substantially new act, although, of course, many of the old provisions will come forward. Because of the substantial change that is being contemplated, we will need a new act. Whether that legislation will be ready for the next legislative session or not I cannot give the member an assurance, but I can certainly tell him that there will be wide consultation in the drafting of that legislation, and there will be opportunity for many views to be heard as we develop the legislation, because we are doing it in an open and collaborative way. We are not doing it behind closed doors.

**Mr. Cummings:** Well, I was zeroing in on these questions under the strategic initiatives, but if I could just address some more general questions in the area of Child and Family Services, have there been any significant changes in numbers regarding children in care?

**Mr. Sale:** I will just give him the three numbers for '99, '00, '01 and '02 projections—projections are obviously only projections—5568, 5600, perhaps a slight increase this year, but very small increase. So I think we have reached some

stability in those numbers finally. I hope we have, anyway.

**Mr. Cummings:** I know for budget purposes we need to make projections. Certainly there is a trend, not a huge percentage, as the minister has indicated, but I take it that these projections would be based on the numbers of families that are currently in contact, that the department has contact with, whether or not there would indeed be any need to take further action. Is that how the minister would lead to making that statement, or are there other criteria that might be involved in making a prediction?

**The Acting Chairperson (Mr. Aglugub):** The time being 12 noon, I am interrupting the proceedings. The Committee of Supply will resume sitting this afternoon following the conclusion of routine proceedings.

#### EMPLOYEE PENSIONS AND OTHER COSTS

**Mr. Chairperson (Conrad Santos):** Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of Employee Pensions and Other Costs. Does the honourable minister have an opening statement?

**Hon. Greg Selinger (Minister responsible for the Civil Service):** Mr. Chairperson, I really do not have an opening statement. I think we should get directly on with the show. *[interjection]* We are doing Employee Pensions and Other Costs.

**Mr. Chairperson:** Does the critic for the Opposition have any opening statement to make?

**An Honourable Member:** I concur with the minister.

**Mr. Chairperson:** At this time we invite the minister's staff to join us at the table, and we ask the minister to introduce his staff in attendance.

**Mr. Selinger:** I would introduce the associate secretary to Treasury Board, Debra Woodgate. She is going to join us for this item.

**Mr. Chairperson:** Does the committee wish to proceed in a chronological manner or in a global fashion.

**Some Honourable Members:** Global.

**Mr. Chairperson:** Global, it is agreed. Global.

The floor is now open for questions.

**Mr. Selinger:** I would also like to introduce Mr. Gerry Irving, who is the head of the Labour Relations services branch of the Treasury Board, and he is also here to assist Debra Woodgate in answering any questions.

**Mr. John Loewen (Fort Whyte):** With regard to the Estimates of Expenditures for the Canada Pension Plan, which is increasing roughly about \$3.5 million, I ask the minister to advise if there is basically any other significant reason for it increasing other than the increase that the federal government has made in their rate structure.

**Mr. Selinger:** The member is correct in attributing the increase in the CPP. The expenditure is directly attributable to the increase in the threshold for the earnings covered by the Canada Pension Plan as well as the rate.

**Mr. Loewen:** With regard to the unemployment insurance plan, I would have thought that would have been a little closer to last year's estimate given that rates have actually decreased slightly. I just wonder if the minister could go through that, the reasoning behind the roughly \$2.1-million increase in unemployment insurance costs.

**Mr. Selinger:** While it is true that the rate has reduced slightly by 2.4 per cent in 2000 and 2.25 per cent in 2001, the collective agreement has seen the base of salaries against which Employment Insurance is levied increased. So it is a larger base at a slightly lower rate, and that has resulted in the number we have here.

**Mr. Loewen:** I appreciate that answer. I guess I would ask the minister maybe if he could expand on that a little bit. I am not sure if it is because more part-time employees are included in this number.

**Mr. Selinger:** No, it is just that the payroll itself is larger as a result of the collective agreement even though the actual rate has gone down slightly.

**Mr. Loewen:** Would the minister have a global number in terms of the number of people on the payroll that has increased?

\* (11:50)

**Mr. Selinger:** There really is not any increase in the number of people. It is strictly the fact that EI is now levied on a larger base of earnings. The actual base of earnings has grown against which EI is levied.

The only thing that has changed with EI, and the member knows that this is a federal program, but they now levy the premiums against every hour worked, and every insurable hour is subject to deductions. Previous weekly minimum hours and weekly minimum and maximum earnings share have been eliminated. So in other words the rates are being levied on all hours on a total base of earnings which is larger at the top end and in effect lower at the bottom end because they are levying them immediately.

The other clarification I can make for the member is that this EI premium is levied on two years of salary increases. It was not levied last year, so the 2.3 percent last year and the 2.3 percent this year, in effect you are levying the premium on 4.6 percent.

**Mr. Loewen:** Thank you. I appreciate that clarification. Just with regard to some of the other benefits. I note that they are self-insured. Is there any thought of taking those out to tender to see if there could be some savings through an outside company administering and providing the insurance, or is the Government going to continue to self-insure on all these programs?

**Mr. Selinger:** There has not been an interest in going out to tender recently because the actual administrative charges for these plans are considered to be very competitive in the marketplace and difficult to beat, and that is all the costs that are reflected here. The self-insured component is not reflected here. That gets dealt with when actual claims are rendered.

The numbers here are the payments plus the administrative fee. The payments are just actual demands on the fund, and the administrative fee is, as I indicated earlier, one that our people believe is very price competitive and would be difficult to beat through a tendering process. That opinion is one that is given to our administration by outside consultants. They take a look at our administrative fee structure and have advised us that they think it would be hard to do better in the marketplace.

Just for information, the consultants that we use are AON.

**Mr. Loewen:** Can the minister advise how many full-time employee equivalents are involved in the administration of the benefits plan?

**Mr. Selinger:** The number is three.

**Mr. Loewen:** And has there been any change to that staff in the last year?

**Mr. Selinger:** No, there has not.

**Mr. Loewen:** With regard to the prescription drug plan, that was I take it as a result of the last set of negotiations. I am just wondering if there is any historical information that allowed this budget number to come forward, or is that a number that has come from an outside agency as to what the cost of that plan might be or are there caps in place; if the minister could just advise us how that number has been arrived at.

**Mr. Selinger:** The number has been provided to us by Blue Cross who have done an estimate of what they think the plan will cost.

**Mr. Loewen:** I thank the minister for that. The plan, I guess I would ask the minister, it could fluctuate up or down I guess rather significantly. I do not know how accurate Blue Cross could be in estimating exactly how many people, given the size of the employee base involved, would actually take advantage of the plan in year one. Is there a range that was provided by Blue Cross?

**Mr. Selinger:** Yes, Blue Cross is presently the carrier for the Government of Manitoba for the extended health plan, and they have a good

knowledge of the demographic structure of the Civil Service and the kinds of costs that have been coming out. So they feel reasonably confident that this number is a good estimate of what the costs will be.

The formula for the plan looks at a benefit of \$500 per family per calendar year, 100 percent employer paid. Blue Cross charges the actual approved claims cost plus an administration fee. That is the structure of the way the plan works.

**Mr. Loewen:** Could the minister provide me—and I am not sure if he has this figure right now, but maybe if he could provide it in the future—the percentage of the benefits cost to the total payroll?

**Mr. Selinger:** The hard costs for benefits are approximately 15 percent to 17 percent of payroll.

**Mr. Loewen:** I appreciate that. I am ready to pass.

**Mr. Chairperson:** Resolution 6.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$57,358,200 for Employee Pensions and Other Costs for the fiscal year ending the 31st day of March, 2002.

*Resolution agreed to.*

That completes the work of this committee for this section.

The hour being 12 noon, pursuant to the rules, I am interrupting the proceedings of the Committee of Supply with the understanding that the Speaker will resume the Chair at 1:30 p.m. today and that after routine proceedings, the Committee of Supply will resume consideration of Estimates.

**LEGISLATIVE ASSEMBLY OF MANITOBA**

**Thursday, May 17, 2001**

**CONTENTS**

<b>ORDERS OF THE DAY</b>		Wowchuk	1923
		Cummings	1926
<b>Government Motions</b>		Maguire	1930
		Helwer	1932
First Report of the Standing Committee on Agriculture			
Mackintosh	1917	<b>Committee of Supply</b>	
Jack Penner	1917	(Concurrent Sections)	
Struthers	1919	Family Services and Housing	1934
Gerrard	1920	Employee Pensions and Other Costs	1938
Enns	1922		