

Third Session - Thirty-Eighth Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS
Official Report
(Hansard)

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Speaker*

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Eighth Legislature

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, April 26, 2005

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PETITIONS

Riverdale Health Centre

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

These are the reasons for the petition:

The Riverdale Health Centre services a population of approximately 2000, including the Town of Rivers and the R.M. of Daly, as well as the Sioux Valley First Nation and local Hutterite colonies.

The need for renovation or repair of the Riverdale Health Centre was identified in 1999 by the Marquette Regional Health Authority (RHA) and was the No. 1 priority listed in the RHA's 2002-2003 Operational Plan.

To date, the community has raised over \$460,000 towards the renovation or repair of the health centre.

On June 1, 2003, the Premier (Mr. Doer) made a commitment to the community of Rivers that he would not close or downgrade the services available at Riverdale Health Centre.

Due to physician shortages, the Riverdale Health Centre has been closed to acute care and emergency services for long periods since December 2003, forcing community members to travel to Brandon or elsewhere for health care services.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Premier to consider ensuring that acute care and emergency services are available to the residents of Rivers and surrounding areas in their

local hospital and to live up to his promise to not close the Rivers Hospital.

To request that the Minister of Health (Mr. Sale) consider developing a long-term solution to the chronic shortages of front line health care professionals in rural Manitoba.

This petition has been signed by Carrie Burton, Tammy Dyck, Bert Dunn and many others.

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

Ambulance Service

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

These are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

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

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

Signed by Erika Friesen, Janet Friesen, George Friesen and many others.

* (13:35)

Generally Accepted Accounting Principles

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

The background to this petition is as follows:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

Signed by Lourdes Tejones, Eduardo Sayson, Anelyn Sayson.

Coverage of Insulin Pumps

Mr. Gerald Hawranik (Lac du Bonnet): I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

Insulin pumps cost over \$6,500.

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

Signed by Victor Stamler, Barry Augustine and Eric Makela.

INTRODUCTION OF BILLS

Bill 35—The Capital Region Partnership Act

Hon. Scott Smith (Minister of Intergovernmental Affairs and Trade): Mr. Speaker, I move, seconded by the Minister of Labour (Ms. Allan), that Bill 35, The Capital Region Partnership Act, now be read a first time.

Mr. Speaker: It has been moved by the honourable Minister of Intergovernmental Affairs, seconded by

the honourable Minister of Labour and Immigration, that Bill 35, The Capital Region Partnership Act, be now read a first time.

Mr. Smith: Mr. Speaker, this bill enables the Capital Region Partnership to be established. The Partnership will provide a forum to deal with issues facing the Capital Region and promote co-operation between municipal governments and the region.

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

Bill 37—The Municipal Assessment Amendment Act

Hon. Scott Smith (Minister of Intergovernmental Affairs and Trade): Mr. Speaker, I move, seconded by the Minister of Conservation (Mr. Struthers), that Bill 37, The Municipal Assessment Amendment Act, be now read a first time.

Motion presented.

* (13:40)

Mr. Smith: Mr. Speaker, this amendment gives all municipalities, not just the City of Winnipeg, a new tool to manage local tax issues by enabling them to vary the portion percentage of assessment of prescribed classes for the purposes of municipal taxation.

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

Bill 36—The Courts Administration Improvement Act

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Mr. Speaker, I move, seconded by the Minister of Finance (Mr. Selinger), that Bill 36, The Courts Administration Improvement Act, be now read a first time.

Motion presented.

Mr. Mackintosh: Mr. Speaker, this bill contains amendments to a variety of provisions and several acts mainly related to the improvement of the operation of courts, and, notably, facilitates more effective by-law enforcement.

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

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have with us from Red River College Language Training Centre 15 students under the direction of Mrs. Debbie Storie. This school is located in the constituency of the honourable Minister of Health (Mr. Sale).

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

ORAL QUESTIONS

Maples Surgical Centre Surgical Wait List Reduction Proposal

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, yesterday we learned that this NDP government received a proposal from the Maples Surgical Centre in February that, if accepted, would have dramatically reduced waiting lists. But NDP ideology has gotten in the way and, in short, what we see under this NDP government is more suffering for seniors waiting for hip and knee replacement and for children waiting for pediatric dentistry.

Mr. Speaker, under this NDP government, it is pretty clear in Manitoba that health care delayed is health care denied.

Today new information has come forward that shows that the NDP is purposely wasting Manitoba taxpayers' dollars annually because they refuse to look at solutions put forward by a private clinic. According to a document we have, Maples Surgical Centre put forward a proposal to do Workers Compensation cases for an annual cost of \$2.1 million, Mr. Speaker, compared to the \$5.4 million put forward by the Pan Am Clinic.

Can the Premier explain why he chose the Pan Am option when the Maples option would have saved taxpayers money, \$3.3 million? Why did he choose the other option, Mr. Speaker?

Hon. Gary Doer (Premier): I believe Workers Comp has had procedures in Pan Am, and I believe that the Workers Comp has had procedures that have been conducted at Maples. Mr. Speaker, that is a decision from Workers Comp.

Mr. Murray: Mr. Speaker, Maples Surgical would have dealt with all of the Workers Compensation Board cases for almost \$3.3 million less than what this NDP government is paying to have them done at the Pan Am Clinic.

To quote an October 24, 2003, letter from Surgical Spaces CEO, Don Copeman, to Harold Dueck at the WCB, and I quote, "This proposal shows a potential to save almost \$40 million over four years while dramatically reducing WCB costs of providing expedited surgical services to injured workers. It also outlines a four-year, \$3.8-million savings over the Pan Am scenario outlined in the MNP report."

Mr. Speaker, this government has a cheaper option, but they let their ideology get in the way. Is this NDP Premier so blind; and we know his appetite to spend Manitoba taxpayers' dollars, our debt is going up \$1.5 million a day under this government, but the issue simply is why is it that he does not have the ability to see \$40 million in savings or a \$3.8-million saving over the Pan Am option. Why is he blind to those savings?

Mr. Doer: I would point out that health economist, Noralou Roos, conducted a report for the public of Manitoba and the people of Manitoba dealing with parallel systems and their increased cost. I would point out, Mr. Speaker, that Mr. Romanow, former Premier Romanow, asked the Canadian public to show me the evidence that a private, profit system paid for by—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: That a private, profit health care system paid for by the public taxpayers would be additional costs. They backed that up with the Harvard Medical study report.

Mr. Speaker, we have plenty of evidence, in terms of general terms of the direction this Province is going, both a Filmon report and a Romanow report that indicate the same evidence. In terms of debt, yes, some of the capital requirements have gone up. I would point out that part of the reason why our credit rating today is better than when the previous government was in office is because the overall debt pressure has gone down.

*(13:45)

Maples Surgical Centre Meeting Request

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, it is pretty clear with this NDP Premier that when the facts come forward to show how there could be \$40 million of saving, he puts his head in the sand and then says, "Well, there are no facts out there. There is no information that we can find." They will never find it with their head in the sand, that much we know.

Mr. Speaker, to quote from that same letter, I would like to say it says, "We have talked to General Electric and found a way to dramatically reduce the MRI costs with brand new equipment and technology. This has a further positive impact on the figures. When making comparisons, it is important to note that all costs have been represented here and are fully burdened. That is to say that they include interest, depreciation and amortization costs, as well as all costs associated with WCB surgery." All costs included.

Not only can the Maples Surgical Centre help this NDP save Manitoba tax dollars, but they can help reduce waiting lists that we have seen grow under this NDP government. Will this Premier just simply sit down with the Maples Surgical Centre and any other clinics that are interested in reducing waiting lists and reducing taxpayers' dollars? Will he engage in meaningful discussion and do what is right for those seniors that are suffering in pain, for those children that are suffering in pain? Will he do the right thing and sit down with the Maples Surgical Centre and get a better deal?

Hon. Gary Doer (Premier): Mr. Speaker, we did get a better deal for Workers Compensation. We brought in new workplace safety and health laws that have started to prevent injuries. We did not sit with the old laws. We have new laws in place that prevent workplace safety and health injuries.

The workplace safety and health injuries of Manitoba are now down 22 percent under this government. Mr. Speaker, that is a claim cost savings of \$26 million a year for workers and families in Manitoba. If you multiply that by four, it is a saving of over \$100 million a year in the same period the member talked about.

**Maples Surgical Centre
Surgical Wait List Reduction Proposal**

Mrs. Heather Stefanson (Tuxedo): On August 27, 2003, the former Minister of Health received a proposal from Maples Surgical Centre. In the proposal it says, and I quote, "We would be prepared to install, maintain and operate an MRI at the Maples Surgical Centre site to further facilitate the diagnosis and treatment of patients. Additionally, we would be prepared to give the Workers Compensation Board all rights to the capacity of the MRI in excess of its particular needs."

Mr. Speaker, instead, in July 2004, this NDP government chose to pay \$3.5 million for the installation of a new MRI at the Pan Am Clinic. Why did this NDP government choose to spend 3.5 million taxpayer dollars for renovations and equipment at the Pan Am Clinic when the Maples Surgical Centre had offered to install the MRI for free, at no cost to this government?

Hon. Dave Chomiak (Acting Minister of Health): This is reminiscent of the same claims that were made by members opposite when they said that privatizing home care would reduce the cost across the system, the same rhetoric. Now we have the letter from 2003 from Maples Surgical Centre, a leased centre with doctors from British Columbia who have leased equipment, in a leased site that is offering the sun, Mr. Speaker, that is offering everything for free.

We found, when we compared the costs that went to the private clinics under the Filmon government to what the costs were under Pan Am, they were 30% less and we did more procedures because that money went to profit.

* (13:50)

Some Honourable Members: Oh, oh.

Mr. Speaker: The honourable Member for Tuxedo.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. The honourable Member for Tuxedo has the floor.

Mrs. Stefanson: In a letter dated October 27, 2003, from the Maples Surgical Centre to Dr. Brian Postl, the offer was repeated, and I quote, "This would eliminate any need to invest further in expanding or

renovating the Pan Am Clinic. We are very confident that the WRHA can save substantial funds by taking this path and we hope to start a dialogue with the government regarding this." Of course, a dialogue that never took place because they did not even bother to return the phone call or respond to the letter, which is unbelievable, Mr. Speaker.

Why did this NDP government choose to ignore a proposal that would have saved \$3.5 million to taxpayers in this province?

Mr. Chomiak: I am very surprised at the—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Chomiak: Thank you, Mr. Speaker. I am very surprised the opposition is spending all of its time talking about a private clinic in Winnipeg, for profit, when we put an MRI in Brandon, we are putting an MRI in Boundary Trails, we are putting surgery in Lac du Bonnet. We took 700 surgeries where kids had to fly down from the North, and we took those surgeries back to Thompson.

If Maples clinic wants to fly to the North and put a clinic in the North, then maybe we will have a contract with them, Mr. Speaker, because that is where the surgeries are.

Mrs. Stefanson: Unbelievable.

I would suggest, Mr. Speaker, that perhaps taxpayers are very surprised that this NDP government would refuse to consider a proposal that would save taxpayers money in this province. That is unbelievable.

This NDP government is so blinded by their ideology that they refuse to even consider or respond to proposals that would save significant taxpayer dollars and decrease wait lists in this province. This NDP government instead chose to waste \$3.5 million on unnecessary MRI equipment at the Pan Am Clinic. Mr. Speaker, when will this NDP government stop mismanaging taxpayers' dollars, set aside their ideology and start putting patients first in our province?

Mr. Chomiak: I seem to recall hearing the same arguments when home care was going to be privatized and, Mr. Speaker, as I understand it, these

questions came up two years ago. The Member for Charleswood (Mrs. Driedger), who was advocating very strongly for Maples for several years, raised these questions two years ago.

WCB has signed no exclusive contract with either Pan Am or Maples. Rather, WCB sets a fee schedule, doctors and patients can go to Maples or Pan Am. They are factually inaccurate again, Mr. Speaker.

Child and Family Services Service Delivery during Transition

Mrs. Mavis Taillieu (Morris): Mr. Speaker, it appears there is a virtual freeze on the child welfare system. One of the minister's own staff says, "Questions need to be asked about the current functioning of the child welfare system. I feel we are working in chaos. Most staff at CFS are not currently taking cases as they are preparing to move positions. Family Services units are not taking new cases and the Aboriginal agencies are not taking cases."

Mr. Speaker, I have to ask the minister this: Are children being denied care? Can she ensure that no child will fall in harm's way during this transition?

* (13:55)

Hon. Christine Melnick (Minister of Family Services and Housing): Mr. Speaker, the biggest freeze on the child welfare initiative occurred during the 1990s when members opposite sat on the Aboriginal Justice Inquiry recommendations.

There is no freeze on the child welfare initiative in this province, Mr. Speaker. We have already rolled out seven of the eight regions. We are continuing to roll out the North. We will then move into Winnipeg.

Preparation for this began in January 2005, and the management at Child and Family Services, aware that change can be difficult for people, have been working with staff and the authorities to have as smooth a roll out as possible, which will be in the best interests of the children.

Mrs. Taillieu: Well, Mr. Speaker, we know that this initiative has been underway for five years, but why the big push as of January of this year? Why is there such a big rush on right now? The minister's own

staffperson says, "Safe to say that standards are not being met and expectations are being lowered. Not officially, but in reality."

The person goes on to say, "An essential service like this cannot afford an awkward transition. There is a serious gap in service happening, and I am worried that families in Manitoba are not receiving anything but emergency service. Further, ask the minister who is delivering service right now?"

So, Mr. Speaker, on behalf of the children, the families and CFS staff, I will ask the minister who is delivering service right now. Who is caring for kids in Manitoba?

Ms. Melnick: Well, Mr. Speaker, perhaps the member, instead of reading off of something, would care to table the document that she is reading off of so that I can have a look at what it is that she is saying.

Mrs. Taillieu: Mr. Speaker, the staffperson from the minister's own staff—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mrs. Taillieu: —says, "Winnipeg Child and Family Services, ask her if Winnipeg Child and Family Services, how is it possible that they are delivering this service when such a large number of staff are preparing to change positions. Ask her what she expects to happen when Family Services is not taking any cases."

Mr. Speaker, can the Minister of Family Services guarantee that children will get the uncompromised and timely protection needed? Can she guarantee no child will be denied care or fall through the cracks during this devolution process?

Ms. Melnick: Mr. Speaker, it is very interesting that the member opposite refuses to table the document she is reading off of. It questions the document itself. I can assure you—

An Honourable Member: We will table documents when you do.

Mr. Speaker: Order.

Ms. Melnick: I can assure you, Mr. Speaker, that, yes, this has been five years in the planning. There

has been a lot of care and attention paid to the roll out. We began to roll out in the smallest areas of the province and are working our way up to Winnipeg.

We have had very, very few concerns raised, Mr. Speaker. We will continue to work with Child and Family Services and the four authorities in the best interests of the children. There have been steps taken at Child and Family Services to alleviate some workloads so that we can make sure that we have an organized and planned roll out.

* (14:00)

Agriculture Support Programs Government Commitment

Mr. Ralph Eichler (Lakeside): Mr. Speaker, the Agriculture Minister has stated that she is out of the loop with our federal government. Farm incomes are at record lows. Fuel has doubled in price. Fertilizer costs are up by 30 percent. The input costs are skyrocketing, and this NDP government needs to get in the loop. The federal government has announced \$123 million to help Manitoba farmers.

Why will this NDP minister not commit to helping our struggling farmers in the province of Manitoba?

Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives): Mr. Speaker, yes, indeed the federal government did make an announcement, one time only, that they were going to put money in. It was not made in discussion with the other provinces, and all provinces have said that they are not going to be part of this program.

Mr. Speaker, what we are doing is putting in long-term supports for our producers, and I am surprised that the member opposite would vote against tax cuts and other parts of the budget that will help our producers. Rather than just paying lip service to farmers, he should have voted for the budget that does put in place programs, does cut taxes for farmers for a long term.

Mr. Eichler: Mr. Speaker, this opportunity is here now and the farmers need the cash now. While we realize this minister is out of the loop and does little to satisfy hardships facing our Manitoba farmers, seeding is now beginning and soon to be in full

swing, cash is ordered and some skyrocketing input costs.

Will this minister make a commitment today? Will she continue to rob Manitoba farmers of Manitoba's share of the funding?

Ms. Wowchuk: Again the member opposite is out of touch with reality. It is this government, it was the Manitoba government that took the initiative to create a cash advance from the CAIS program. It was the Manitoba government that was the first government to sign the agreement to have the farmer's deposit returned back to the farmer. It is this government that has led those initiatives, and we will continue to work with farmers. Rather than listen to the member opposite, we will work with the farmers to develop new options for programs such as CAIS.

Mr. Eichler: Mr. Speaker, we realize the crisis our farmers are facing. Due to low grain prices, some producers are selling cattle below their input costs simply to raise money to get this year's crop into the ground. This government stands to benefit by \$53 million in savings under the CAIS program, thanks to the federal government. Our farmers continue to suffer, \$53 million this province is going to gain.

Why is this minister not persuading her government to flow the money to our farmers?

Ms. Wowchuk: Mr. Speaker, the federal government made an announcement. I am very pleased that the federal government recognized their responsibilities to address issues that are really trade issues and put additional money in, but we are working with our producers. We are working on long-term programs. We are investing in reducing taxes for farmers. We are committed to work with producers and rural communities to increase slaughter capacity in this province. Those are the things that we are doing, and we will continue to work with the farm community.

Waverley West Subdivision Municipal Board Review

Mrs. Bonnie Mitchelson (River East): Today's NDP Minister of Intergovernmental Affairs was yesterday's NDP minister responsible for the Crocus Fund. He threw integrity out the window when he dealt with the Crocus Fund, and he is throwing

integrity out the window again today in his dealings with Waverley West.

Mr. Speaker, will the minister today stand up for the citizens and the taxpayers of the city of Winnipeg and the province of Manitoba and send the Waverley West project to the Municipal Board?

Hon. Scott Smith (Minister of Intergovernmental Affairs and Trade): As you follow the process as we do in every department of this government, Mr. Speaker, members opposite could go back to the nineties and maybe learn a lesson from their mistakes. Quite frankly, when you look at the process, The City of Winnipeg Charter and The Planning Act outline the process for development plan amendments between the Province and the City of Winnipeg. There were many, many opportunities for public input throughout the entire process. The City of Winnipeg has reviewed the proposal for development and has determined that an amendment to Plan Winnipeg is warranted.

Mr. Speaker, it is the City's request to amend Plan Winnipeg to redesignate Waverley West lands from rural to neighbourhood policy areas. I certainly believe the information that was supplied to me by the City of Winnipeg. Our decision was made to, in fact,—

Mr. Speaker: Order.

Mrs. Mitchelson: This minister has abused his authority by unilaterally approving the Waverley West subdivision without an arm's length independent review.

Will he now admit that he was in a conflict of interest as the landowner, as the developer and as the regulator and send the development plan for Waverley West to the Municipal Board so citizens can have input?

Mr. Smith: Mr. Speaker, the inaccuracies from the members opposite are absolutely astounding. When you follow the process, certainly to the letter as this process has been done, requested by the previous mayor of the City of Winnipeg on this issue, brought forward by the council and the mayor from the City of Winnipeg for consideration, it appears to me that what the members opposite are saying is that they do not believe the City of Winnipeg's information that

was supplied to my office. That in a nutshell is what the member is telling people in the city of Winnipeg.

I find it outrageous that the members opposite do not trust the information supplied by the City of Winnipeg to my department to make a decision on this matter which I have based on facts from council and the City of Winnipeg and followed to the letter and referred back to the City of Winnipeg for their final decision.

Mrs. Mitchelson: No one is questioning the City of Winnipeg in this issue, Mr. Speaker. Everyone is questioning the abuse of authority by this provincial government.

Will the minister now admit that it was his Premier that forced him into this position, and that he bowed to the political pressure from his Premier and his government at the expense of the citizens of the city of Winnipeg who are taxpayers?

Will he now do the right thing as he has been asked many times, not only by me but by the citizens of Manitoba and the news media? Will he now refer this to the Municipal Board? It is he and his Premier who have abused their authority.

Hon. Gary Doer (Premier): I want to point out to the members opposite that the original proposal for Waverley West was proposed by the previous mayor, and it was endorsed by the new mayor. That process took place at City Hall where they have a planning branch, they have a policy branch, they have very intelligent people that are supplying information to City Council, Mr. Speaker.

This land is similar to the land that was owned in South St. Vital where there was a proposal to the former government to sell land to develop. The only change we made to that land when we came into office, Mr. Speaker, was to ensure that there was more park space along the rivers on that land with some of the proceeds from that sale.

Well, the man-of-the-year in Headingley for developing Headingley at the expense of Winnipeg could continue to talk from his seat, but we believe in developing Winnipeg.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

* (14:10)

Point of Order

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

Mr. Leonard Derkach (Official Opposition House Leader): Mr. Speaker, on a point of order. It is a sad day in this Chamber and in this province when the Premier, the First Minister of our province, pits one community against another, and it is no question where his favour lies.

But I remind the Premier, it is this Premier that was sued because he interfered in land development in the city of Winnipeg. He settled it with \$100,000 of taxpayer dollars and put a hush order on it at the same time. So he does not need to give us any lessons about land development in this city or outside of it.

Mr. Speaker: The honourable Government House Leader, on the same point of order.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. The honourable Government House Leader, on the same point of order.

Hon. Gord Mackintosh (Government House Leader): It just reminds me of a phrase, "getting close to the bone," Mr. Speaker. I suggest it is a dispute on the facts, not a point of order.

Mr. Speaker: Order. On the point of order raised by the honourable Official Opposition House Leader, I want to point out to all members of the House that points of order are to be used to point out to the Speaker a breach of a rule or a departure of our practice, not to be used for debate.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. When addressing the floor, I would kindly ask all honourable members to please do it through the Chair. The honourable member does not have a point of order.

* * *

Mr. Doer: Just to conclude, the process utilized by the minister is exactly the same process utilized by the former minister dealing with a land bank sale in

south St. Vital. The only difference was there was parkland added to the land in South St. Vital.

**Gang Activity
Reduction Strategy**

Mr. Gerald Hawranik (Lac du Bonnet): City police are investigating a link to a military-style assault rifle seized on Sunday as to whether this is connected to a brewing gang war in the city's West End over control of the sale of crack cocaine. Winnipeg residents are concerned about a potential gang war in the streets of Winnipeg this summer as they try to fight for their turf. I ask the Minister of Justice why has he failed to control the escalating gang violence in the city of Winnipeg.

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Mr. Speaker, I remind the member that he would not have a question in the House today if not for the outstanding work of the Winnipeg police in apprehensions and seizures in this matter.

Mr. Hawranik: I ask the Minister of Justice to do his job, just like the city of Winnipeg police are doing their jobs. It is time for the Minister of Justice to understand that Winnipeggers need to reclaim their city. Winnipeg should not be subject to a turf war at all. The Minister of Justice needs to fight back, and he needs to reclaim Winnipeg from the gangs.

When will this Minister of Justice stand up for all Manitobans instead of, again, standing up on his soap box and issuing yet another press release? When will he fight back and reclaim Winnipeg from the gangs that are taking over this city?

Mr. Mackintosh: I am not going to stand for attacks on our front-line enforcement officers. What is happening, Mr. Speaker, we are seeing as a result of the apprehensions and seizures here that Winnipeg police actually should have a hats-off from all members in this House for the work they are doing. We are standing along with the police to ensure that they have the resources. Members opposite did not support 54 officer positions being added in the last budget. Members on this side did.

Mr. Hawranik: Mr. Speaker, it is no wonder we have a problem in the city of Winnipeg when the Minister of Justice cannot recognize an attack on himself.

Under this Justice Minister's watch, both the Hells Angels and the Bandidos came to Manitoba. An expert on biker gangs, Yves Lavigne, has stated, "Manitoba is getting a reputation as being friendly to biker gangs." He further stated, "Winnipeg is a soft touch, and the provincial government is incompetent." The minister has failed all Manitobans dealing with gangs, and the experts agree.

I ask the Minister of Justice why he has failed to keep gangs out of Manitoba and why he has clearly failed Manitobans and Winnipeggers by not curbing the escalating gang violence in the city of Winnipeg.

Mr. Mackintosh: Mr. Speaker, that is strange. I hear Mr. Guy Ouellette, an expert on organized crime and the Hells Angels in particular, on the airwaves claiming that Manitoba is doing all the things that are right and are standing out in the efforts to counter organized crime.

Mr. Speaker, I remind members opposite that when it comes to the operations that organized crime finds lucrative, that is the drug dens and the prostitution houses, our Safer Communities Act has shut down 92 drug dens and prostitution houses. As a result of the surveillance work of the government, there have been 59 arrests with over 90 charges as a result of that one piece of legislation.

I can go on, Mr. Speaker, and talk about the \$1.4 million that is dedicated to the organized crime task force that is comprised of the RCMP and Winnipeg Police Service. We are doing things that are making a difference. We are going to continue to fight organized crime.

Hydra House Tax Evasion

Hon. Jon Gerrard (River Heights): Yesterday the Minister of Finance indicated that there is a full and vigorous investigation into the tax evasion reported by the Auditor General with respect to Hydra House and its owners.

I understand that such an investigation is usually initiated by the government writing to request the Canadian customs and revenue agency investigate the tax situation by asking the RCMP to investigate where there is possible criminal wrongdoing.

When did the Minister of Finance first write to the Canadian customs and revenue agency and the

RCMP to ask them to investigate the very serious offences raised by the Auditor General some 10 months ago? Why have the back taxes not already been collected? Can the Minister of Finance give us an answer?

Hon. Greg Selinger (Minister of Finance): The member from River Heights seems to be trying, while he is asking a question, to create the procedures for government. The actual procedure went as follows. Upon receiving the report of the Auditor General, the Department of Family Services referred the matter to the Manitoba Department of Justice to review the issues related to the report.

The Department of Justice recommended that the matter be referred to the federal Department of Justice for them to review the tax issues which may include possible criminal acts therein. As a result, the Minister of National Revenue who is responsible for the Canada Revenue Agency has had them look into the matter. They collect the taxes on behalf of the Province of Manitoba as they do for most jurisdictions in Canada, and they are responsible for following up on compliance with tax laws. I am informed that they have this matter under their review and they are following up on it.

Mr. Gerrard: Mr. Speaker, as we know there have been huge problems at Hydra House and large amounts of unpaid provincial and federal taxes as reported by the Auditor General.

One of the things one has to consider when you are dealing with tax evasion is the statute of limitations of seven years on some of these matters. Since some of the things raised by the Auditor General go back to 1998, we are dealing with time-sensitive matters. I ask the minister when is he going to expect results of these investigations so that action be taken before it is too late. When can Manitobans expect that the back taxes owed by Hydra House and its executives will be paid, or is Hydra House getting some sort of a special deal?

Mr. Selinger: As I indicated earlier, Mr. Speaker, the Canada Revenue Agency is the agency empowered by the provinces to follow up on tax compliance measures. This is an agency that we have a signed agreement with. They are accountable for following up on all tax compliance measures. This matter is under their review. I know they are following up on it. They do not report back to the

Minister of Finance or the Department of Finance on the specifics of their investigations. They have many investigations going on. I am informed this is under their prerogative right now. They are following up on it. I am sure they will investigate it in a timely manner.

* (14:20)

Crocus Fund Interim Financial Statement

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, over 30 000 Manitobans who have invested in the Crocus Fund are gravely concerned in terms of its future fate. The fiscal year ended in September 2004 for the Crocus Fund. The financial year end report should have been submitted at the end of March this year.

Mr. Speaker, no matter what the minister tries to tell this House, there is no real justification for delaying it now to the end of June, coincidentally we will not be in session because of this lazy government, but the concern is and the question to the government is this. Is there any possibility that the Crocus Fund itself could be shut down? Is that a possibility? Why have we not received, what are the issues that the minister referred to yesterday? Over 30 000 Manitobans that have invested in this fund want to know the answer.

Hon. Jim Rondeau (Minister of Industry, Economic Development and Mines): Mr. Speaker, I would hope that the member opposite does some homework and looks at saying who does the actual extension of delay, or delay of the annual report. It was not the government that said that the annual report would be delayed. It was a request from Crocus because there are some financial issues.

What they did was Crocus made a request to extend their annual filing date, and the Manitoba Securities Commission, an independent organization, independent from government and political interference, extended the deadline. They do it without government direction. They do it because they are a quasi-judicial body, and they have that power.

For us, we will continue to look out for all the taxpayers and all the Crocus shareholders by allowing the independent people to do their job and the appropriate investigation.

Affordable Housing Initiative Update

Ms. Kerri Irvin-Ross (Fort Garry): Mr Speaker, given the need for low-income, affordable and accessible housing in the province, can the Minister of Family Services and Housing update the House on what is being done to address this?

Hon. Christine Melnick (Minister of Family Services and Housing): Well, I thank the member for the question, Mr. Speaker, and I am very happy to report that yesterday Manitoba signed on with Canada to Phase 2 of the Affordable Housing Initiative. This will add an additional \$23 million to build affordable and low-income housing around the province and will add on the more than \$50 million that we have already invested, which provided 2500 new, rehabilitated or renovated units throughout our province.

I would like to take this opportunity to thank all the neighbourhood groups that we work with, the volunteers in their communities who have a vision for something better in their communities. They work hard to make sure that affordable and low-income housing is created in their areas.

I also want to thank our private for-profit partners who also have been wonderful in creating the much-needed housing throughout Manitoba.

Spruce Woods Provincial Park Campground Opening

Mr. Cliff Cullen (Turtle Mountain): Mr. Speaker, one of Manitoba's favourite camping destinations, Spruce Woods Provincial Park, suffered catastrophic flooding this spring. This resulted in two thirds of the campground being flooded. The campground office, swimming area and other facilities were seriously damaged.

Despite the site-reservation fiasco that occurred this spring this campground is almost entirely booked for the upcoming season beginning in May. However, reports are that the main campground may not be open until July. Will the minister commit today to clean up this park immediately?

Hon. Stan Struthers (Minister of Conservation): I appreciate the opportunity to speak about the beautiful park we have out at Spruce Woods and,

certainly, all of the beautiful parks that we have in Manitoba; an asset that this province of Manitobans truly appreciate.

Mr. Speaker, it was very unfortunate that this park ended up inundated with ice and water earlier this spring. Our department is working very quickly to make sure we open as much of Spruce Woods as we can. It is a very popular park, as the member has noted. Some parts of the park may have to be delayed in opening simply because of the damage that was done by the flood and by the ice conditions, but we are going to work very hard to make sure that this park is available for as much time, for as many Manitoba families to enjoy as is possible.

Mr. Speaker: Time for Oral Questions has expired.

MEMBERS' STATEMENTS

Neepawa Personal Care Home

Mr. Glen Cummings (Ste. Rose): Mr. Speaker, I rise today to look at the state of capital expenditures in support of rural Manitobans, and I want to read from the Assiniboine Regional Health Authority news.

It was in the fall of 2002, and we see, Mr. Speaker, the Neepawa Personal Care Home project, a 120-bed personal care home to replace the existing 124-bed personal care home, at a cost of \$15,700,000, completion date, June '05. '05? Well, June '05 will soon be here and there is nothing but alfalfa in the area where that personal care home is expected to be sprouting.

Interestingly, the current anticipation is for 100 beds, not 124 beds or 120. It is shrinking, much the same as the way this government has been treating the rest of rural Manitoba, with shrinking expectations, shrinking support and, embarrassingly, not providing support for the seniors of this province.

National Day of Mourning

Mr. Gerard Jennissen (Flin Flon): Mr. Speaker, I rise today to draw the attention of all honourable members in this House to the National Day of Mourning, which is celebrated on April 28. The National Day of Mourning is a special day set aside to commemorate workers killed or injured on the job.

In Winnipeg, it is traditional to gather on this day and have a leaders' walk from the Union Centre to the Legislature. As well, this year there will be a memorial service and candlelight vigil at 6 p.m. in the Union Centre, 275 Broadway. The Winnipeg Labour Choir will be involved. I would urge as many members as possible in this House to participate in the walk and the vigil.

In Flin Flon on the 28th, many citizens, union leaders and dignitaries gather at the steelworkers' memorial for a ceremony which pays tribute to our many brothers and sisters who have been killed or injured in the workplace. In addition, this year in Thompson a new memorial similar to the one in Flin Flon is being unveiled.

April 28 was chosen because, on this day in 1914, third reading was given to the first comprehensive Workers Compensation Act in Ontario. I am proud to be part of a government which continues to strengthen and modernize labour legislation. All of us agree that we must improve workplace safety. I am proud of our proposed legislation which would expand the list of presumptive diseases for firefighters and extend this coverage to include volunteer and part-time firefighters.

Once again, I want to thank the former NDP member of Parliament for Churchill, Rod Murphy, for submitting a private member's bill called the Worker's Mourning Day Act, which received Royal Assent on February 1, 1991. Mr. Speaker, all of us should take seriously the slogan first used by the Canadian Labour Congress, "Fight for the living and mourn for the dead." Thank you.

Grandparents' Rights

Mrs. Leanne Rowat (Minnedosa): Mr. Speaker, in a time when we are experiencing high divorce rates and the increase of single-parent families, I feel it is vital to recognize the importance of extended families.

Raising a child can be difficult and relying on family members can supply much-needed support. Specifically, grandparents are a fountain of knowledge, love and help. A healthy relationship with grandparents connects children with their culture, heritage and fosters a well-rounded self-identity.

The love grandparents feel for their grandchildren is unconditional, Mr. Speaker. It does not end if there is a break in the marriage between their grandchildren's parents. Unfortunately, I have heard of many difficult and regrettable cases where grandparents have been denied access to the grandchildren. Divorce or problems between parents should not lead to the severing of ties between grandparents on either side if it is a healthy relationship.

Mr. Speaker, we need to promote flexibility in communication between family members. It is in the best interests of the child to maintain an existing relationship with their grandparents. Grandparents should not need to turn to the judicial system to seek reasonable visitation with their grandchildren. There need to be measures in place to support non-confrontational discussion and mediation if needed. In these complicated times, we need to provide children with all of the avenues of support and love that are available to them. Children deserve to know their grandparents. Grandparent visitation is not about usurping parental rights. Rather, Mr. Speaker, it is encouraging the rights and best interests of children.

Volunteer Service Awards

Mr. Drew Caldwell (Brandon East): Mr. Speaker, on April 20, the Volunteer Centre of Winnipeg held their annual Volunteer Week Awards Dinner to recognize outstanding Manitobans for their commitment to community service. Volunteers received various honours, which included the Premier's Volunteer Service Award. I am proud to inform the House that two organizations from Brandon East, the Marquis Project and the Parent Child Home Program, were among the recipients of the 2005 Premier's Volunteer Service Award.

The Marquis Project is a not-for-profit, charitable organization with a long record of public engagement and organizes community educational programs in schools, churches and service clubs. They encourage active citizenship around the issues of international development, making links between communities in Manitoba and the developing world. The Marquis Project has helped strengthen social consciousness in western Manitoba by encouraging farmers, students, seniors, union members and church activists to become involved in their

communities. Truly, the Marquis Project epitomizes the motto, "Think globally, act locally."

* (14:30)

The Parent Child Home Program is an innovative home-based literacy and parenting program which facilitates strong family relationships while preparing children to succeed academically. It assists families from a variety of educational, cultural and economic backgrounds. Through helping parents discover the joy of spending time with their children and the positive influence they can have on their development, the Parent Child Home Program provides an invaluable service to our society.

Mr. Speaker, Manitoba has one of the highest rates of volunteerism in Canada. Volunteers are the foundation on which our province's communities are built. Each year they give generous amounts of their time in order to make our province a better place to live. The Parent Child Home Program and the Marquis Project are perfect examples of the enormous contributions volunteer organizations make in our province.

Mr. Speaker, I want to congratulate, on behalf of the Manitoba government, the Parent Child Home Program and the Marquis Project for receiving the Premier's Volunteer Service Award for 2005. The recognition they have received is well deserved. Thank you.

Legislative Sessional Calendar

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I just wanted to put a few words on the record in regard to process and procedure. We are already well into April. April is going to come to an end very quickly, and then we are into May. Before you know it, the session will be winding down. We have a lot of legislation, like this afternoon we have just received three pieces of proposed legislation on my desk. There is a lot of legislation of great substance. The reason I wanted to stand up is to indicate the importance of the Rules Committee and the need to be able to look at changes that are going to be able to accommodate some sort of a sessional calendar.

I have been very clear over the last while in terms of the need to be able to sit on that 80 days. Outside of that, Mr. Speaker, I think it would be

wonderful to see us as legislators come to an agreement as to how we can best deal with the agendas of this Chamber. I, for one, would suggest to you, for example, that the legislation we have before us could indeed be debated in second reading. We should be looking at adjourning and having those standing committees meet during the summertime and possibly the first week or so in September, with the idea of then reconvening so that we would be able to have a third reading on the legislation.

I do not want to have to be put into a position where as legislators we are being rushed to debate and pass legislation, everything being done through leave. I would ask the Government House Leader (Mr. Mackintosh), in particular, to initiate in a much more substantive way the need to look at moving towards some sort of a calendar which everyone could be appeased with and feel there is value to. Thank you, Mr. Speaker.

Point of Order

Mr. Speaker: The honourable Member for Springfield, on a point of order?

Mr. Ron Schuler (Springfield): Yes, Mr. Speaker, would you canvass the House to see if leave could be granted for the government to proclaim Bill 10, which is something the Premier (Mr. Doer) promised he would do today.

Mr. Speaker: On the point of order raised by the honourable member for Springfield, I just want to go through some steps for the honourable member. In the House, we deal with—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. In the House, when the bill comes forward we deal with first reading, we deal with second reading, we deal with committee stage, we deal with third reading, and we deal with the Royal Assent. Once that is completed, the business of the House is over. So when you are talking about negotiating for proclamation, that is not done in the House. That should be done outside of the House. So I would encourage you to meet with the government if you wish, but our business to deal with that bill in the House is already complete. We have no more responsibility for that bill in the House. That is for

the information of the honourable member, and there is no point of order.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

House Business

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, would you canvass the House to see if there is agreement to change the Estimates sequence to move the Estimates for Agriculture from the Chamber into 254 ahead of the Estimates for the Department of Health, with the change to apply permanently?

Mr. Speaker: Is there agreement to change the Estimates sequence to move the Estimates for the Department of Agriculture and Food from the Chamber into Room 254 ahead of the Estimates for the Department of Health, with the change to apply permanently? Is there agreement? *[Agreed]*

Mr. Mackintosh: Please call Supply, Mr. Speaker.

Mr. Speaker: The House will now resolve into Committee of Supply.

COMMITTEE OF SUPPLY (Concurrent Sections)

AGRICULTURE, FOOD AND RURAL INITIATIVES

* (14:40)

Mr. Chairperson (Harry Schellenberg): Will the Committee of Supply please come to order. This section of the Committee of Supply meeting in Room 254 will now resume consideration of Estimates for the Department of Agriculture, which last met on April 11 in another section of the Committee of Supply.

Consideration of these Estimates left off on Resolution 3.2. The floor is now open for questions.

Member for Interlake—excuse me, Member for Lakeside.

Mr. Ralph Eichler (Lakeside): Do not feel bad, Mr. Chairman. The minister did the same thing, and I am honoured to represent two constituencies, Lakeside and Interlake. We are very honoured to serve two. Anyway, having said that, we will move on.

I believe we were with the Agricultural Services Corporation, if I remember correctly, when we left off at our last meeting, and we kind of agreed that most of the questions were over with respect to the Crop Insurance portion. Is there staff still here with that department? Is there anybody still here?

Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives): We do have staff for both the divisions of what would be the Agricultural Services Corporation. So we have staff from Crop Insurance and from the Credit Corporation.

Mr. Eichler: The set-aside program, is that under the Agricultural Credit, or is that under the Crop Insurance?

Ms. Wowchuk: That program is being administered by Crop Insurance.

Mr. Eichler: Then I have a couple of questions with regard to the set-aside program. If the minister would have her staff come forward on that, I would appreciate it.

Ms. Wowchuk: Please proceed with the question.

Mr. Eichler: We have a number of producers that have not had an opportunity to receive their money. I was wondering in particular if the department had some type of a guideline, or is it just a shortage of staff in regard to not having the monies flowed to the farmers in this particular case, or is there just a shortage of staff?

Ms. Wowchuk: To my understanding, all the applicants have been dealt with. There were 3134 applications, \$21.8 million has flowed. The only people who would not have received money would have been those who had applied but not qualified, or ones that might be in appeal right now. That is for the cash set-aside. For the fed cattle, those people would have applications in, but they would not get paid until they come out of the program.

Mr. Eichler: So, just for clarification then, on the feeder cattle, do we have an estimate on what that

cost is going to be and how many applications have been put forward on that initiative?

Ms. Wowchuk: At the present time, there are 55 people who have applied for the program and this covers off 73 000 head of cattle, and the payout on those 7300, I am sorry, not 73 000, 7300 animals would be about \$892,000. To this point, \$256,000 has been paid out, but the program is still open and people can continue to apply.

Mr. Eichler: So when is the cutoff date for that program, or is there a time when the program will lapse?

Ms. Wowchuk: The program will come to an end when the border opens or 90 days before the end of 2005. That would be when you could last make an application, so that would take us to about the end of September of '05.

* (14:50)

Mr. Eichler: On the appeal process, could the minister or her staff outline for us the appeal process which a farmer would go through? In particular, we have a farmer actually in the minister's area that we have talked to her staff about who was unsure of how the program worked, and we would like to try and advocate for this farmer. It is a young farmer that has applied for this, and he did not understand the guidelines. Is there some way that we could address this issue for this farmer?

Ms. Wowchuk: Mr. Chairman, there is a three-person appeal panel that I appointed to deal with the appeals, and it is separate from the corporation. They have their own secretary. They deal with the appeals on their own. Their decision is final.

The member has asked and certainly I have an appreciation for people who have made application and have run into some difficulty. But what I would remind the member is that this is a federal-provincial program. It is not a program that we make the rules on, on our own. We have to abide by the rules of the program.

I have to say that there have been a few cases where people have been denied and there have been a few cases where people have gone to the appeal body and have also been denied. That is why an independent body is put in place, so that it is not a

decision made by the corporation or by people in my office.

Mr. Eichler: The appointment, what were the criteria the minister used? If it is a federal-provincial program, what were the criteria the minister used to appoint these three bodies?

Ms. Wowchuk: As with any appeal board that is being put in place, you want to be sure that there are people who have an understanding of agriculture, people who are familiar with the industry. That was the criteria that we used as we made a decision on selecting a board, to have people who could reflect the views of the farming community and have an understanding of agriculture.

Mr. Eichler: Would the minister be good enough to tell us who those three people are?

Ms. Wowchuk: If the member would go to another question, we could come back and provide the names in a few minutes.

Mr. Eichler: Thank you, and also could they have the area which they are from as well.

The next question I have is to do with CAIS. Now does that fall under the Crop Insurance Program as well, or does that fall under Agricultural Credit?

Ms. Wowchuk: It is a separate program. It is administered by the federal government, but it does not fall under the Crop Insurance or Credit Corporation. It falls under another section.

Mr. Eichler: So what section is that, then, Madam Minister?

Ms. Wowchuk: It is handled through our policy division, so if we could deal with crop insurance and credit questions here, then, when we get to the policy section, we could have the staff here that deals with that issue.

Mr. Eichler: That would be fine. Going back to the Agricultural Services Corporation then, the minister has said time and time again that the major change here will be the amalgamation of some of the executive offices, I believe it was eight people, and then there would be just one board instead of two.

She also mentioned the fact that several of the GO centres would have people in their offices. Now, could she elaborate basically on where these people will come from if they are not going to come from each of the offices that are currently being held in Portage and Brandon?

Ms. Wowchuk: That is strictly a situation where they are already co-located, and I will give you the example of a couple of communities. In Swan River, we have a centre where the Ag staff and the crop insurance and credit officers are located in the same building, so that would be a co-location. In the Dauphin office, Crop Insurance and Credit Corporation and the Ag, Food and Rural Initiatives staff are all located in the provincial building in Dauphin.

So those would be two examples of a situation where there would be co-locations and there could be others in other parts of the province, but that is an example. So it is not a matter of moving people into different offices. It is a matter of them already existing in that kind of situation.

Mr. Eichler: So my understanding, then, is that these positions will be applied for, then, in the areas that you do not have somebody, or will they be a secondment from one of the other areas?

Ms. Wowchuk: I am sorry. Could the member repeat that question?

Mr. Eichler: With respect to the offices that will have a credit officer on staff or another service that you are going to provide, will that be a tendered position or is that going to be a transfer from another department and will they be seconded or will they be applied for?

Ms. Wowchuk: If I am understanding the question correctly, the only positions that are, I am not quite sure what the member is looking for.

If the member is looking at where we might be putting Crop Insurance staff or Credit Corporation staff, there is no plan to be moving them, but one of the places where there might be a movement, and this is a hypothetical situation, is that if we presently have a Crop Insurance and a Credit office in the same community, then we might consider bringing those two into one building instead of having two

buildings, but we are not looking at moving a significant amount of staff.

It is our hope as well that in those communities or areas where we might only have a Credit office, for example, or a Crop Insurance office, we might be able to offer some additional services from the other branch of the corporation.

Mr. Eichler: So the minister, just so I am clear on it, all the GO centres will not necessarily have a credit officer on staff or someone that is to deal with the insurance side, in particular, all the GO centres, it would just be a few here and there?

Ms. Wowchuk: That is correct. It does not mean that everyone will have one of those. We would hope that most of them will, but not everyone.

* (15:00)

Mr. Eichler: So is it the department's long-term plan to eventually have officers in each of those centres in order to provide equality of service within the province from area to area? To me, it would not make a lot of sense to have one in Swan River and none in Teulon or vice versa.

Ms. Wowchuk: I would suggest that we have to look at the map and look at where we have Crop Insurance offices and where people are served from, and where we have Credit offices and what kinds of services we would provide there.

What we have said is we are not planning to close offices and we want to look at how we could best provide services. There are some communities that have a Crop Insurance office and that is an important service in that community. We will continue to work in that vein to provide service in as many areas as we can.

If I could, I can tell the member the individuals that are on the appeal board. It is Mr. Craig Lee, who is from Winnipeg and a former ADM in the department; Mr. Bryon Heinrichs, from Gretna, Manitoba; and Kathy Routledge, from Kenton. If you look at those, as I had said earlier, we were looking for people who understood the department and the programs as well as we were looking for representatives of the farming community who understood the industry.

Mr. Eichler: Thank you for that information. I am still concerned about the fact whether or not the minister said that they will be looking at each of the areas on an individual basis, but when it comes to offering those services within each area I have some concern that I would like to have on the record that I think it is important and imperative that we make sure that those services are equal throughout the province of Manitoba.

Having said that, I would like to maybe move on and that is to talk about the Farm School Tax Rebate that is under this area as well. Now is this the right time for that for the minister?

Ms. Wowchuk: Mr. Chairman, the member talks about putting on the record that he wants equality through the province and that is really what we are looking at. We have one or the other in every GO office. In not every GO office do we have both of them except for Gladstone, which, I understand, has neither. There are some communities that have just a Crop Insurance office and that has been that way for many, many years. You have to take into consideration distance and all of those things. We consider that very carefully, but I take the member's comments as advice and we will consider that as we move forward.

With regard to the Farm School Tax Rebate, yes, this would be a time that you could ask those questions.

Mr. Eichler: Mr. Chairman, the Farm School Tax Rebate of \$20 million that has been put into the Agriculture budget, could the minister and her staff just highlight on why the department insists that it be in the Agriculture budget. I just feel that we are setting ourselves up under the WTO, that the farmers will be looked upon as a subsidy and this is far from a subsidy. I think it is important for the minister to try and encourage her staff, encourage her government, to withdraw this line out of her Estimates process and move it into either Education or into general expenditures just for the safety of our farmers within the province of Manitoba.

Ms. Wowchuk: I would have to disagree with the member when he says that if someone is doing a WTO challenge, if it is in agriculture, people are going to look at it. I can assure the member that if somebody is doing a WTO challenge or any other, or

a NAFTA challenge, they look at every department very closely.

I do not believe that this can be viewed as a challenge, but I believe that we should put it in Agriculture because it is a support to Agriculture. I can tell the member also that, when we talk about giving due responsibilities to the corporations, the new corporation will also have the responsibility of administering this program. So we are not prepared to take it out. We view it very much as an agricultural support, and it should be in this department.

Mr. Eichler: Then we will have to agree to disagree on that particular issue. On the payout then, just so I am clear on it, the farmer would pay the tax, similar to what they did in the past, and then apply for that money back. Is there any estimate that department could provide us for how much has not been applied for? I know, we know lots of farmers that just do not have the extra money to pay the taxes and then apply for them back. So they only get the portion back that is on the education school tax, not on the whole property. Is there a way the minister could tell us how much money is outstanding?

Ms. Wowchuk: We will begin the responsibility of the rebate in the 2005 budget. The 2004 budget was handled through Finance, so we do not have the information on what was the level of application. I know that as soon as the announcement was made, it was very well-received by the farming community, and there was a high level of application because, as the member said, producers and farm people need the money. They valued this program, and applications were very high. For the exact number, we would have to ask those questions in Finance.

Mr. Eichler: The Estimates process that you went through, what data did you use then to come up with the \$20 million for the tax rebate?

Ms. Wowchuk: Finance did the calculations, and it is calculated on 50 percent of the taxes. Last year it was a third of the taxes that farmers were paying on the education support levy. Then it was calculated at 50 percent for this year's rebate, based on the tax files that are available to government.

Mr. Eichler: The school budgets in some areas went up substantially. Are the minister and her staff confident that the school tax rebate will be enough at

\$20 million in order to cover off all those costs, or is this just a hypothetical number they have used?

Ms. Wowchuk: I would have confidence in the staff in the Finance Department and in their ability to calculate. So I am confident they did the proper accounting, as they did with the one-third when there was a one-third adjustment, that they have made the calculations for the 50% reduction, and it is my understanding that \$20 million should cover that.

Mr. Cliff Cullen (Turtle Mountain): Just to follow up on the school tax rebate program, is the intent to reimburse the landowner or the actual individual who has paid the tax on the property?

Ms. Wowchuk: The landowner.

Mr. Cullen: I know there are some situations that exist where, depending on the arrangement made on that land base, quite often the landowner will not pay the tax. In fact, it would be an individual that has made the arrangement with the landowner who, in essence, pays the tax. What kind of an arrangement can be made in that regard, or can the reimbursement only be made to the landowner?

Ms. Wowchuk: The reimbursement will be made to the landowner, and then it is up to the landowner to deal with whatever arrangements he has made. There are similar situations with other programs that have been put in place. I recall when the federal government's TISS program was made, and it might not always go to the person. It may go to the landowner. I trust that landowners who are in that situation where they might be renting their land would be honest enough to then deal with it. But this program, the payment goes to the landowner.

* (15:10)

Mr. Cullen: In this particular case that I know of, the landowner does not have a receipt for paying the taxes. So, in this case, where do those individuals go? Are they just not eligible for a reimbursement under this program?

Ms. Wowchuk: Well, normally the tax receipt goes to the person who owns the land, and they would have to work that out if someone else is paying the taxes—pardon me, the taxes were issued to the land owner, but I understand there is also an appeal process in those kinds of situations the member from

Turtle Mountain has identified. It should probably go to the appeal process. The tax notice is issued to the land owner. If someone else is paying it, then there has to be a receipt. If they want a refund, the person that is paying the tax and the person who gets the tax receipt have to work that out, or else go to appeal.

Mr. Cullen: The appeal process, how does one go about that process? Is it appeal through which department? Finance, or through Agriculture, or do you have a separate entity set up for that particular appeal process?

Ms. Wowchuk: For 2004, it is being handled by the Finance Department. In 2005, it will be handled by this department. It will be handled through the corporation. If you are looking for details of what the appeal process is, we would have to check with Finance on what that appeal process is right now. Finance is administering the program for '04.

Mr. Cullen: Just for clarification then, who will be handling the rebate program for 2005?

Ms. Wowchuk: This department will, through the new corporation.

Mr. Cullen: Okay, thank you for clarifying that for me. Could the minister confirm that we currently have three agents vacant in Manitoba Crop Insurance Corporation throughout the province of Manitoba?

Ms. Wowchuk: That is correct.

Mr. Cullen: Could the minister advise how many vacancies there are through Manitoba Agricultural Credit Corporation?

Ms. Wowchuk: Two field reps.

Mr. Cullen: When does the minister anticipate these vacancies to be filled? I know the last time we discussed this, the minister indicated there was no hiring freeze in the province of Manitoba, so I am wondering when we can expect these vacancies to be filled.

Ms. Wowchuk: There are, as I said, a total of five vacancies, three on the crop insurance side, three agencies and two field reps on the credit side. We are in the process of filling one on each side, one on the insurance side and one in the credit side. We are moving along on these, and at the present, we are looking at filling two of them.

Mr. Cullen: Just wondering if the minister could be more specific in terms of a time frame when those two positions will be filled and, subsequently, if those other positions will be filled.

Ms. Wowchuk: We expect to be advertising for the two positions that I mentioned in the next couple of weeks and go through that hiring process in those two positions. Then, on the others, we will evaluate them as we move forward with the changes in the corporation.

So we are working on two right now, and I expect that they will be filled within a short period of time. As I said, we will be advertising. Once you go through the advertising process, you then have to go through the hiring process, and that is the status of those positions now.

Mr. Cullen: Would the minister be prepared to let us know which communities will have those vacancies filled?

Ms. Wowchuk: The insurance position is the position at Somerset, and the lending position is in Morris.

Mr. Cullen: Given that we appear to be headed towards a new corporation, I am wondering if there are going to be any changes in job descriptions for these particular members that could be hired by the new corporation.

Ms. Wowchuk: No, not to my knowledge. There is no plan to change the positions.

Mr. Cullen: Will there down the road, given that we will have one corporation, be any overlap of services in terms of one or two individuals perhaps working on the lending side as well as the crop insurance side?

Ms. Wowchuk: If the member is asking if it is our plan to have one person do both functions, that is not our intention.

Mr. Cullen: Okay, thank you for the response. In terms of going forward on our GO offices, the last time we discussed it, we were putting forward some new job descriptions for those positions. I am just wondering if we are in a position now where those job descriptions have been finalized, and if we are actually to a point in the process where we can start advertising for some of those vacancies, which I will formally call the Ag rep offices or positions.

Ms. Wowchuk: Mr. Chairman, we have hired the managers for each of the areas, and I think we are making very good progress on the job descriptions. I can tell the members that we are working very closely with staff. They are having a lot of input into developing these job descriptions and some of the hiring has been done.

I can indicate that we have advertised for the chief veterinarian. We have advertised for the industry development specialist, which is the potato specialist, and in the next week or so, we should be advertising for five additional positions, so we are in the process of working on those right now.

* (15:20)

Mr. Cullen: Could the minister tell us how many vacancies we have? Again, I refer back to the old positions of agricultural representative. Could she advise how many vacancies we have throughout the province and if the intent is to fill those vacancies with the new positions?

Ms. Wowchuk: In those positions, there are two vacancies, one in Neepawa and one in Pilot Mound, and these positions are part of our new GO structure. As we move forward on it, we make the decision on those positions. There is also another vacancy in Melita due to a promotion to manager. So the member can see that there is going to be, in the next little while, a bit of movement around in various positions in the department because some people have moved into manager positions, so that creates a vacancy in another area, but all of those will be addressed as we move along in this process.

Mr. Cullen: I want to speak specifically about Pilot Mound because that is in my constituency, and over the last six months, I have had numerous letters from various groups, various individuals, quite concerned about that particular position being vacant in Pilot Mound. In fact, I just received another piece of correspondence from an organization last week. Obviously, we are into the spring planting season, and various decisions have to be made. People are looking for those resources and, quite frankly, they are just not there for us at this particular time.

Obviously, there is some urgency there in terms of getting someone in position with the complex programs that we have before us now. When can we give these people some reassurance that we can have somebody in place to help serve their needs? They

would like some kind of a time reference to use for their expectations.

Ms. Wowchuk: Because we are in a new structure now, there is a team approach, so there should not be people who are left without service. The GO centres, GO offices, are supported by the entire team in the region. So if there are specific needs in a particular area, Pilot Mound comes under the Killarney GO centre, and there should be the supports there to provide the services that people are looking for. So if there are specific issues that people are looking for information on, then they should be contacting the office in Killarney if they feel that they are, or they contact the office in Pilot Mound, and the right resources will be there through the whole structure that we have.

So there should not be a shortage of services because there is one position that is not filled at the present time, but, again, we are, as I said, in the process of putting all of this in place, but there are managers in place, the staff is still in place in those offices, and service should be provided.

Mr. Eichler: I would like to go back to the Wildlife Damage Compensation program. My understanding, when we talked about this a couple of weeks ago, before we adjourned, there is an agreement to reduce this program each year. Is that my understanding, and I believe it was 20 percent, is that the number of which the minister responded to?

Ms. Wowchuk: The change was made in last year's budget when we went from 100% to 80% coverage, and there has been no additional reduction this year.

Mr. Eichler: So then next year we will expect to see the same amount of money, or will that be reduced again by that same 80% formula?

Ms. Wowchuk: It was reduced last year from 100 percent to 80 percent. It is 80 percent this year, and we anticipate into the future under the APF, it will remain at 80 percent.

Mr. Eichler: I know the Keystone Ag Producers have brought this to your attention as well. They are concerned that it is just not enough. The way the crop insurance is set up, is this a way of kind of piggy-backing the cost onto the producers by having to carry extra insurance to offset these costs, or what is the department's position on this?

Ms. Wowchuk: Mr. Chairman, crop insurance does not provide coverage over 80 percent. You cannot buy insurance for 100 percent. We were bringing the program in line with production insurance, and that is coverage of 80 percent, as it is in other provinces.

Mr. Eichler: Well, the last couple of years we have had record problems when it comes to drought two years ago and rain last year, so if we happen to get a good crop year in 2005, which surely we are due for one, will \$732 million be enough, if we have a bumper crop, to cover off those costs at 80 percent. Is that what this figure is based on, or is it based on last year's figures or the previous year's figures?

Ms. Wowchuk: Mr. Chairman, this is our best estimate based on a 10-year average. This is a demand-driven program. Should there be higher claims than the amount budgeted for, it will be covered, but we have to make an estimate as we put our budgets together, and this is the estimate based on the ten-year average that we anticipate. I have to agree with the member, I hope that there is bumper crop, no wildlife damage, no crop insurance claims, and everybody ends the year on a happy note.

Mr. Eichler: That is what farmers are based on, on hope, and we do hope that proves forward.

Could the minister and her staff outline what was spent for the last two years then in wildlife damage compensation?

Ms. Wowchuk: To the end of January, it was \$1,570,500, and that is shared federal-provincial, 60-40.

Mr. Eichler: So that works out pretty close to right on budget from where we were last year then.

* (15:30)

Ms. Wowchuk: We anticipate that to be pretty close.

Mr. Eichler: Thank you. Before we move on and leave the insurance portion, just in regard to the CAIS program, are there statistics available on the number of farmers that signed up for crop insurance just to qualify for CAIS payments? Was there an increase in that due to it, or is this just kind of the run of the mill? I know a lot of members that are farmers that were applying for CAIS did not realize

that they had to sign up for the crop insurance to get the full payment.

Ms. Wowchuk: You do not have to sign up for crop insurance in order to qualify for CAIS, but if you do not sign up for crop insurance and make a CAIS application, CAIS will not fill the gap that should have been covered by crop insurance, but an individual may choose to apply for CAIS without applying for crop insurance.

Mr. Eichler: Yes, I understand that, but I was just curious to know if the department noticed a bit of an increase due to the CAIS program in order to trigger that higher payout? I know, specifically up in the Interlake region and on the northern part of Lakeside, there are a number of producers that just do not feel that crop insurance is viable for their operation, but it would be probably to their benefit. In the case of livestock, probably benefit them.

Ms. Wowchuk: In fact, we did not see very much increase from last year to this year. When we did see the big increase in crop insurance was when we made the decision to bring in the excess moisture insurance back in 2000. That is when we had a significant increase, but in this last year the corporation tells me that there was not a significant increase that can be related to CAIS.

Mr. Eichler: Again, before we leave the insurance, with the anticipated, I believe it was 7 percent, if member serves me correctly, that budget increase for 2006, what are the criteria you use when you are forecasting increases in crop insurance premiums?

Ms. Wowchuk: Mr. Chairman, the projected crop prices are set by the federal government and those are given to the corporation. The premium rates have to be certified by a third-party actuary, and these premium rates that are certified by the actuary are then applied and we make our best estimate on the crop mix and the number of acres that we anticipate will be planted in the province. Then, from those numbers, a decision is made on what the rates will be.

Mr. Eichler: So, with the crop prices being a record low for this particular time in the farming sector, the payout then based on those numbers for 2006 should be substantially less for payout figures.

Ms. Marilyn Brick, Acting Chairperson, in the Chair

Ms. Wowchuk: The premiums are not based on the prices. Premiums are related to losses over time. The losses that we have last year will be reflected in next year. But this year they—no, am I wrong?

Premiums are related to losses over time, not the losses in a particular year. If we look at last year, last year we had 600 000 acres that did not get seeded, so we have to build that back into the program. Because we had some heavy losses in previous years, that is why we go from 25 to 17.

The member also knows that we offer a discount on the premiums to the producers and that discount was 25 percent, but because of the losses that happened that discount will go from 25 percent to 17 percent, so there is a difference in the discount that we are able to offer to the producers this year because of the losses that have occurred over time. So those are some of the things that reflect the premium going up.

Mr. Cullen: Could you explain to us the discount? You had mentioned a 25% discount in premium. Can you explain the rationale behind that, how it is set up and why we are looking at 17 percent this year?

Ms. Wowchuk: As I had indicated earlier, our premium rates have to be certified to be actuarially sound and that requires us to maintain a reserve of about \$150 million. Our reserve is higher than that, so we have a plan over 10 years to reduce that reserve, and we were using that reserve to reduce the premiums. That was why we were able to reduce premiums by 25 percent. We had a higher payout this year, so we are not having as high a reduction for the producers. We will go from 25 percent to 17 percent.

* (15:40)

Mr. Cullen: How long have we had the discount in place? The other question would be what are we looking at in terms of a reserve going forward to this year?

Ms. Wowchuk: The discount has been in place since 2000, so each year the discount is adjusted to a level that we think we can afford to put in place to still maintain the reserve at a reasonable level and meet our 10-year goal of bringing that reserve down to about 150. Currently, the reserve is at about 235.

Mr. Cullen: I am going back to my Crop Insurance history here a few years ago; it was a short time I spent at Crop Insurance. Are the operating expenses of Crop Insurance still paid by the province?

Ms. Wowchuk: The operating cost is shared 60-40 with the federal and provincial governments, 60 federal, 40 us.

Mr. Cullen: The other thing, too, I assume we still have the individual productivity index as it relates to farmers. We used to have a one-year backlog in that IPI. Is that still the case or is it current?

Ms. Wowchuk: There is still a one-year backlog.

Mr. Cullen: Just to confirm, then, that this year's IPI really will not reflect last year's relatively poor crop.

Ms. Wowchuk: That is right. The 2004 crop year will be reflected in 2006.

Mr. Eichler: One last question for the crop insurance, and then we will move on to the Credit Corp. A couple of weeks ago, we were talking about the producers that were still left out with crops in the field. Has there been an update on that for the farmers? I believe there were 900 claims still outstanding, and I believe \$5 million. Has that been resolved? I know March 31 is the deadline, and when we last met I do not think that had been resolved yet.

Ms. Wowchuk: Madam Chairperson, we are dealing with these on a daily basis. It has been a decent spring, and some of these things we have been able to deal with. We do not have an update of the exact number of claims that have been dealt with, but we have taken steps to ensure that producers can get these issues resolved. The member talks about March 31. March 31 is the sign-up date for crop insurance, but it does not impact on people who have outstanding claims that are in place because of the bad weather and crops staying out in the field.

Mr. Eichler: We will move on now. I want to thank the staff for their patience. There are other members, I am sure, who will be coming in wanting to ask questions. We only have two days left after today, so if they would just bear with us, I am sure that would be much appreciated.

With respect to the Credit Corp, the farm special assistance guarantee, I believe that is for the young

farm loans. Would the minister or her staff like to comment on that particular program?

Ms. Wowchuk: The Special Farm Assistance line is the Farm Mediation Board.

Mr. Eichler: The Farm Mediation Board, you said, that is what that is for, and they have a \$100,000 budget, so is that travel, remuneration, indemnities, that type of thing?

Ms. Wowchuk: That is money that the mediation would use when they are required to pay out guarantees on loans that individuals may have.

Mr. Eichler: And \$100,000 in this day and age is enough to cover that cost?

Ms. Wowchuk: We believe it will be adequate. Last year, we paid out \$92,600, so we are hopeful that that will be adequate.

Mr. Eichler: I hope so too. Farming, the way it is, is a very cash-intense business, and I am surprised it is not higher than that.

The board, who is made up on that board, and who is the chairman?

Ms. Wowchuk: The chair of the board is Mr. Ken Caldwell, and we can provide the member with the names of other board members in a few moments.

Mr. Eichler: The Farm Mediation Board, do they deal with any FCC issues, or is this a cost-shared program with the same 60-40 formula, or is it just provincial programs?

Ms. Wowchuk: This board deals strictly with provincial issues. It is not a joint board with the federal government. Our board members are Mr. Ken Caldwell, Ms. Gaylene Dutchyshen, Mr. Gerry Friesen, Mr. Fred Embryk, Mr. Bragi Simundsson, and Mr. Louis Balcaen.

Mr. Eichler: With respect to MACC, the farmers' young initiative program, what rate of interest are the young farmers being charged, and are there loan limits that are in place to assist these young farmers?

* (15:50)

Ms. Wowchuk: The maximum amount that is available under the Young Farmer Rebate is \$100,000 loan, so a maximum lifetime rebate is \$10,000. Clients are eligible to receive a 2% rebate, so it is a 2% reduction in their rate.

Mr. Eichler: What is the rate that is currently being charged by MACC then?

Ms. Wowchuk: The current rate for a one-year loan is 5.15 percent; for a two-year, it is 5.375 percent; for a five-year, it is 5.625 percent; for a seven, it is 7.875 percent; a ten-year loan is 6.125 percent; a fifteen-year loan is 6.5 percent; a twenty-year loan is 6.75 percent; and the twenty-five year loan is 7 percent. The rebate applies to loans of five years or more.

Mr. Eichler: Could you just give me the fifteen-year again, please?

Ms. Wowchuk: The fifteen-year is 6.5 percent.

Mr. Eichler: So, just so I am clear on the rebate, the 2% rebate, the farmer pays the interest. That is a rebate to his interest account, is that correct?

Ms. Wowchuk: He has an adjustment on his account, on his loan, and it goes to his account. He does not actually have to pay it.

Mr. Eichler: So then let us just go through the process for clarification. The young son wants to buy out mom and pop's farm, and he has a maximum of \$100,000 that he can access under the young farmers program. The farm is worth \$1 million and he needs, let us just say, \$400,000. The \$100,000 is under the young farmers program, and then the other \$300,000 would be under regular MACC rules and background, that type of thing.

Ms. Wowchuk: The maximum loan through the corporation is \$475,000. So on the first \$100,000 the individual would qualify for the 2 percent that we spoke about. They could also qualify, if the individual is under 40, they could also qualify under the Bridging Generations loan, and under that program they can get a credit of, if they take the courses and the training that is required, they could get an annual maximum of \$2,500 for the first year, for a lifetime over the first five years for a maximum amount of \$12,500. So they could take advantage of that.

We find that the people that are doing these transfers are actually going for smaller amounts than

that, and I believe people are working out their transfers in a way that does not require for the whole amount to be borrowed, and I can understand that. Families make those kinds of arrangements amongst themselves. Some of it will be borrowed; some of it the family is going to carry. But this is the maximum amount that we offer, and we find that many of the loans that we are offering under this program fit nicely and come in well below that.

Mr. Eichler: With the increased size of the farms, and farms are getting bigger, not necessarily out of want or desire but out of the way of having to be competitive in the marketplace and have to farm more and more land, is the minister's staff or the minister looking at increasing the \$475,000 maximum, or is this something that is carved in stone for the next generation?

Ms. Wowchuk: Madam Chairperson, the role of MACC is not to replace the lending institutes that are out there, the role is to fill the gap that some financial institutes do not want to take up. Certainly, we have all been concerned about the fact that we see financial institutes pulling away from agriculture, and we meet with them on a regular basis. They tell us that they are still there, they are doing their lending to the farming community, but we are there to fill that gap.

We review rates regularly, we take into consideration our net worth and our loan limits, and we use the statistics that are provided by Stats Canada to look at the average net worth of producers and then make a decision there, but I want to emphasize that it is not our goal or the role of MACC to replace the other lending institutes that are there.

Mr. Eichler: So, then, if you are not the primary lender, we are second in line for our money. Is that the way MACC works then?

Ms. Wowchuk: In actual fact, we are the primary lenders for many of the young and beginning farmers because there is not that record there that the primary-lending institutes are looking for. As I said, there has been some pulling away of agriculture lending, but, as the individual becomes established and expands their business, then the traditional lending institutes are willing to take them on as clients.

So the role is really to fill that gap where many times the mainstream institutes are not prepared to

take the risk that we are prepared to take because we believe in the industry.

Mr. Eichler: Thank you for that, Minister. On the loan guarantee portfolio, then, in your Objectives and Expected Results, you state that there are 5000 Manitoba farmers that are under this program, under the Loan Guarantee Program.

Mr. Chairperson in the Chair

Would the minister care to highlight on where we are at? Are we second in line to them, or are we first off on that as well?

* (16:00)

Ms. Wowchuk: When we are the guarantor, the lender is in first position, but we typically have priority security on these loans.

Mr. Eichler: So the \$600 million in guarantees, in my understanding, then—*[interjection]* Go ahead.

Ms. Wowchuk: The \$600 million is loans and guarantees that are provided for 5000 farmers.

Mr. Eichler: So which out of the \$600 million, then, would be just in loans, and to how many producers?

Ms. Wowchuk: There are a total of 7553 loans for a total of \$346.134 million as of December 31, '04. Those are total number of loans.

Mr. Eichler: Thank you for that. The \$95 million in new loans that is on page 47, could the minister or her staff tell us how many farmers are involved in that? Is there a maximum amount on that program?

Ms. Wowchuk: That is the forecasted activity we anticipate for the upcoming year, for '05-06.

Mr. Chairperson: The Member for Turtle Mountain.

An Honourable Member: Lakeside.

Mr. Chairperson: Lakeside, excuse me. The Member for Lakeside.

Mr. Eichler: I am moving all over the place in the province, but I guess that is okay.

With these new loans that are anticipated, what type of initiative is the minister or her department looking at when they budgeted for \$95 million?

Ms. Wowchuk: Mr. Chairman, these are direct loans that we anticipate just based on average, and they would be the Bridging Generations loans, the direct loans and stocker loans, as an example.

Mr. Eichler: With the next line there, you are talking about \$103 million in respect to agricultural enterprises. In our earlier questions, we talked about officers that are going to be helping develop new markets. Is this what the \$103 million is for? Is there a cap on this initiative of \$103 million for new products, if I am reading this correctly?

Ms. Wowchuk: Again, these are estimates of what we anticipate might happen. We are looking at diversification loan guarantees, operating credit guarantees, the Manitoba Cattle Feeders' Association loan guarantees, mortgage guarantees through Bridging Generations.

The member talked about agricultural enterprises, whether we looked at those as a possibility. Yes, certainly, as we look towards value-added and new opportunities for rural Manitoba, those could be a possibility as well.

Mr. Eichler: Is there a maximum that is available, then, for new initiatives that somebody in your department feels is a worthwhile project to move forward with? What would be the maximum amount that is available for loans to get this product on the market?

Ms. Wowchuk: There is no maximum. Due diligence is done. If we believe, as it is through a review, that it is a valuable project, it is given consideration by the board, by the corporation, but there is no maximum amount.

Mr. Eichler: I know that I had a product that I tried to get off to market and did get it off to market, but I am ended up getting some funding from a private financial institute, but when you get a new initiative that comes out, it is very costly. I know the product that I brought forward was in the neighbourhood of half-a-million dollars before I really got it to the market. Is this the type of initiative that the department is looking at, if it is specifically to livestock, or is this the type of program that the department is looking at?

Ms. Wowchuk: Each case, each proposal, is viewed on an individual basis. It depends on the business

plan that the individual puts forward. I would say to the member that it just depends. If it is a food product that the individual is trying to put forward, we just announced the Food Development Centre where we can offer services there. We are developing a marketing branch that could be helpful, but with regard to loans, I cannot say whether the particular project that the member is referring to would qualify. Each one is done on a case-by-case basis, and you could not make a general statement that projects will qualify for a DLG or would not qualify. It is very much an individual basis and due diligence has to be done. We are dealing with public money.

Mr. Eichler: The board, then, would be making this decision based upon recommendations from your new staff that is going to be looking after this initiative.

Ms. Wowchuk: There are a series of levels. There is a certain level that the staff can approve, a certain level that has to go to a board and if it is a project of \$3 million, it has to go to Treasury Board. A \$3-million project would mean that we are guaranteeing \$750,000, but we also have to have the private sector involved in this because we are not making the loans, we are doing the guarantee on the loans. It is the private sector, but each of us, the corporation and the private sector, would each do their due diligence and on the larger projects. Then, it would be reviewed by Treasury Board.

Mr. Eichler: Just so I am clear, the board will make the final decision on whether or not a loan will be granted other than the maximum \$3 million.

Ms. Wowchuk: If the guarantee is on a loan of over \$3 million, the board makes a recommendation to me and then I would take that to Treasury Board. If it is under \$3 million, then the board will make the decision on the guarantee.

Mr. Eichler: Could the minister or her staff just tell us, I know when they go to get money from Treasury, what rate of interest does the Treasury charge you for those, what is the interest charge?

* (16:10)

Ms. Wowchuk: I had given the member some rates that the corporation charges. For example, I had said that the one-year rate was 5.15. There is

1.5% markup. The rate that we get from Treasury Board would be 1.5 percent below the rate that we offer. So, for a one-year loan, our rate would be 3.65.

Some Honourable Members: Oh, oh.

Mr. Chairperson: I want to interject. There is some conversation, and that makes it difficult to hear here.

Mr. Eichler: So, basically, the 1.5 percent, have your staff done a calculation? Is that kind of a break-even point as far as cost is concerned? You said earlier this was shared by the federal government as far as cost.

Ms. Wowchuk: No, I want to correct the record. This is not shared with the federal government. MACC is strictly a provincial program. There is sharing on administration costs for the crop insurance. This is strictly provincial, and that is the markup that we use. If the member is asking if it covers all of our costs, no, it does not.

Mr. Eichler: With that, how much cost is over and above that? Is there a percentage point that you figured out that is workable? Is it 2 percent, 2.5 percent?

Ms. Wowchuk: It is not the intention to recover all of the costs. There are many parts. There is a very diverse number of programs that are offered and they are offered at different interest rates. We talked about the program, the interest rate rebate that goes on the young farmer rebate. We administer many programs. For example, all of the BSE programs that the corporation administered this year, the Province paid for administration of those. So it would be very difficult to say that. We are not trying to recover everything. If you look at the total cost of all of the programs that we offer, about 16 percent of the administration is recovered, about, that is a rough estimate, but it has never been our intention to recover all of the costs. Our intention and our goal is to provide a service, deliver programs and fill a gap where the financial institutes are not there to stand with the ag industry.

Mr. Eichler: With respect to loan applications that are sent in, I know most of the financial institutions have a processing fee or a fee of which they charge to look at an individual's credit requirements. Does MACC charge a farmer for that, or is that a fee that is waived or absorbed by the department?

Ms. Wowchuk: Yes, there is an application fee, and the loan application fee is \$5 per 1000, but there are no fees on BSE recovery loans or any of the guarantees. There are no fees there; it is on the loan application fee.

Mr. Eichler: Does this fee have to be paid up front, or is that subject to whether they get the loan or not? Or is this a fee that is charged regardless whether or not they get the loan?

Ms. Wowchuk: If there is a change in terms, there is a fee. If there is a withdrawal prior to the approval, if the individual makes a withdrawal, there is a full refund. If there is a decline, it is a 50% refund. If there is a cancellation after approval, there is no refund. So there are various steps that are taken depending on what the individual does.

As I indicated to the member, it is \$5 per \$1000 in loan, but there is usually a very good working relationship between the rep and the individual who is making the application. So there is a good understanding prior to going into it as to what the fee will be and what the options are with regard to withdrawal or cancellation.

Mr. Eichler: On the BSE loans that the minister announced last year at low interest rates, which most of those loans will be coming due come fall, do we have a plan in place if the border is not open in order to assist these producers? I know there is a number of them. I believe the minister announced in one of her three or four hundred news releases here that, I believe it is \$71 million has been loaned out.

Could the minister confirm that number, also the number of farmers that participated in it and their long-term plan once these loans come due?

*(16:20)

Ms. Wowchuk: The total number of loans, as of April 18, is 1746 loans, for a total amount of 68.465 million. So there is a difference in the amount that the member indicated when he said 71. That would be the feeder financing loans which amount to just under \$3 million.

I can indicate that the people anticipated that loan was going to come to an end as of March 31. The announcement that I made is that loan is still available and there are still applications coming in

for it. As well, people have the option of moving into the Part 2 and getting an additional 25,000, and that would spread their repayment over a 10-year period. So there is still activity in this program. I know that the member opposite and members of his caucus have been very critical of this program, but I can indicate that it has been well received and it has made a difference in the cash flow for producers, and they continue to make application. Some are moving forward with moving theirs into Part 2, which is a longer term.

Mr. Eichler: So then the total loan that is available if you include Part 2, just so I understand what the minister is saying, is it a total of \$75,000 is what would become available?

Ms. Wowchuk: That is accurate. Under Part 1 there is \$50,000. If the individual chooses to move to Part 2, there is another 25,000 available, taking it to a total of 75.

Mr. Eichler: I cannot believe I missed the press release on that. Must have missed out somewhere along the line.

Ms. Wowchuk: The member should have been watching the press releases when we first announced this program. Those details were all there and, in fact, just recently, we put out another press release because I think it is important to keep Manitoba producers informed of the programs that are available, and we announced that the program was still available and people are still taking it up.

Mr. Eichler: Well, I do not want the minister to fall off the box she is on, but her staff just told her, so she is not all that familiar with the program either. So, anyway.

An Honourable Member: Play nice.

Mr. Eichler: Usually I do, but I could not let that one by.

The loans that we asked specifically about with regard to interest cost, the interest cost then, is that going to be rolled over into a long-term loan on the 50,000 or the 75,000?

Ms. Wowchuk: The producer would have the option of paying the interest if they so chose, but they also

have the option of rolling over the interest with the program as they go into Part 2.

Mr. Eichler: With the loans that are out, out of the 1746 producers, are there any of those that have been repaid?

Ms. Wowchuk: Yes, Mr. Chairman, there are a few people who have repaid their loan.

Mr. Eichler: In the interest charge on that, just so it can be recorded in Hansard, what is the interest rate that is being charged on these loans?

Ms. Wowchuk: Can the member indicate if he is talking about Part 1 or Part 2?

Mr. Eichler: Both.

Ms. Wowchuk: Well, if the member read the press release that he has referred to, he will know that we recognize the challenges that producers were facing and that is why we put in place a very low interest rate. For the first year, interest rates are set by the corporations at a rate of 3.25 percent, and if you are a producer under 40 you got a reduction of 1% interest, so we are keeping the interest rate on the long-term set at—the interest rate is set for the Part 2, set monthly in relation to the cost of financing for conventional borrowing.

So, on Part 2, it has been set at conventional rates, Part 1 we have the discounted interest rate that we talked about. So the first part is where the producer has the opportunity to get a lower interest rate.

We all recognize how difficult the situation is for people who are caught in this BSE situation, and that was why we tried to put in place a lower interest rate to help them, but once they turn it over into a longer term, it will go to the conventional, traditional rate that we have. We talked about the level of rates we have whether it is for a one-year or a ten-year loan. If they turned it over into a ten-year loan, it would go to 6.125 percent.

Mr. Eichler: With these loans coming due—most of them I believe were sent out in November, December last year, so they will be coming due this year—is there any indication that the department is prepared to maybe waive some of the interest costs?

Ms. Wowchuk: Those interest costs have been reduced already when we put the program in place, so there is a reduction in interest for the producers under this program.

Mr. Eichler: In light of the border being closed yet and hopefully that it is open and the idea of the processing plants being up and running by fall in order to relieve some of the stress on the farmers that are holding back these cattle trying to get them processed, I would recommend the department have a look at lowering that rate again or some type of way of compensating the farmers for having to hold these cattle because they are going to be forced to sell them at a reduced cost which they are now, \$100 to \$150 below cost of production in order to get their crops in. Having said that, I think the minister or her staff should review that come fall before these loans come due.

Ms. Wowchuk: I can assure the member we continually review the situation that is out there, continue to review the programs and evaluate what services we could provide. There are a variety of programs that are out there now. I thank him for his advice and I can assure him that this is reviewed on an ongoing basis.

Mr. Eichler: I would like to move on to the rural economic development loan guarantees of \$1.4 million and then also the paragraph goes on to say that there is \$0.25 million in direct loans. Would the minister highlight on some of the projects they are working on and what point is the department at in trying to sort out new developments within rural Manitoba?

Ms. Wowchuk: Mr. Chairman, these are new responsibilities with the reorganization that we have talked about. There are some new responsibilities that the corporation will be taking on. They will be taking on some of the responsibilities of REDI. They will be taking on some of the responsibilities of the Community Works Loan Program, the REA program, REA and Community Works Programs.

Mr. Eichler: Is there specifically any initiatives the department is working on, any particular community that—I realize it is new in her department, but are there any aspirations or goals in particular that have been brought forward to her attention or her staff.

* (16:30)

Ms. Wowchuk: Mr. Chairman, REA is an ongoing program. It is just that we have moved it around. It was in the department before, and it is now just being moved in underneath the Credit Corporation, but it is an ongoing program to lend money and provide guarantees for small business under the Community Works Loan Program. There are 159 municipalities that are participating in this program, and they have about \$2 million that they are able to lend out for projects in their areas.

So the funds are there through the Community Works Loan Program for municipalities to work through development corporations to make some decisions locally. These funds are available there, and as I say, under the REA program that it is part of already. It is a loan guarantee program for business loans between \$10,000 and \$100,000. It can be for new or expanding full-time businesses; it can be for small, home-based businesses that are located throughout rural Manitoba. They have also expanded the program to be available for northern Manitoba as well. Through Northern Affairs communities, they did not qualify under this program previously. This is a change we have made, because we believe there is an opportunity for people to expand, particularly some of the smaller businesses in those communities.

If someone makes an application under that program, which is the Rural Entrepreneurial Assistance program—I have been referring to it as REA, but that is what it is called—there are some conditions they have to meet prior to qualifying for their loan guarantee.

Mr. Eichler: With respect to the loans, then, for rural economic, is this a direct competition, as compared to the WDC? I mean, they make funds available as well. Are you a last resort or does WDC come first? What is the order of criteria on which you base your decision before going into a loan guarantee?

Ms. Wowchuk: I do not believe we would be in competition with Western Diversification because Western Diversification would be much larger loans than what we are doing here. These can be between \$10,000 and \$100,000, so I do not see us being in competition with Western Diversification at all.

Mr. Eichler: If we use just Lakeside and Interlake, there is I-Com developments, there is the Interlake Development Corporation, there is Super 6. Over to

Selkirk, there is Triple S. There are lots of places that offer financing where they cannot get financing from the bank. Is this just another duplication? How does it complement any of these other programs?

Ms. Wowchuk: All of these programs really complement each other. There are some that are done on a very small scale. When we talk about the Community Works Loan Program, that money is provincial money as well as some money put in by the municipality to put together some very small loans that would help with local businesses, a maximum of \$10,000. It can be used for establishing a new business, a new venture or expanding an existing one. I would look at Community Futures as the next step from the small businesses.

There is dialogue between the economic development officers and the municipal people and the people that work in Community Futures. I think that they complement each other. When we look at the staff we have that works on economic development, and now to have these kinds of loans, working with municipal officials, I think we will get a greater efficiency and a better dialogue between the various groups that are out there with the ability to lend.

We could not replace the funds that are available through the federal programs because they are at a much higher level than what we have the ability to do here. But I see these as very important tools and stepping stones for people to try out a new business, to test out a new idea and start additional economic activity in rural communities.

Mr. Eichler: I thank the minister for her comments there. I do know in our particular area there is confusion because of the number of places that are available for people to go to try and start a new business. I am not just too sure if adding another line for them to go to is just going to cause more confusion.

Obviously, they have checked this out, and it is something that you would like to go in and move forward on, but I know our particular area, the people that are involved with the Community Futures and at the local level, there is a number of people that just do not know where to start and which one to go to.

Ms. Wowchuk: Well, this is not adding a line. This is the same staff that has been there. It has been in

place since 1992. What we have done is changed the location of it, but this is not creating another line. These are programs that have been available for over 10 years now. And the community development corporations have been in place for some time now. But it is the same people that were working on it before that will be working on it now. I am not sure where the confusion might be coming in because this is not a new program at all. Rep line services is the same that it was.

Mr. Eichler: You mentioned that the Credit Corporation will be administering the REDI program. Is that correct?

Ms. Wowchuk: If I said that, I was inaccurate. What I wanted to say was that the Credit Corporation will be responsible for the Rural Entrepreneur Assistance, which is the REA program, and the community works loan program. Those two programs that have been in existence for some time will now come under the responsibility of the Credit Corporation.

Mr. Eichler: And who will be administering the REDI program?

Ms. Wowchuk: It is in the Department of Agriculture, Food and Rural Initiatives. We have a Rural Initiatives branch, and that is where it will continue to be administered.

* (16:40)

Mr. Eichler: I got a call today, again, from B J Packers from Beausejour who would like to upgrade his plant; I wrote you the letter on asking for a meeting with him. My understanding is, the way he explained it to me, for assistance to upgrade and do a feasibility study, which is in the neighbourhood of \$50,000 for the cost of this project, is there a time line in which he can get this money back?

I understand under your announcement that there is 90 percent that is recoupable, so this \$50,000 he would qualify for \$45,000 back once he pays that bill. But in the meantime he still has to put out that \$50,000. What is the time frame, and is that available on an easy access basis?

Ms. Wowchuk: As the process is now, the individual would hire their consultant. Once they have a consultant's report they are happy with, they

would then submit their bill to us. Within about a month, they should get their money back. We are also looking at how we might be able to make some changes, but that is what has been in place for other people.

I should tell you that we also did some feasibility work, a study that was available for all of the province to use. That data is available, but when somebody is doing their consulting, the process up till now has been they pay the bill. When they have got their consultant's report back, they submit their bill to us, and then we pay them up to 90 percent of it.

Mr. Eichler: Is there a maximum amount? I know in this particular process, the information that was passed on to me called for three quotes. All three were in that general range of \$50,000. Say it was \$100,000, would the minister's department pay \$90,000 for that feasibility study, or does the minister have to pre-approve these?

Ms. Wowchuk: The limit for a feasibility study is \$50,000. That is the limit. There are also funds available for business plans, so if the individual had one phase done and then wanted to do a business plan, there are options available. There is staff available to work with these individuals, as they look at their different options. There is certainly staff available, and I know there has been discussion with Mr. Haywood.

Mr. Eichler: So the minister is saying that her staff has been in contact with Mr. Haywood to discuss upgrading his plant to federal standards.

Ms. Wowchuk: There have been various people from government who have had discussions with Mr. Haywood, and we would certainly be interested in continuing those discussions.

Mr. Eichler: Can I tell Mr. Haywood that you will be in touch with him shortly, then?

Ms. Wowchuk: Mr. Chairman, I believe the member sent a letter, and I believe that there has been discussion with Mr. Haywood. I will certainly confirm that when we are done; I will have a discussion with staff on that.

Mr. Eichler: Thank you for that, Madam Minister. I do think it is important that you do meet with Mr.

Haywood. I talked to him this morning at ten o'clock, and he tells me that he has not heard from you or the First Minister. He would dearly love to move forward with the plant upgrades. If the minister would commit to doing that, it would be much appreciated.

Ms. Wowchuk: I want to clarify the record. I did not say that I had met with him. I know there have been government staff who have had discussion with Mr. Haywood and provided information for him. We would be happy to provide further information for him.

Mr. Eichler: So then the minister will meet with him?

Ms. Wowchuk: Mr. Chairman, I can assure the member that we are interested in talking with Mr. Haywood. If I am not available for a meeting, certainly, staff will meet with him. I believe they have met with him. If I check the record, there may have been a point—I will not confirm this definitely, but there have been previous discussions with him, yes.

We are quite willing to talk to any individual, and there are many who are looking at the different opportunities to value-add in this province. We want to have those discussions. That is why we put in place different supports to help move this forward.

Mr. Eichler: Out of the \$3 million-plus that was announced, how much money of that has actually been spent or committed or has been application made for this funding to try and move the processing plants within the province of Manitoba to federal standards? It seems there is only one out of twenty-nine. Hopefully, there is some initiative of being taken to meet with these meat processors and move some of this money, so we can get processing back into the province of Manitoba.

Ms. Wowchuk: Mr. Chairman, we have had interest from five processors who are interested in moving to federal standards. Even prior to this program, we had money available to help them as they put their plans in place. Some of those people are in discussion, in the process of completing application forms, but I want to indicate to the member that as we start to flow this money, we want to have discussion with the industry. As you put a program together, you have to be sure that you are meeting the needs of the

industry and that is our goal. As we work with the industry, we will develop the parameters to use the money. I can indicate that there are several people who are looking at how they could expand to federally inspected standards.

Mr. Eichler: Could the minister just to elaborate a bit on when—or she said that she wants to meet with the meat processors. When does she anticipate doing that? Has it been recently? Because when I talked to all 29 of them less than two weeks ago, there was only one that actually received any funding from the province at that point in time. Is there an update that I am not aware of?

Ms. Wowchuk: Mr. Chairman, if the member is indicating that someone received money, that was probably from the feasibility program, but I can indicate to the member that there have been discussions with the industry and the industry has indicated to us that the best time to meet with them is around their annual meeting and that is a few weeks away. When they have their annual meeting, we will be having discussions with them.

Mr. Eichler: So this meeting, then, to get back to it, in a couple of weeks the meat packers within the province of Manitoba, we have asked several times in the House regarding an interprovincial meat program. Is this something also that is going to be on the agenda in order to try and move this forward?

*(16:50)

Ms. Wowchuk: The interprovincial trade of meat falls under CFIA and since I have been minister, I have been trying to get other provinces interested in interprovincial trade. I had introduced the National Meat and Poultry Code.

As I indicated in the House, there is not any interest on the part of other provinces to change that, and that is not something we can change as a province because we are a nation and we have national standards. If we make changes, we can make changes within our own province, but we cannot make changes to a national code.

I have raised the issue, I have not had any sense from any of the provinces or from the federal government that they are willing to change from the federal standards we have in place to the National Meat and Poultry Code. That is why we have been

focussing our money in helping processors get to a national standard. The only way we are going to be able to export product into other provinces is by getting to a national standard.

Mr. Cullen: Mr. Chairman, I would ask the minister if she has a corporate flowchart for the new, proposed ag services corporation.

An Honourable Member: Structural chart.

Mr. Cullen: Structural.

Ms. Wowchuk: If you look at the Estimates book on page 6, you can see the organizational chart of the department. I believe the member is then looking for the flowchart for the corporations. Is that what the member is asking for?

Mr. Cullen: Yes, thank you. I would like to exactly have the chart for the existing Manitoba Agricultural Credit Corporation and the existing Manitoba Crop Insurance Corporation, and subsequent to that, the layout or the chart for the new, proposed corporation, so really three pieces of the puzzle.

Ms. Wowchuk: Yes, we will be able to provide that for you. I do not have the old ones with me, but when we get back to the next day. There is one in the annual report, but we will be back here for Estimates tomorrow, and we will be able to provide some charts for you, original.

Mr. David Faurchou (Portage la Prairie): I appreciate the opportunity to participate in the committee of Estimates in Agriculture. Thanks to my colleague from Lakeside. I do want to begin by thanking the minister for her support of agriculture in Manitoba.

I will say in conveyance from discussions with agricultural organizations, they have recognized the minister does listen, and they are pleased that her office door, as she has stated in the past, endeavours to keep it open and be able to be approachable by the agricultural organizations.

Some Honourable Members: Oh, oh.

Mr. Chairperson: Member for Portage, you have the floor.

Mr. Faurchou: I do want to compliment the minister and say that it is appreciated and it is

resonating out in the agricultural community. Now, having said all that, there are areas for improvement still.

Although our recent opening of the agricultural Food Development Centre in Portage la Prairie, the expansion was welcomed, and I am extremely pleased to see that even on opening day, there were two delegations from different international communities, China and Mexico, in attendance on that date. I believe there is a lot of opportunity to work with those respective countries.

I want to begin by asking the minister, today we are seeing a lot of change, and the recent announcement by the—

Mr. Chairperson: I will just interject. There is some conversation, even asides, and that interferes with the speaker here. Just keep your conversation down.

Mr. Faurshou: —that the cereal research centre at the University of Manitoba campus is going to be abandoned. I am wondering about, first off, the minister, are you engaged with discussions with your counterpart, the federal government, not to lose the very valuable research that has been ongoing there for decades? Also, too, within that, as we appreciate, research is a knowledge-based industry which can be relocated as easily as transferral of personnel, and the endeavours that must be made by the department to make certain that the skilled researchers that we have currently operating in the province are not lost to other jurisdictions.

Ms. Wowchuk: Yes, we are definitely in discussion with the federal government and have stated very clearly we want that research to be maintained in this province.

Mr. Faurshou: Further to the research that the federal government is undertaking, we do have a collaborative, co-operative agreement in operations of the crop diversification centres in Manitoba, and a new agreement has just been inked for the continued operations of the sites at Carberry and Portage la Prairie. There is, though, significant concern that I will raise at this juncture in time, that personnel that are made available from the Manitoba Department of Agriculture to this very worthy organization are not essentially dedicated staff. The Department of Agriculture is responsible for two full-time equivalents. The Department of Water Stewardship is providing one full-time equivalent.

It is at times, I will say, an annoyance to not only clients, but even the support staff, as to getting the attention of individuals that have other duties within the department, their attention to square away, if I will, the necessary activities of MCDC proper. So I am raising, at this juncture in time, that the absolute need for this very worthwhile organization and its activities to see that we are, perhaps into the very near future, dedicated personnel that have the MCDC and its respective responsibilities as their complete 100% focus.

Ms. Wowchuk: We provide \$60,000 that is for one dedicated staff, and we also provide one staff-in-kind work, and we work as needed on the different projects. But we have to be careful as well. We have an extension service that is very important here, and we do not want to be duplicating what the extension service people are doing under this project. So we work very closely with them. The member is right. The agreement has been signed. We do provide funding for the staff person and in kind, and we do other extension service through the resources that we have in the department.

I guess we also want to put on the record that we also provide staff support to the provincial diversification centres that are not supported by the federal government.

* (17:00)

Mr. Faurshou: Well, it is appreciated. Certainly, the work is going on in the support the department does provide in these efforts, but I am raising an issue that is out there with co-operators, industry that works in partnership to look at diversified crops here in the province, that it is sometimes a frustration when there are distractions that the personnel have because they are not dedicated personnel to the MCDC.

They do have other responsibilities. So I am not looking for the minister to defend the existing practices. I am just stating that this is an expressed frustration that sometimes you are not getting the undivided attention of personnel in these centres because they do have other responsibilities.

Ms. Wowchuk: Mr. Chairman, I want to share with the member that I just met with the vegetable growers, and the vegetable growers, in fact, were very happy with the kind of service that we were

providing. They talked about the need for some additional support, but the potato growers have told us that they did not want the potato specialists to be tied to one facility. What they wanted is that the potato specialist be tied more closely to the pathologist and entomologists that work at the Carman office.

We have to work with the industry and work closely with them. As we do our reorganization we are looking very much at what kind of additional services we can provide. There is no doubt agriculture is changing. There is an interest in new crops, and we have to provide some specialist service. We have to provide extension service. If there is frustration that there might not be dedicated staff to particular projects, we have to spread our resources. We do provide funds for one dedicated staffperson, and I am pleased that we now have a long-term agreement as well, signed off by the federal government.

Mr. Faurschou: I thank the minister for the response and, yes, without question, information transfer between the extension personnel and those persons engaged in research, that is valuable as well, to keep extension staff up to speed on what is new.

I do not want to be totally focussed on Ag personnel. In this particular collaborative, co-operative agreement there is a person from Water Stewardship that is engaged as well. I think perhaps maybe that multi-tasked or multi-responsible abilities assigned to one person or two people up there sometimes gets a little confusing and maybe could be looked at as well. I know there are crossovers, when it comes to water, between departments.

Also, I know primarily it is the responsibility of the federal government to cover off capital toward the continued operations, but it is important that we recognize that there need to be upgrades. Whether it be from the tractor that hits the field or the photocopier on the manager's desk, and capitalized equipments, I think, if we are going to do the job in the field, we have to have current equipment in order to be able to work. I know the federal government did recently invest handsomely to bring the equipment to a more current technological place, but it is important that, what we are doing in the fields on the research and piloting, we use equipment that is commonplace in commercial operations so that we are able to replicate what industry has come to see as the norm.

We do not want to be dealing with equipment that—I am not going to say the trip wheel Van Brunt seeder toward the hydraulic air seeder, with precision placement of the seeds. We want to be able to say this is how we, in fact, as seed placement goes using current technology, and having persons that understand the actual application of technology so that when a producer calls and asks about the seed placement and particular settings that are used to garner the test or research results, that is in today's technology. We are not trying to relate our research data through the use of old equipment, if I am bringing to the bottom line the simplistic way of doing this. So I am asking that there be appropriations to make certain that we keep current with equipment used in our research.

Ms. Wowchuk: Mr. Chairman, you know, I listen to the member and I understand his frustrations. One of the challenges for us is when the federal government sets up these kinds of facilities and then does not follow through with support for them. The member talked about some new equipment coming in. We, actually, would be very pleased if the federal government brought more resources to Manitoba, and I talk about the potato industry, in particular.

If you look at the resources the federal government puts into research into the Maritimes, the resources they put into research in Alberta and compare them to the resources we get here in Manitoba, when you look at our potato production, we do not get nearly the resources that we should. There is no doubt about it; we are being short-changed. We have lobbied and we will continue to lobby to have Manitoba become a centre of excellence, so to speak, for potato research because we do not think the research that is done in the Maritimes applies to us here.

The member talks about need for more equipment and some issues with regard to the services, and certainly there is a management committee in place. We will raise these issues with the management committee, but they are the ones that also have to make some decisions. This is a three-way agreement between the industry, the province and the federal government. The industry also has to decide at what level they are prepared to support in order to have the research continue, and that is a very important part of it. For us, as a province, we also have provincial research centres that we have a responsibility to and that we have to

be sure we are funding as well so that there is a distribution.

I thank the member for his comments with regard to this particular centre, and I hope he will help us to continue to lobby the federal government that we continue to have our fair share of research. On the earlier question about the centre, on the grains research, we are definitely raising that issue, and I believe we have a commitment from the federal government. They are going to maintain that research in this province, and we will continue to work on that one.

Mr. Faurschou: I probably could go on at length about research because that, I feel, is ultimately key for future prosperity in agriculture, and I believe many in your department, including yourself, Madam Minister, share that premise.

Also, too, there needs to be a practical application of the research. That is where the Prairie Agricultural Machinery Institute comes into play. I know there was an undertaking that I raised yesterday with the Minister of Energy, Science and Technology (Mr. Chomiak) regarding the gasification of rendered animal by-products, that rather than sending them to the landfill sites throughout the province, we have a potential energy source with the methane gas being emitted from the digestion of the potato peels in Portage.

You are probably familiar, Madam Minister, with the flare stack, as you drive home sometimes past Portage la Prairie, shining in the west there burning off the methane gas. This would be an ideal energy source in which to gasify the animal by-products. There is, though, a stumbling block here, that it just seems to be shy some resources. PAMI is not quite able to do it. I understand the federal government has begged off on the basis that they said they have put in place all of their research and technology development monies through ARDI, and they are not prepared to come any further than that.

* (17:10)

I do not want to lose the opportunity, and I do want to see use of an energy source that right now is being totally surplussed and flared off. Our landfills continue to fill with by-products that I think could be gasified and ultimately disposed of in a different fashion.

Ms. Wowchuk: I think the member is well aware that this government is very committed to looking at alternate energy, whether it be ethanol, biodiesels, biogas, wind energies. We recognize all of those as important opportunities that could add value-added particularly to rural communities. Each one of those projects has to be looked at specifically, and we have to look at what research is being done in other places so that we are indeed not duplicating. There is a definite commitment on the part of this government to look at those opportunities.

Mr. Faurschou: I am not going to sound very much like a Conservative in my next remark, but sometimes government has to show leadership and step to the plate and get something done when it is in a near-crisis mode.

I see that our livestock processing and with the concern over BSE that we act responsibly in disposal of rendered animal products from that processing industry and make certain that they do not re-enter as feed by-products at another junction in the feed line. I think it is important that the government does show leadership and develop this particular gasification technology. If it is going to cost a few dollars, then we step to the plate. We get it done and essentially show the leadership and fill the void in a necessary area with concern to our environment, as well as the disposal of products that seems to be our largest trading partner's main concern. I leave that with the minister, and I will move on unless she has a quick comment on that.

Ms. Wowchuk: I just wanted to indicate to the member, he is talking about PAMI and the gasification project that they talked about. There are two parts to our funding to PAMI. One of them is their core funding and the other one is project specific. If they are interested in coming back and having discussions with us, we would be prepared to have those.

I want to indicate to the member that we have maintained our project-specific money, even after Saskatchewan, who is our partner in this, withdrew theirs, our money remains there. That money is available for specific projects. No matter what project you look at, you have to be sure it is not a duplication of another one. There is no doubt that as, particularly, the beef industry has changed and we move toward the removal of SRMs, there are different by-products that we have to find ways to

deal with and some of these projects that are out there may be part of the solution to the challenges we have.

Mr. Faurschou: I do want to compliment the minister. The department did step to the plate as far as PAMI was concerned and project specific funding. I want to compliment it because it is valuable not only to the client partners but also to the entity's overall function.

I guess I had better quickly move through some of my points here, otherwise I am not going to get to them all. I want to leave with the minister and the department the idea for the record that I believe that aquaculture and the commercial fishing industry are entities which are a natural fit with the department.

There is an ongoing tug of war, if you will, within another department within government as to what benefits most Manitobans, whether it is the netting and commercial fishing industry on the lakes or whether it is sports angling. I feel the minister has a responsibility or a role to play, if I will. If you were to, essentially, garner the commercial side of the fishing industry here in the province, where netting and aquaculture are clearly defined as under the Department of Agriculture and sport fishing and that can be left to another department, which it is clearly a different mandate, more tourism and recreation, rather than actual industry supporting persons engaged and drawing their livelihoods from it.

Ms. Wowchuk: Mr. Chairman, we do see aquaculture as an opportunity for diversification in rural Manitoba, and there has been a significant amount of interest in a few areas. In fact, if somebody read the *Free Press*, in Swan River there is an individual who is raising lobster, and who ever thought, in the middle of the prairie? Although they are not your ocean-type lobster, they are being raised, and we are interested.

We are interested in working on aquaculture in a confined area. The commercial fishing and that aspect of fishing stays with the Department of Conservation, but in our department we have a position for an aquaculture specialist that we will be continuing to work with producers and looking how we might be able to expand that opportunity.

I have one question, if I might ask the critic. I do not mind taking the questions, but I would just like to

know whether we are finished with the questions on the Agricultural Services Corporation, whether we might be able to pass that line today and then move on to other departments. That would give a signal to the staff as to who would have to be here tomorrow.

Mr. Eichler: The minister has great intuition because I actually was on the same thought process. I sent the messenger to canvass the House members to see if they had questions for them. I just talked with your staff member there and whether or not he would be available tomorrow to come back. We realize the cost that is involved and the work that needs to be done, but I will have that answer for her shortly.

Ms. Wowchuk: Thank you. Then let us proceed.

Mr. Faurschou: I would just like to correct the record. The responsibility for fishing went over to Water Stewardship and, yes, they are both there at the present time. But I think that in order to get away from all of the perceived conflict as to whether a particular body of water is to be commercially fished, or whether that body of water is there for the sports fishing and tourism industry, I think we really need to take a closer look at it so we are not in this tug-of-war year in, year out. As you will appreciate, I was in support of extending the fishing season here with a large net, the three and three quarter net.

Now, water is another issue that I am very much concerned about. I know the minister committed a couple of years ago to put together an interdepartmental committee that would look to provide water storage for expanded irrigation opportunities. I am just wondering if that committee is still in place. Maybe a very short update.

Mr. Chairperson: Excuse me, I will just interject. Is there leave to deal with these questions? The minister has already agreed to, but is there leave? We are supposed to be on Resolution 3.2. Is there leave? *[Agreed]*

Ms. Wowchuk: Mr. Chairperson, I am still not sure what the member from Lakeside was saying. Are we prepared to pass that one section with regard to the Agricultural Services Corporation so that, indeed, we can then move on to the other sections of the department? I was not clear on the answer.

* (17:20)

Mr. Eichler: No, we are not prepared to pass it at this time. We want to wait and make sure other members do not have questions for them. So we will get back to you shortly.

Mr. Chairperson: Therefore, I will just ask for leave if we are going to go beyond Resolution 3.2, just for today. Leave?

Ms. Wowchuk: Mr. Chairman, I am prepared to do that for today, but I thought we had an understanding when we began this process that we were not going to be bringing staff in day after day, that we would deal with the two corporations now, or with the Agriculture Services Corporation so that staff could go back to do their work, rather than have them come back every day. That is the only reason that I am trying to get some clarity to where we are going here. That is the line we should be at. I am prepared to answer these questions, but I want to send a signal to staff on what is expected of them tomorrow.

Mr. Chairperson: I understand there is agreement to give leave on going beyond 3.2. Agreed and so ordered for today.

Mr. Eichler: Thank you, Mr. Chairman. We will have the answer shortly. I agree with what we have agreed to, but in all fairness for the other members, I want to make sure that they have that opportunity. So, I will know as the member from Turtle Mountain gets back.

Ms. Wowchuk: Mr. Chairman, we will go a little longer here but, again, we have to have some signal to staff.

With regard to the member's questions with irrigation, he was talking about a committee. It is really the committee that administers the irrigation development program. That is a management committee, that committee is in place and we continue to work with producers in this area.

Mr. Faurschou: No, Madam Minister, it is bigger than that insofar as, if we are going to see water retention in quantities and areas where irrigation has the potential to be developed, we are going to need a co-ordinated effort that goes across ministerial lines.

Let us take an area in my back yard here, the Treherne Dam proposal. There is a local committee that has been working extraordinarily hard and for quite a number of years on this. Essentially, it needs

not only the support from Agriculture, it needs support from Conservation, it needs support from Water Stewardship in areas to make this a proposal a reality.

Ms. Wowchuk: All of these departments are involved.

Mr. Faurschou: So when do we see the earth start moving on the Treherne Dam?

Ms. Wowchuk: The member knows full well for a project like this to happen, there is a tremendous amount of work that has to be done in the feasibility stage. When that work is completed and the discussions are completed, then we will see some activity; but, certainly, water retention is a very important issue and one that I support. When I drive home and I see the water going down the Portage Diversion, water that could be retained in on-farm storage, I believe that is an important issue that we have to address. As I said, there is a committee that crosses departments that is working on it.

Mr. Faurschou: All that water flowing to Lake Manitoba along the Portage Diversion could be held by the Holland No. 3 Dam for recreational, industrial and agricultural purposes. I encourage the minister to support that initiative, because I believe it is a very worthwhile one that would benefit all persons, and even assist the First Minister in his pledge to create 1000 new cottage lots in the province of Manitoba. So this proposal has many areas that would benefit from this.

I will, then, seeing that personnel from the Agricultural Credit Corporation and the Manitoba Crop Insurance Corporation—the time line that we expected legislation that was tabled or introduced into the House last week, the minister has every expectation that will receive passage through the House.

Can she, then, tell us of the time line as to the restructuring that is obviously going to be necessary? You have a reduction of eight staffpersons listed in your book of Estimates, and is that something that has already taken place or is that just anticipated?

Ms. Wowchuk: I guess it is now in the opposition's hands. We have tabled the legislation. You can debate the legislation, and then we will move forward. It is our anticipation that the legislation will

pass within the next month or so, and we intend to implement, we would hope to be fully transitioned late summer, by August. With regard to the eight positions that the member has referred to, those are eight vacancies, so there will be no impact on individuals.

Mr. Faurshou: Thank you very much for the update from the minister in that respect. It is, obviously, a concern of mine being that the Manitoba Crop Insurance Corporation is headquartered in Portage la Prairie, and the consensus of my community is that we would like very much to see the headquarters remain in Portage la Prairie, perhaps even enhanced through the merger. We would more than welcome additional personnel to Portage la Prairie—[interjection] So I thank the minister for that.

Now, the overall administration cost obviously is going to be a concern when one merges, and to detail this type of personnel for cost recovery from the federal government, are we going to have problems in being able to assess the administrative costs? Because my understanding is the federal government is responsible for 60 percent of the administrative cost of the crop insurance program, whereas the federal government is not responsible at all for any of the administrative costs of the Credit Corporation. So we want to make certain that this is not going to be a glitch that we cannot overcome.

Ms. Wowchuk: First of all, I want to indicate to the member that when we came forward with this proposal to bring the two corporations together, we made it very clear that the Credit Corporation services will remain in Brandon, and the crop insurance entity will remain in Portage la Prairie. With respect to delineating which expenses belong to who, we do not see any difficulty in that at all. Just as we are able to separate out costs on the many programs that we have been offering through the BSE crisis, we have been able to delineate what are provincial costs, what are federal costs and divide them up. We do not anticipate any problem in being able to delineate that here.

Mr. Faurshou: We just have a couple of minutes left here, so I will move on to a couple of quick snappers here if I will. The Manitoba Agricultural Museum is still in deliberation as to whether it will apply for foundation status. I wonder if the minister had opportunity to consider support through

absorption of the legislative costs to provide for an act of the Legislature to organize that entity.

Ms. Wowchuk: The member did raise the issue with me, and I have not had an opportunity to move forward on that. But certainly I will have that discussion with staff and look at the possibility of that legislation.

Mr. Faurshou: On the next issue of kernel visual distinguishability, I will recognize that the minister is the president of the organization of which I have been a member since I was 16 years of age, the Manitoba Seed Growers Association. The minister is the honorary president of that organization. There is a lot of discussion about kernel visual distinguishability and whether that is a relevant way of grading at the present time. There is concern about bringing in the new genetics to provide for higher yielding wheats that potentially are not distinguishable from bread or milling wheats. I am wondering whether the minister has had discussions, because it is a vital element to production that is going to be needed to sustain the ethanol industry as her government has stated is something that they are going to pursue.

Mr. Chairperson: The hour being 5:30 p.m., committee rise.

ENERGY, SCIENCE AND TECHNOLOGY

* (14:40)

Madam Chairperson (Bonnie Korzeniowski): Will the Committee of Supply please come to order.

At a previous sitting of this section of Supply, it was agreed to discuss this department in a global manner. The floor is open for questions.

Hon. Dave Chomiak (Minister of Energy, Science and Technology): Madam Chairperson, I just want to introduce Jim Crone, from our energy initiative, who is joining us today.

Hon. Jon Gerrard (River Heights): My first question has to do with the arrangement that Manitoba Hydro has apparently paid \$14 million to the Tataskweyak Cree Nation in order to provide information to the members of the community in relationship to the Keeyask Dam. Is the minister satisfied that this is a reasonable expenditure with reasonable goals?

Mr. Chomiak: Madam Chairperson, I suggest to the member that he could pursue this line of questioning with respect to Hydro when we meet in the Hydro committee, and he could ask Hydro officials directly that particular question.

Mr. Gerrard: The issue here, given that the minister has some responsibility in this area, is just to find out whether the minister is satisfied, as the minister with some responsibility, that this is a reasonable expenditure.

Mr. Chomiak: Notwithstanding my comments earlier, I actually answered that question specifically in the Legislature yesterday.

Mr. Gerrard: The minister is satisfied this was a reasonable expenditure. Is that what the minister is saying?

Mr. Chomiak: I dealt with that yesterday in the Legislature. If the member has any further questions, I think the appropriate vehicle would be to ask those questions when the Hydro standing committee meets, which we are prepared to do forthwith.

Mr. Gerrard: I am pleased that we will have the Hydro committee meeting shortly because I think that is quite important. What I would ask is can the minister provide the details of expenditures by Manitoba Hydro on the Tataskweyak Cree Nation on an annual basis for the last 10 years.

Mr. Chomiak: I believe the member could and should ask those questions when the Hydro committee meets.

Mr. Gerrard: I would like to move to another issue which deals with whether there are any legal actions going on at the moment involving Manitoba Hydro and earlier dams that were built and the potential for compensation.

Mr. Chomiak: I think a more thorough and informed response can be provided to the member when the Hydro committee meets.

Mr. Gerrard: I thank the minister. I am sorry he is not a little bit more forthcoming. One had assumed the minister would be able to give some details with respect to Manitoba Hydro rather than passing off any and all questions which relate to Manitoba Hydro.

Let me ask the minister a question with regard to one of the technology companies in Manitoba, eZedia company, which presumably is technology and within the domain of the responsibility of the minister. This is a company which went into receivership in the last few days. It was a company that was producing some very interesting technology materials which have been described a little bit like a variation of a PowerPoint approach to being able to provide technology information. I just wondered whether the minister can tell us a little bit about whether his department has any involvement at all with the eZedia company.

Mr. Chomiak: I did not catch the name that the member is referencing. Can he spell it for me because in both references I did not catch what company the member was referring to?

Mr. Gerrard: The company is eZedia Inc. That is a small, little e, capital Z-e-d-i-a Inc. There was a significant story in the April 23 *Free Press* entitled, "Multimedia software firm eZedia Inc. in receivership." It was a significant firm in the realm of technology in Manitoba, and I would ask whether the minister and his department over the last number of years have had any dealing with eZedia and the executive or the employees of eZedia.

Mr. Chomiak: I will endeavour to determine whether or not EST has had any dealings with that particular company.

* (14:50)

Mr. Gerrard: May I ask in what form, and when he is likely to be able to provide that kind of information?

Mr. Chomiak: As soon as possible.

Mr. Gerrard: Let me move to an area that the—

Mr. Chomiak: I told you the deputy was away today, and it is a problem, because he had to go out of town. I said that it would be difficult on some specifics.

Mr. Gerrard: The minister was formerly the Minister of Health, involved and concerned about the role of research and technology and the supportive improvements in health care. I would just ask the minister if he would tell us a little bit about the role

of his current department in ensuring that, when we come to health care research and health care technology, Manitoba is well positioned, and we are able to have advances in health care, both from the terms of quality and in terms of cost.

Mr. Chomiak: With an allocation of \$12.2 million, the Manitoba Research and Innovation Fund is the primary vehicle for funding provincial research and innovation. Established in 2003-2004, there are three separate components: research funding, the health research initiative, and innovation funding.

The research fund is a competitive process, and carries an \$8.8 million allocation for 2004-2005, with focus on expanding Manitoba's research capacity, enhancing research infrastructure, enabling research programs and providing key support to emerging programs. The investment fund also leverages from other sources, such as the Canada Foundation for Innovation, Genome Canada, Canadian Institute of Health Research regional partnership programs. Several of these programs require a contribution from more than one source to fund the projects, and Manitoba has been able to leverage considerable funding as a result of it.

In addition, there is a cost supplement to Manitoba's Research Centre, CancerCare Manitoba, Health Sciences Centre, Manitoba Institute for Child Health, St. Boniface General Hospital Research Centre and the University of Manitoba that is undertaken and provided on a regular basis. In addition, with respect to innovation funding, an additional \$1.4 million is used to assist the implementation, identify strategic priorities of MEST, and the stream is meant to be catalytic to support the broader industry in developing their innovation structures and their own economic development by leveraging expanding research capacity. The innovation funding program also facilitates movement of Manitoba innovations and new products into the health sector by providing Manitoba funding to companies for health care system evaluation.

Manitoba R&D expenditures have been continuing to increase since we took office, with the Manitoba Research Innovation Fund, funding \$12.2 million; Centre of Excellence funding got \$556,000; Manitoba Health Research Council had \$1.95 million; and Industrial Technology Centre, \$450,000. As well, other provincial departments provide

funding and research, such as Intergovernmental Affairs and Agriculture, Food and Rural Development.

Mr. Gerrard: There was a recent announcement of a major electronic health or e-health initiative by the government. Could the minister provide details of the involvement of himself and his department in this initiative?

Mr. Chomiak: The recent announcement of the finalization of a contract for HISP services to St. Boniface Hospital as an overall rollout and concept in dealing with e-health and related matters had involvement from Energy, Science and Technology, both from the sense of overviewing the potential for that development, as well as for providing for assistance and technical assistance together with the e-health division of the WRHA and the interdepartmental groups involved in providing the service. Essentially, the HISP announcement is the formal announcement of the upgrading of the computer system, as it were, at St. Boniface Hospital. That will continue to roll out over several years, and, ultimately, as we move along, will include the adaptation of systems into that system and related to that system.

Mr. Gerrard: Can the minister tell us the similarities and differences to the SmartHealth initiative which was undertaken by the previous government?

Mr. Chomiak: Yes, there is no question that the experience of the SmartHealth initiative has had an impact with respect to how government approaches overall services. If the member recalls correctly, the SmartHealth initiative was a ground-up built system that was supposed to cost the province \$100 million and it was supposed to save \$200 million and it was a contract that was ultimately awarded to a Royal Bank consortium that was ultimately bought by Ross Perot's company and did not achieve the deliverables that were appropriate.

The approach that has now been taken is a combination of ensuring that there is a variety of coordination in government across the health care sector to ensure both oversight and amalgamation and non-duplication of delivery services. There is an initiative to go towards provincial shared services, business models for health, ICT systems, that will respect the systems that are already in place and we will build on them.

As well, the overall system that is being approached is being done in a piecemeal basis to ensure that the systems are up and running and, where applicable, can and will be bought off the shelf as opposed to redesigning entire systems.

The first roll-out is the HISP system at St. Boniface hospital. It will be done in co-ordination with the e-health services at the WRHA and includes not only Manitoba Health, the RHAs, CancerCare Manitoba and individual health care facilities, but is also involved with the ICT services under the department to ensure both co-ordination and best efforts at maximizing the capacity, as well as ensuring that there is not duplication, or that we do not go down the road that had been done in the past of awarding a significant build-your-own system to a company that was going to have all the solutions in one package, which of course has been the experience not just in Manitoba, unfortunate experience, but in other jurisdictions as well that attempted to build from scratch an entire new system.

Mr. Gerrard: My follow-up question, in terms of whether the minister can tell us whether the services, HISP, has been tendered, and what companies. If there have been tenders awarded, what companies are involved?

Mr. Chomiak: I believe tenders were issued in this regard and the final announcements are pending.

Mr. Gerrard: Can the minister tell us when such an announcement might occur?

Mr. Chomiak: I think when the government is in a position to announce the final documentation, et cetera, that that will occur.

Mr. Gerrard: This would, for St. Boniface, move it to electronic records, is that correct? Would there be electronic X-rays or digital X-rays, and can the minister tell us just what is involved?

* (15:00)

Mr. Chomiak: I will forward to the member a sheet outlining the parameters of that particular concept either today or tomorrow.

Mr. Gerrard: What is the goal with regard to other hospitals in Manitoba?

Mr. Chomiak: Madam Chairperson, the goal is to build upon the structure at St. Boniface hospital and gradually roll out two other institutions, based on both the experience and the connectivity and the compatibility of the system, to ensure that we develop a system that is compatible ultimately for institutions across the province.

Mr. Gerrard: Is this system compatible with the system which is currently used for cancer at St. Boniface, the Health Sciences Centre and some 14 or 15 or so institutions around the province?

Mr. Chomiak: There is a variety of systems that have been put in place across the system that are utilized by different facilities and the intention is to, as we renew and as we roll out the overall system, that we will finally have a system that can provide compatibility between the various systems that are in place now.

Mr. Gerrard: Will this system at St. Boniface be able to link where appropriate, in appropriate fashions, to physicians' offices so that there can be links back and forth with respect to information that would be appropriate and useful back in physicians' offices and in the hospital for patients moving back and forth, for example?

Mr. Chomiak: Ultimately, we wish to have a system that will provide for the compatibility and for the portability across the spectrum and including primary care providers in a variety of settings. There is at least one pilot that is proceeding in that regard in one of the regions to ensure or to monitor that.

That, ultimately, is a goal, but I cannot give the member a specific deadline with regard to that.

Mr. Gerrard: Is the minister aware of a specific deadline with regard to conversion of all hospitals in Manitoba to electronic digital recordkeeping?

Mr. Chomiak: No, I do not have a specific deadline I can give to the member, and I know of no jurisdiction actually that has that kind of a system at this point in Canada.

Mr. Gerrard: In terms of the roll-out, is there a sequence or an order in terms what other hospitals might be rolled out and what kind of time frame the next several hospitals involved might expect the digital change-over?

Mr. Chomiak: We will take it one step at a time and, at this point, the capacity at St. Boniface will be functioning on that and continue to work through the entire process, including ensuring that long-term care facilities and ensuring that hospitals and other primary care facilities can ultimately have access to this information.

Mr. Gerrard: Will the system involve having any quality controls in terms of improving the quality of medical care provided to Manitobans?

Mr. Chomiak: Madam Chairperson, there is a very strong emphasis in terms of patient safety and application of patient safety to both people and systems across the system. In Health, there is a patient safety committee chaired by Paul Thomas, and there are obviously quality considerations in all of the applications that are being looked at with respect to digital and electronic records across the system.

Mr. Gerrard: What is the interface between this system and the drug information system which is widespread throughout Manitoba?

Mr. Chomiak: That is one of the issues that is being examined by both the department and Health in terms of how to ensure and how to provide for that kind of interface.

As the member might know, there is a federal spending initiative that was undertaken. A federal corporate entity was set up several years ago with respect to designing and utilizing systems across the country and best practices in various jurisdictions with respect to roll-out. These processes are taking place at the federal-provincial level, as well as processes that are taking place interprovincially. Of course, we are looking at those with interest as well as our own system designers and our own system planners with respect to how the system develops into the future.

Mr. Gerrard: I am just surprised a little bit by the minister's remarks in terms of the drug information system because one would have thought that in the tendering process one of the criteria would be the ability to interface with that kind of an important system.

Mr. Chomiak: One of the key factors across the entire system is the question of interface. Those

matters were looked at with respect to the tendering process.

Mr. Ron Schuler (Springfield): I would like to ask the minister if there is currently an ethanol mandate in place in Manitoba.

Mr. Chomiak: The act has been passed, and a specific reference in the act is in place and continues to be in place.

Mr. Schuler: What is the ethanol mandate date set in the act for Manitoba?

Mr. Chomiak: As I understand it, the act was drafted to indicate that after September 2005 there would be ability to quantify that 85 percent of fuels in Manitoba processed in Manitoba would have 10% ethanol within, under that particular legislation.

Mr. Schuler: So the legislation says after September 2005, 10 percent of all gasoline must be blended with ethanol. What actually is the mandate and when does it come into effect?

Mr. Chomiak: The act indicates that 10 percent of 85 percent of fuel, which works out to approximately 140 litres, should be ethanol based.

Mr. Schuler: And that is by September 2005, according to the act?

Mr. Chomiak: No, the act says "Not before September 2005."

Mr. Schuler: So there is currently no mandate in sight for ethanol blend.

Mr. Chomiak: Currently, there are several companies that are before the federal ethanol panel reviewing the feasibility of expanding ethanol plants in Manitoba, and several other companies are looking at the possibility of constructing ethanol plants in Manitoba.

* (15:10)

Mr. Schuler: So the minister is saying there is no mandate in sight for ethanol-blended gasoline.

Mr. Chomiak: The ethanol fuel mandate as outlined in the revised Biofuels Act is such that it will establish a requirement that 85 percent of all gasoline

sold in Manitoba must contain 10% ethanol. In order to fulfil the terms of the mandate, fuel suppliers would be free to source ethanol from any jurisdiction they choose. However, they will only be eligible for the incentive if the ethanol they use is produced and consumed in Manitoba.

An Honourable Member: Consumed in Manitoba?

Mr. Chomiak: That is the outline, Madam Chairperson.

Mr. Schuler: I understand that is the mandate, but when does that come into effect?

Mr. Chomiak: The Biofuels and Gasoline Tax Amendment Act was written with flexibility in it to allow the Province to trigger the mandate at the appropriate time, specifically when we had sufficient domestic production to meet demand. Section 7.1 of the act refers to the mandate being enforceable within a reporting year beginning after August 31, 2005, rather than a specific time period. More specifically, section 19.1(e) states that "A Lieutenant-Governor-in-Council may make regulations prescribing the sale, the level on gasohol sales as a proportion of a fuel supplier's total sales," while section 19.1(f) states that "the Lieutenant-Governor-in-Council may make regulations prescribing the reporting year."

Mr. Schuler: That was very important. In the minister's mind, there is no mandate currently in place, no date, and I think that is very important to understand, that the Minister of Energy, Science and Technology has no mandate date in mind. Again, we are not asking now for hard dates because he is read into the record. Is this all about how the minister and his government perceives it? Does the minister have any idea? Does he have a projection? Does he see in the future when we might possibly see ethanol blend, whether it be 85 percent of all gasoline sold, whether it be 30 percent of all gasoline sold? Whatever it is, does he see in the future, at some point in time, when this might actually take place?

Mr. Chomiak: I think I made it very clear in my statements with respect to the legislation. I am not sure where the perception difficulty is and perception, of course, is in the mind of the beholder, I suggest to the member from Springfield. I am very confident that we will see ethanol production in Manitoba.

Mr. Schuler: When?

Mr. Chomiak: I think I already outlined to the member that interceding with the legislation, and the member went through this with the previous minister during the last course of Estimates, that interceding in the process of the passage in the Legislature of the act was a federal process that provided subsidies to two companies to construct ethanol plants. Several Manitoba companies did apply. One Manitoba company received funding, subsequently decided not to proceed. A second round of federal funding has now taken place and that is pending a decision in the next, we anticipate, few weeks, perhaps months. A decision will be made with respect to the financing provisions that will be provided by the federal government, hopefully, to a Manitoba company or companies and, in addition, I am advised that other companies are pursuing the possibility of ethanol construction of plants, ethanol construction plants, in Manitoba.

Mr. Schuler: So what it comes down to is when will the government consider a mandate. Is it when we have enough production in Manitoba?

Mr. Chomiak: As I indicated, The Biofuels and Gasoline Tax Amendment Act was written with flexibility in it to allow the Province to trigger the mandate at the appropriate time, specifically when we have sufficient domestic production to meet demand.

Mr. Schuler: The minister is playing the lawyer game. I am not asking him to read notes put in front of him. I am asking him as the minister responsible for the department, as the minister who is basically responsible for the Kyoto Accord implementation, if you will. It was his government who laid out the argument that ethanol production was going to part and parcel of the Kyoto commitments that the Canadian government was committing as a country to, that this was going to be part of green energy.

What I am asking the minister is not something which his department has prepared and probably they have done a good job at. I am asking him where he sees ethanol production taking place. Again, these are very global kinds of questions. We are not asking him a point in time. We are asking him is it something he can see happening within five years. Does he see this happening within ten years, or are we going to have to see us importing ethanol to ever meet any kind of a mandate?

Earlier on, the minister mentioned about how there is going to be a great need in Ontario and on and on. Yet, as soon as you start pinning this minister down on specifics, that is when the spin sort of hits the road and he cannot quantify. We are asking very clearly when does he see something happening. Please do not read to the committee more legalese mumbo jumbo from the federal government. Is it feasible to see a plant up and running? Does he see a mandate in the future, or is this something that sounded exciting and everybody got themselves all pumped up on but it is now going to have to be seen as a longer-term strategy.

Mr. Chomiak: I do not know what the member refers to by legalese, nor do I know what the member refers to by federal mumbo jumbo, Madam Chairperson. I outlined the process to the member. I outlined the fact that there is a federal grants program that is, as we speak, determining whether or not Manitoba companies that applied would qualify for federal grants, affecting their ability or having an impact on their ability to expand or develop ethanol plants in Manitoba. In addition, other companies are looking at the possibility of expanding or developing ethanol plants in Manitoba.

With regard to the overall strategy in Kyoto, it is part of our overall strategy to develop ethanol as an alternative, as it is part to proceed on biofuels and other alternative forms of energy. It is very much a part of the vision, as well as the reality of what we are going forward with.

Mr. Schuler: The minister has basically said no federal monies, no ethanol production in Manitoba.

Mr. Chomiak: Now I do not understand; that is not what I said. So I think the member incorrectly interpreted my remarks. I indicated there are several companies before the federal government. There are several other companies that are looking at ethanol in Manitoba. There are a variety of companies, some of which are before the federal panel, some of which are not.

Mr. Schuler: How close are they to putting a shovel in the ground?

Mr. Chomiak: I indicated that we are anticipating hearing back from the federal government process within weeks or possibly months, Madam Chairperson.

Mr. Schuler: To the minister again. Those are the ones that are relying on federal funds. Now the minister also said there are others not looking at federal funds. Obviously, they have approached him, they are talking to him. How close are they to developing and building an ethanol plant? I am not talking about the ones that are going to the federal government. He keeps referencing these other plants. How close are they to producing ethanol?

Mr. Chomiak: I just might want to point out to the member that there is an ethanol plant in Manitoba at present producing ethanol. Secondly, I just want to indicate that private sector developments and other developments choose their own timetables with respect to—*[interjection]* The member is really hung up on the passage of the bill and somehow asserting whether the Member for Springfield was right or wrong. I am not interested in those kinds of debates during the course of Estimates. I am simply interested in ensuring that enhanced ethanol production takes place in Manitoba, and I have outlined to the member the time frames in that regard.

* (15:20)

Mr. Schuler: No, the minister has done nothing. This government has done nothing on ethanol. That is what these Estimates are all about. It is about where the government is going with its plans for the Kyoto Accord, where it is going with ethanol production.

This minister cannot even keep his story straight. One moment it is waiting for the federal government. The next moment it is, well, there are all these private companies wanting to build. Then the third moment he is talking about, well, you know, it is maybe kind of, and we do not know what the businesses are doing. He does not have a clue what he is talking about, and he should choose his words carefully because this is more than spin. People want to know.

I can remember his government running around before the 2003 election trying to buy elections in a big way with ethanol plants, none of which have ever materialized, and insofar as the ethanol plant that exists in Manitoba, I do know about it. I would suggest that the minister maybe take a moment out of his day and go visit it. I have. I have been there. I have seen it but that is not what we are talking about here.

There was supposed to be an increase in production, that a mandate would come into place, that there would be ethanol produced, that by September 2005 we would have a mandate. This was all part of government spin. The minister should go onto his own government Web site, should find the press releases and read them. That is what we want to know at this committee: Where is ethanol production? Where is the mandate? If it is not going to happen in the foreseeable future, then the government should say, "Well, it looks like it is not going to happen in the near future."

I understand waiting for the federal government. The federal government is in absolute crisis right now. I mean it is gratuitous to even suggest that something would come out of the federal government and the kind of crisis there right now. All that they are going to do is run around and promise things that they have probably little or no intention of living up to anyway.

I certainly would not base anything right now on what the federal government commits to, probably the most dishonest group of politicians we have seen in the history of this nation. I certainly would not base anything, anything I believe in, on an announcement by the federal Liberals. It is a government nearly falling down upon itself, and in two months heaven knows when that is going to happen. But we just want to know: Is ethanol even a reality? Approximately when might it happen? Is a mandate something in the future? We just want the minister to just lay it out, come clean. The former minister used to do it, and he had the wherewithal to say, "Well, no, it did not work as planned," on and on and on. I think Manitobans want to know where in the future is ethanol. That is what we are looking for.

Mr. Chomiak: Madam Chairperson, I suggest the member not go to law school from the way that one poses questions, or perhaps maybe he should go to law school since he references lawyers so often to perhaps learn how to frame arguments. But having said that, I had a very useful discussion with the member from Portage la Prairie regarding ethanol and regarding the ethanol production. I ask the member to perhaps refer back to the comments that I made to the Member for Portage (Mr. Faurschou) regarding ethanol.

Mr. Schuler: It is a simple question. The simple question is, is there a mandate coming soon? Does

the minister see this as still a pillar of his Kyoto commitments? If not, I mean, we understand a lot of things have changed. We understand that the first round we did not get in on. We understand that, but what we would like is a little bit of honesty, integrity like his former boss would have had. His former boss would have sat here and laid it out and said, no, this is on the backburner right now. I think that is what Manitobans want to know.

Mr. Chomiak: Madam Chairperson, as indicated to the Member for Portage la Prairie and my discussion about ethanol and ethanol production the other day that there are several proposals before the federal government in a process that took place prior to the difficulties that are occurring at the federal level. There was a process in place.

There are commercial discussions being undertaken. We are not only hopeful, but very confident that we will be in a position to meet our Kyoto targets and utilize ethanol as a part of those targets.

Mr. Schuler: Well, we will see. Clearly, we would like to see some of that federal money come to Manitoba. We have missed out on the first round. I do not know if even any of that money was accessed. For all intents and purposes, I suspect a lot of that money was lapsed. It is the way our Liberal federal government seems to run its affairs, and, unfortunately, it seems to be a disease that is afflicting the Manitoba government.

It is all about announcements and very little follow-through, but on the federal level, it is unfortunate that we did not see something coming out of that. I know there are a lot of communities that are keen on this and would like to see it proceed and it just did not work. I guess in a year's time, we will be back in Estimates and at that time, we will find out how much further we are with ethanol.

I do have a few more questions in one other area and the minister has not chosen to answer a lot of questions with that area. It has more to do with the fact that construction prices have escalated astronomically. The Chinese economy is not just consuming a lot of the world's energy, it is also consuming a lot of the world's building supplies. Steel is becoming a harder and harder commodity to come by.

One of the planks in the Kyoto Accord for this minister and his department and his government has,

of course, been hydro production, and I would start with Wuskwatim. If I understand correctly, it is about an \$800-million project.

That having been said, the former minister during Estimates last year said that basically Wuskwatim was not about looking for contracts, Wuskwatim was basically just to make sure that we had enough power in the system to meet the potential for increase in local consumption. Can the minister tell us is there some concern within the government the fact that construction prices are increasing at such a dramatic rate?

The minister may not know this, I do not know how involved his family is in construction, but for instance, steel prices are astronomical, and I know from family members who have gone to Europe to look for high-quality steel, you do not go to the steel mills to negotiate price; you go to the steel mills to negotiate supply. That is how difficult it is to get steel on the open market.

So, again, we are not asking for specifics, just are there discussions in regards to construction prices and what impact that might have on these large projects and meeting the Kyoto Accord commitments?

Mr. Chomiak: Madam Chairperson, of course there are several sides to the equation. It is true that construction costs have increased. Those are watched carefully by anyone involved in the construction industry and, in fact, are considered and viewed in terms of long-term implications.

I also might point out to the member that fossil fuel supply and fossil fuel prices have increased dramatically as well, which is the other side of the equation, that the cost of fossil fuels has increased dramatically and, in some cases, it can be argued, the revenue from increased fossil fuel supply can make renewable energy utilization more cost-effective.

Mr. Schuler: Clearly, I suspect, I do not know this first-hand, but there was a group that was putting forward a movie to the various caucuses. We viewed it the other night, and it was very interesting. It was dealing with the whole fossil fuel consumption, which I call energy consumption, and clearly renewable resources are something that we are going to have to look at.

*(15:30)

However, the initial construction of a dam, whether it be Wuskwatim, and I want to reference Conawapa a little bit later on, that has to have a very powerful impact on the pricing of the dam. Can the minister tell us—I think they are talking about \$1 billion, of which \$800 million is actual construction for Wuskwatim—is that still on target, that price?

Mr. Chomiak: When we have a chance to sit in Hydro committee, I can give the member more specifics, or Hydro can give the member more specifics in terms of that.

Recently, the Clean Environment Commission gave approval to Wuskwatim to proceed to construction. There is no doubt that increased prices will have an impact on all developments, not just hydro-electric developments. I noted the \$89 billion being invested in the tar sands has been impacted as well by these factors. Hydro does regularly update and review costs and cost-benefit ratios, et cetera, and I am sure they will be happy to provide that specific information to the member when the Hydro committee sits.

Mr. Schuler: Clearly, it has had impact. The early three years of his government's mandate, they spoke about Conawapa being about a \$5-billion project, which was interesting, because under the former government, it was \$5.5 billion. It actually went down in price, and I kept suggesting if the New Democrats waited long enough, they would almost get it free because it kept coming down by \$0.5 billion. It just kept getting cheaper under the New Democrats.

All of a sudden, about three or four months ago, by stroke of a headline, Conawapa was \$10 billion, and it was just, wow. That is a substantial increase from \$5 billion for three or four years, and all of a sudden, it was \$10 billion. Obviously, the NDP Premier (Mr. Doer) and ministers were just talking off the top of their head. When you start to actually look at what it costs to build these dams, \$10 billion is probably more in the ballpark. I think the committee is just wondering. Wuskwatim has always sort of been pegged at \$1 billion, \$800 million construction and \$200 million for service costs. Is that still in the ballpark?

Mr. Chomiak: The costs involved with construction, Hydro can get more specific with the member, based on a variety of factors. That was

clearly put forward before the Clean Environment Commission. At that time, as I recall, it was also indicated that there was a cost increase with respect to Wuskwatim. That was cited at the time. All of the projects are affected by a variety of factors associated with not just the cost of construction, but issues of transmission lines, variable costs of energy and the like. The specific numbers and the specific updates, I am sure Hydro will be happy to provide to the member when Hydro committee meets.

Mr. Schuler: Again, the Hydro tower has seen a substantial increase in the projection of its cost. I know there is a new plan that has been tabled. Can the minister give us some kind of indication what the potential cost of the new Hydro headquarters might be for downtown Winnipeg?

Mr. Chomiak: I believe that Hydro tabled its conceptual design and draft of the new Hydro building within the last several weeks and indicated that final schematic costs and features will be available by the end of summer.

Madam Chairperson: Resolution 18.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,433,000 for Energy, Science and Technology, Energy and Climate Change Initiatives, for the fiscal year ending the 31st day of March, 2006. Shall the resolution pass?

Resolution agreed to.

18.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$18,150,000 for Energy, Science and Technology, Science, Innovation and Business Development, for the fiscal year ending the 31st day of March, 2006.

Resolution agreed to.

18.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$26,312,200 for Energy, Science and Technology, Manitoba Information and Communications and Technologies, for the fiscal year ending the 31st day of March, 2006.

Resolution agreed to.

18.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$9,255,500 for Energy, Science and Technology, Costs Related to Capital

Assets, for the fiscal year ending the 31st day of March, 2006.

Resolution agreed to.

The last item to be considered for the Estimates of the Department of Energy, Science and Technology is item 1.(a) Minister's Salary, \$29,400 contained in Resolution 18.1.

18.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$639,400 for Energy, Science and Technology, Administration and Finance, for the fiscal year ending the 31st day of March, 2006.

Resolution agreed to.

This completes the Estimates of the Department of Energy, Science and Technology.

The next set of Estimates that will be considered by this section of the Committee of Supply is the Estimates of the Department of Culture, Heritage and Tourism.

Shall we briefly recess to allow the minister and the critics the opportunity to prepare for the commencement of the next set of Estimates?
[Agreed]

We shall briefly recess to allow the minister and critics opportunity to prepare.

The committee recessed at 3:37 p.m.

The committee resumed at 3:40 p.m.

CULTURE, HERITAGE AND TOURISM

Madam Chairperson (Bonnie Korzeniowski): Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Culture, Heritage and Tourism.

Does the honourable Minister of Culture, Heritage and Tourism have an opening statement?

Hon. Eric Robison (Minister of Culture, Heritage and Tourism): Yes, I do. It is my privilege to introduce the 2005-2006 Estimates for Culture,

Heritage and Tourism. This department administers a wide variety of acts, and offers many programs and services that affect the quality of life in Manitoba. We are responsible for many aspects of arts, culture, heritage and tourism in our province. We oversee programs and services related to recreation, fitness, libraries, government-wide translation services, Freedom of Information act, legislation, government record keeping and communication materials and services.

I am also pleased to say an increase of \$205,200 to the total amount we have provided to major cultural organizations in Manitoba for this budget year. These organizations include: the Manitoba Centennial Centre Corporation, the Franco-Manitoba Cultural Centre, the Winnipeg Art Gallery, Manitoba Museum, the Western Manitoba Centennial Auditorium, Manitoba Arts Council, Manitoba Film and Sound Recording Development Corporation.

We have introduced legislation to update The Manitoba Centennial Centre Corporation Act. The modernized act will allow the Manitoba Centennial Centre Corporation to develop new revenue sources and become more responsive to the changing marketplace.

This budget also provides for \$500,000, an increase to the Manitoba Arts Council. These new funds will contribute to the long-term health of many professional arts organizations and will have far-reaching benefits for communities throughout the province.

In the past year, the Manitoba Arts Council awarded 346 grants to individual artists and supported over 50 professional arts organizations. An example of their innovative work is the Arts Award of Distinction awarded this year to Grant Guy, performance and media artist. The Manitoba Arts Council funding also supports many other worthwhile, though less visible projects, including grant programs designed to meet the particular needs of Aboriginal artists and arts organizations and others developed to reach out to rural artists and arts organizations.

The film tax credit enhancements for this year bring the base credit to 45 percent from 35 percent, giving Manitoba a lead over other provinces in Canada. A film company taking advantage of additional incentives such as the frequent filming

bonus and the rural bonus could earn a tax credit of up to 55 percent.

Members opposite will be aware that our government has purchased the Prairie Production Centre, the only purpose-built facility for film and video production in Manitoba. We chose to acquire this facility to ensure that the film industry in Manitoba, now valued at approximately \$100 million, could continue to grow or at minimum remain stable.

Faced with mounting losses and no exception of profits in the near future, the previous owners had defaulted on loans owed to Canada and to Manitoba. When PPC was announced, there was some concern in the film community that the business model was not viable. It did not seem possible to generate the kinds of revenues necessary to repay the public sector for loans, the private sector mortgagor and suppliers and generate a profit for the owners.

Unfortunately, in this instance the naysayers were correct and the province faced losses of over \$1 million. We chose to acquire the asset at fair market value and not to turn our back on the film industry, which is doing quite well.

In this budget we have also maintained or increased funding for a number of agencies, organizations and initiatives that benefit Manitobans directly and indirectly. Our list includes, of course, the Winnipeg Boys and Girls Club. We have provided \$37,500 increase to allow this club, which has served youth for about a quarter of a century, to continue delivery of recreation, developmental, and educational programs to about 3000 children.

Ms. Kerri Irvin-Ross, Acting Chairperson, in the Chair

The United Ways of Manitoba, also, we have provided an increase for their organization of \$267,100 in Winnipeg, Morden, Portage la Prairie and Thompson, bringing the total annual operating grants for all 15 Manitoba United Way organizations to \$2,938,200 and ensuring maximum community benefits across Manitoba.

The Library Services Branch system upgrading will enhance access and resource-sharing ability for the Manitoba Public Library Information Network, the Manitoba Online Legislative Library, and the Hudson Bay Company Archives.

* (15:50)

The Historic Places Initiative, my department continues to participate this year in this federal-provincial agreement that provides benchmark standards, guidelines and financial support that helps preserve Canada's historic places by making investing in rehabilitation more viable for the private sector.

We continue working to protect provincially significant buildings. Recently designated heritage sites include the Pantage's Theatre, formerly also known as the Playhouse Theatre. It was built in 1913-1914, and served nine years as one of Manitoba's finest vaudeville theatres. Also, the Cathedral Church of St. John in Winnipeg, originally established in 1820 commemorates the birthplace of the Anglican Church in Western Canada. St. Elias Ukrainian Orthodox Church in the R.M. of Stuartburn in southeast Manitoba is also an excellent example of a modest church building erected by Ukrainian pioneers in the early 20th century.

Madam Chairperson in the Chair

The Rufus Prince Building at the Indian Residential School in Portage la Prairie is the oldest remaining school building in Manitoba recalling the often-tragic history of First Nations' 90-year experience with residential schools.

Our department and Manitoba Hydro are also preparing a memorandum of understanding to continue our current agreement for the Churchill River diversion archeological project and acknowledge the critical role First Nations communities of Nelson House and South Indian Lake have played in the success of the project since 1990.

The Aboriginal artisan cultural initiative sees an increase of \$75,000 for this program introduced last year that will go towards Aboriginal arts, education initiatives, a priority identified through the First Nations and Métis advisory councils and the Aboriginal artist round tables.

Recreational trails, a funding of \$25,000 will help the Manitoba Recreational Trails Association in beginning a planning and consultation process for future enhancements to the trail system in the province of Manitoba. To encourage the further development and networking of trails throughout

the province, I was pleased to bring forward amendments to The Occupiers' Liability Act. These amendments ensure that landowners who permit trails to cross their property will not incur increased liability.

Community arts, also, an increase of \$82,900, an increase to my department's formula-based community arts funding, will increase program delivery and accessibility to arts programming contributing, we believe, to the cultural well-being throughout Manitoba.

Our department was also proud to bring the Juno Awards to Manitoba this year. Our Juno Awards celebrations succeeded on many, many levels, and I would like to offer my sincere thank-you to the host committee in Winnipeg and the many dedicated workers and volunteers who made the 2005 Juno Awards the great show that it was.

I am also particularly proud of events such as the Aboriginal Honouring Ceremony and Music Showcase that was held at the Burton Cummings Theatre on April 1, and I would like to congratulate chairman Errol Ranville and his committee for their dedication and unwavering commitment.

Also, the Manitoba Aboriginal Music Hall of Fame was announced with five initial members. This is the first of its kind in Canada, Madam Chair. The virtual hall of fame begins on NCI FM's radio website this month. My department was pleased to provide a grant of \$10,000 to assist in establishing this important new vehicle for honouring the rich legacy of First Nations, Métis and Inuit music in the province of Manitoba.

I am also pleased to say that the Canadian Aboriginal Music Awards, CAMA, announced to intend to hold their 2006 awards show in Winnipeg. It is an exciting development for Manitoba and we look forward to elevating the scope and scale of the first-ever Canadian Aboriginal Music Awards to be held outside of Toronto.

I would like to also say how proud we are of Manitoba author Miriam Toews, honoured in 2004 and 2005 as a nominee for the Giller Book Award and winner of the Governor-General's literacy award for English fiction. We are also proud of Ms. Toews's award-winning novel, which has been nominated for the 2005 Margaret Laurence Award for Fiction.

I am pleased to note that Pemmican Publishers, established in 1980, and one of the two best Aboriginal book publishers in Canada, was honoured recently by A-Channel News and the Winnipeg School Division No.1 for their donation of 10 000 books to schools and community projects.

While the Junos certainly represent the tourism highlight for Manitoba this year, I am pleased to report that we have made exciting progress with our province to bring change to tourism in the administration and promotion in the province. Our government passed The Travel Manitoba Act establishing Travel Manitoba as a new Crown agency responsible for tourism delivery through services such as marketing, visitor information and industry excellence promotion. This budget provided \$7.4 million to support the priorities of Travel Manitoba, and the agency will present its founding business plan very shortly based on the work of the Ministerial Advisory Council on Tourism and tourism industry consultations. Travel Manitoba's status as a Crown agency took effect on April 1 of this year.

Last year we promised to look into a revitalization of Gull Harbour Resort and Conference Centre by enlisting private-sector interests. I am proud to report that Paletta Group will be investing up to \$15 million to redevelop and expand the Hecla Island operation and create a five-star resort marketed as a year-round Manitoba destination.

Another Tourism initiative we are pleased to support this year is the exciting travelling exhibition with the Manitoba Museum bringing our province in partnership with the Zoological Society of Manitoba and Imax Theatres. This exhibition, called "Chimp Quest: Your Passport to Primate Adventure—The Remarkable World of Jane Goodall," will run from June 30 to September 23 this year. Manitoba is only one of three provinces to host this exhibit, and we believe it will draw as many as 50 000 new museum visitors.

I am also pleased to report the change to the Community Places Program, which awards capital grants to non-profit organizations for facility projects providing long-term recreational and social benefits to Manitoba communities. This year we have moved up the application deadline for the program, which will allow us to notify applicants of funding decisions by early May, a full three months earlier

than in past years. The benefit of more lead time for community organizations is their ability to negotiate more favourable contracts with builders and to complete their projects during the 2005 construction season.

Delivering quality services for Manitobans requires government to manage and protect personal information of our citizens. Over the next two years, our staff will assist departments and agencies of government to maximize security of that information by providing training awareness and tools to help protect privacy.

Statutory reviews of FIPPA, The Freedom of Information and Protection of Privacy Act, and the PHIA, The Personal Health Information Act, took place last year. Our department is preparing to advise to government on administrative improvements and possible regulatory or legislative changes to ensure we continue to meet the needs of our citizens.

I am proud to also say that we are asking to have Hudson Bay Company archives added to the UNESCO, United Nations Education Scientific and Cultural Organizations, memory of the world register dating back from 1670. Of course, the Hudson Bay Company archives held in the Manitoba Archives will be Manitoba's first documentary entry on the register and signal worldwide recognition of the archives' value.

Over the past year, our department has prepared public information material to assist government with major initiatives such as the farmland tax credit rebate and a province-wide smoking ban. We distributed information to the public about the West Nile virus, the influenza vaccination and the new emergency alert system. We also trained government and municipal staff to provide information services to Manitobans during emergencies.

Our department continues to be a part of At Your Service Manitoba initiative through the operation of the Manitoba government inquiry call centre, in the co-ordination and management of standards and enhancement with the information and services on the government Web site.

Madam Chairperson, there is much more I could tell you about our department, but, to close off my remarks at this point, I just want to advise that it is a great pleasure to be a minister of a department with

wide-ranging responsibilities that relate so closely to the quality of life for our fellow citizens, and working hand in hand with a group of hardworking, dedicated men and women.

* (16:00)

Madam Chairperson: We thank the Minister of Culture, Heritage and Tourism for those comments.

Does the official opposition critic, the honourable Member for Southdale, have any comments?

Mr. Jack Reimer (Southdale): I do have a few words to put on the record. Firstly, this role as a critic for Culture, Heritage and Tourism is a new role for me, but not entirely in the truest sense of the word because, when first got elected to office, I was made the legislative assistant to the Minister of Culture, Heritage, Tourism and Multiculturalism at that time. The honourable member at that time was the Member for River East. The minister was from River East. So I had the opportunity to work very closely with the department. In fact, I see a few people that I even recognize from the department who are here still. So it is not entirely foreign to me, in that sense.

I really enjoyed that part of my tenure as the legislative assistant because I had an opportunity to meet some wonderful people, not only in the department, but people who were associated in the various groups, events, functions and things that were assigned to the legislative assistant at that time. So what goes around comes around, in a sense, in being involved with this department.

The minister outlined a fair amount of initiatives and directions that the department is going, and I know it is a very busy department. It covers a wide scope of responsibilities and areas that are involved with the quality of life, if you want to call it, here in Manitoba.

The area that he did mention that I did have an opportunity, and I do want to put on the record also the efforts and the amount of work that was put forth for the Juno Awards we hosted here in Winnipeg in the last little while. I think the city and Manitoba and the various people who were involved with it went out of their way particularly to make this one of the best celebrations the Juno Awards has experienced.

The whole presentation of the participants, the various venues, whether it was at the Burton Cummings Theatre or the MTS Centre or some of the other individual nightspots around the city, all added a lot of great entertainment and exposure for the people of Winnipeg and for Manitoba. So it was a wonderful opportunity to showcase our province, the department and the people who got involved with bringing it to Winnipeg.

I did not actually hear of any types of criticisms or glitches, if you want to call it. I imagine there is always some in the background that is never brought forth to the public, but those are the ways that people handle them. The people who were involved with them kept them out of the view of the people who were participating or viewing the event, so it went very, very well. The whole program was very well-presented.

The minister mentioned a lot of fairly new initiatives. There were areas there that I did want to get some more information on in regards to some of the initiatives that he has indicated. I would think that maybe, as we go through the Estimates book, those areas will become areas to talk about. Some of my colleagues may drop in. They do have a few questions in various areas so we will, with the minister, try to accommodate some of my colleagues also with questions.

At this time, Madam Chair, I am willing to go into the Estimates program.

Madam Chairperson: We thank the member for his comments.

At this time, we invite—oh, sorry. Under Manitoba practice, debate of the Minister's Salary is traditionally the last item considered for the Estimates of a department. Accordingly, we shall defer consideration of this item and proceed with consideration of the remaining items referenced in Resolution 14.1.

At this time, we invite the minister's staff to join us at the table and we ask that the minister introduce his staff present.

Mr. Robinson: With me are Sandra Hardy, the deputy minister of this department; Ann Hultgren-Ryan, the acting assistant deputy minister for the Culture, Heritage and Recreation Programs Division;

and also Mr. David Paton, the Executive Director for Administration and Finance Division.

Madam Chairperson: We thank the minister. We will now proceed to the remaining items contained in Resolution 14.1 on page 54 of the main Estimates book. Shall the resolution pass?

Mr. Reimer: I was wondering whether the minister might be amenable to the fact of doing this sort of on a global approach to the department. It is not that late, either. I will try to go through the book in a sort of an orderly manner, but maybe some of the items may be back and forth. If that causes a problem, why we can always move over, but if the minister is amenable to this.

Madam Chairperson: Is it agreed that we will—

Some Honourable Members: Yes.

Madam Chairperson: It is agreed that we will approach this globally. The floor is now open for questions.

Mr. Reimer: Thank you. Good thing I am not chewing gum. On the organizational chart on page 5, I just want to ask a question in there. I noticed it still has Venture Manitoba Tours in the org chart. I was just wondering whether the minister could give me just a little bit more information on that particular section. There is Travel Manitoba and directly under that is Venture Manitoba Tours.

Mr. Robinson: They are still written in the organizational chart because we have not fully made the transfer to the Paletta Group. This Venture Manitoba Tours obviously reports to the minister, always has in its history, and ultimately the minister, of course, reports to the Economic Development Committee, I believe, which reports ultimately to the Legislature. So, for the time being, until the transfer has occurred to the Paletta Group and all the necessary required details that have to be ironed out between the Province and the Paletta Group for what they are going to be doing with the facility, that is why it is still in the documentations, Madam Chair.

Mr. Reimer: Gull Harbour. I know the minister referred to it a few times. Is there an end date or a takeover date that they are looking towards having this completed by?

Mr. Robinson: Back on February 14, I met with the proponent, Mr. Paletta; at that time, we signed an

irrevocable term sheet. A term sheet really formulates the basis of the final agreements and triggers further due diligence on the part of both the proponent and the Province.

* (16:10)

The proposal is seeking to do a \$15-million redevelopment and expansion plan that will create a newly branded five-star resort. There are a lot of negotiations that still have to be finalized, and we expect that these will be completed by summer, I believe, is what we announced. As the member knows, it is an exceptional piece of property in a prime tourist area of our province. I might add that the golf course is rated as one of the top 50 in our country.

Mr. Reimer: Could the minister indicate whether this is a sale to the group or a joint partnership or a working relationship that will be established in regard to the proposal that is before the minister? Will the government be physically selling off this resort to the Paletta Group?

Mr. Robinson: Because the property is on provincial park land, we will not be selling the property. We will be, however, facilitating the buildings that are on that property so there is more work to be done. Under the terms proposed by the government, the land will be taken over through a lease arrangement because of its location, and the resort and buildings associated with the golf course are assets that would come under the private ownership of the proponent.

Mr. Reimer: The lease arrangement that the minister referred to, would that be a fixed-rate lease where they pay a certain amount per year type of thing over a fixed amount of time, or would it be a lease that is related or has an escalation in it as the business increases. I am trying to think of what type of monetary result the government would realize.

Mr. Robinson: The details of that nature are still being negotiated with our government, particularly the Ministry of Conservation, but I would envision that it would be a long-term lease to the proponent, given the nature of where the resort is located.

Mr. Reimer: Would part of the negotiations at Gull Harbour also involve the employees? I believe the employees are under union contract. Would

successor rights be applicable to that takeover by Paletta?

Mr. Robinson: The Manitoba Government Employees Association, MGEU, as the bargaining agent for the resort and golf course employees, has signed an MOU with Mr. Paletta and have agreed to changes in the current collective bargaining agreement. Once Mr. Paletta takes over the resort, there will be some more negotiations. I understand that discussions are not quite complete yet with the union. Some other details are being worked out at the current time.

Mr. Reimer: Does the government still or does it have involvement with the group that runs the Falcon Lake Golf Course? Is that still under the same type of umbrella?

Mr. Robinson: It is still operated under the Venture Manitoba Tours as outlined, as the member pointed out, in the organizational chart of the department. We still have responsibility over the golf course at Falcon Lake.

Mr. Reimer: I know from time to time you hear rumours, and you never know how good rumours are, but is there any type of indication of redevelopment of the golf course and the facilities there at Falcon Lake?

Mr. Robinson: There have been no discussions held with our office, my office, nor my deputy minister's office with respect to that possibility.

Mr. Reimer: The set-up of the Travel Manitoba facility, or Crown corporation, that the member had mentioned, could you give us an update as to the positioning of it, the structure of it, the employees that possibly have been hired or seconded? I know the minister said that he felt it would be up and going within the next short while. Just as an update.

Mr. Robinson: This is the first time I will have an opportunity to talk in detail about the Travel Manitoba agency. We are very proud of the board members and, of course, the staff that are a part of Travel Manitoba and are providing great leadership for this new Crown agency.

The board chair is a person that is no stranger to fellow Manitobans, Mr. Paul Robson. I believe we have a good cross-section of the province

represented on the board: Pat Andrew; Curt Enns, from the Steinbach area of our province; Marina Smith-Kulba; Claudette LeClerc; Doug Ramsey; Barry Rempel; Cindy Skanderberg, a fine leader from the Glenboro area of our province; William Young from Bloodvein; Jim August, again, who is no stranger to any of us here; Michelle Gervais; Max Johnson; Julie Turenne Maynard; Michael Spence from Churchill, the Mayor up there; Doug Steven. These are fine leaders.

They have decided on the hiring of their President and CEO, Mr. Hubert Mesman, who is, I know, no stranger to my colleague from Southdale, having served as the assistant deputy minister in the Tourism Division for a long time prior to the agency being named. His executive assistant is Isabel Thornhill who, as well, was a part of the government when it was still operated by the Province.

The person that has been appointed as the product and market development vice-president is Brigitte Sandron. I understand they are yet to appoint a vice-president from marketing services. The director for corporate services is a woman by the name of Irene Adams.

Those are the main three components of how the Travel Manitoba Crown agency operates, Madam Chair. I have a list I will gladly provide to the member from Southdale if he so desires, on the organizational chart of Travel Manitoba.

Mr. Reimer: I thank the minister, and if he could provide me with that, that would be great. Maybe he could correct me. It sounds like there are only three permanent staff. Is that correct?

* (16:20)

Mr. Robinson: The three names that are read out as part of the management committee, I suppose, for the travel agency are the senior staff members. In its entirety, I believe, the agency has a total staff complement of roughly about 32.

Mr. Reimer: The staff that the minister is referring to, is that staff that was more or less moved from the various government departments and just isolated to this new Crown corporation?

Mr. Robinson: Yes, Madam Chair, the member is absolutely right, with the exception of two positions

and that would be the Marketing Services vice president and the director of Corporate Services. The remainder of the individuals, which I will be providing a copy to the member for his information, previously were with the Province when Travel Manitoba was still a part of this department.

Mr. Reimer: Did this new Crown corp move into its own offices and complex someplace here in Winnipeg?

Mr. Robinson: Actually, they are still located at 155 Carlton, and through arrangements, I believe, will be there for the foreseeable future until such time that the board with their senior staff may decide otherwise.

Mr. Reimer: I guess then it is a little too early to ask whether there have been initiatives that they have formally taken on as a direction that they want to implement, or have they been up and running already?

Mr. Robinson: Madam Chair, there are a number of initiatives that the new Crown agency has embarked upon, and I will gladly share this with the member.

This is their new brochure, which, of course, talks about the tremendous sights to see in our province, the travel and ecotourism opportunities that exist, the meeting, conventions and event possibilities in this province, the culture and heritage of our province, along with the great hunting and fishing areas of our province that are second to none, so I will gladly provide this to the member, Madam Chair.

Mr. Reimer: I am just moving down through the book a little bit further here, and page 21, the Executive Support for the minister and the people that the minister has on staff. Has there been any secondment from his department to work in other areas or other departments that are on his org chart?

Mr. Robinson: No, I do not have any secondments, but I will provide to the member the list of the staff that work with me. Our appointments secretary is Barb Robson. Our secretaries include Renate Shewchook, secretary Margaret McKeigan, and we have, as my executive assistant, Francine Jebb, and the special assistant is Tanis Wheeler.

Mr. Reimer: Moving right along, it is in regard to the Manitoba Arts Council. I am looking at page 29,

and I am looking at the increase in the amount of appropriation from the Estimates in '04-05, \$7.8 million up to \$8.4 million. I was wondering whether there is any specific reason or area that should be noted as to why there is an increase of that amount.

Mr. Robinson: In response to the member from Southdale, up until 2003, no increases were realized by the Manitoba Arts Council and at that time there was an increase by the same amount as we are providing this year. I think the growing demand of arts and the need to make an investment in the arts has made it necessary for our government, and particularly the department that I have the responsibility of overseeing, to become responsive and to become more agile in addressing the tremendous growth of the arts community in our province. I am not only talking about the Capital Region, but, indeed, throughout the province of Manitoba.

In my recent travels to Thompson, to Brandon, and to Steinbach, we had the opportunity of seeing, as an example, in Steinbach, the tremendous use of people of the Steinbach Arts Council. I believe it is 500 people that use that facility in a period of one week. Given that and that there is an increased demand for government to become responsive to arts development in addition to all the challenges that we face in society, whether it is in the area of health, whether it is in the area of economic development, whether it is in the area of transportation, I believe in order to make our citizens and our province healthier, we need to also consider the opportunities that exist in creating an atmosphere of healthy thinking. Sometimes the best outlet is through an appreciation of the arts, whether it is in music or through the visual arts or other forms.

I think it is that increased demand that has made it necessary for our government to seriously look at it, and therefore it gives us an opportunity to become more creative in ensuring all Manitobans have the opportunity to develop in the arts area.

Mr. Peter Dyck (Pembina): Just to the minister. You were talking about the arts and the support of the arts. I had the opportunity this spring, in fact on Sunday I was at the High-Lites Concert for the Morden Festival of the Arts. These communities, Morden, Winkler, and Manitou continue to put a lot of time and effort into promoting the arts within their communities.

It is interesting as you go from one community to another and as you talk to mainly the volunteers, of course, who are involved with these associations, their concern is, and rightfully so, the cost of adjudicators for the different arts. Whether it is in vocal, speech arts, or instrumental, the cost of getting qualified adjudicators out continues to go up, so they are looking to the local communities for support financially. I know also, at least I believe, there is some support coming from the provincial government and from this department.

I am just wondering what your thoughts are on that. As the question was posed to me on Sunday by the president of the Morden Association, they said they would have to increase the work they did within the community in raising dollars, but we are also wondering, though, if the Province was prepared to continue to put money in and maybe also increase the allowances that are out there for that.

* (16:30)

Mr. Robinson: Madam Chair, I certainly am open to meeting with the group that the Member for Pembina has described. I think that we have been more than accommodating and, of course, we try to accommodate the wishes of our fellow citizens, no matter where they reside in this province. I will certainly be open and certainly direct staff, if necessary, to meet and to openly discuss some of the issues that the member from Pembina has brought to my attention.

I think that one of the big challenges often is that we do not have enough resources at the provincial level, and sometimes it would just entail the Province working with the local communities in trying to identify deficiencies that may exist, whether it is in the area of resources or in other areas.

One of the things that I committed myself to when I met with the Manitoba Arts Council quite recently was, not so much to do an overhaul or an entire review of the arts policy that we have in this province, but to work with the Manitoba Arts Council on improving areas of the arts policy that our government has, the arts policy of the Manitoba Arts Council; examine those two on how we can collaborate and how we can maximize what money we have in order to ensure that our fellow citizens have the opportunity to engage in the arts in whatever form.

The member from Pembina described Morden and Winkler. I had the opportunity of being there last fall, but I never had the chance, or the opportunity never presented itself to visit the organization that he was describing. Having been in Steinbach, the most recent this past winter, I had the opportunity of meeting Cindi Rempel Patrick, I believe, and also members of the Steinbach Arts Council.

I committed that our province and our government and our staff would talk with her to hear some of the concerns that they have, and I am prepared to commit that very same approach to our colleague from Pembina, Madam Chair, because I believe that we are not excluding any section of this province.

We certainly want to give everybody an opportunity to, whether it is being critical of our province if we are not paying enough attention in one given area, but we are certainly open to having an open and frank dialogue with some of the communities. I am quite certain that we are not doing a thorough enough job in some areas, but my commitment to the member from Pembina is that we certainly, upon receipt of any correspondence, dispatch staff to talk with them first-hand; or if they happen, if the opportunity arises, I will gladly meet with the principals involved to talk about this matter in greater detail.

Mr. Dyck: Well, thank you. I appreciate the comments made by the minister. I guess just further to that, and I should have possibly prefaced some of my comments with the fact that their costs are rising because the communities are growing. It is one of the fastest growing communities. Well, it is the fastest growing community in rural Manitoba, and so consequently the numbers and the people who are wanting to participate in these speech arts, the vocal and instrumental, is increasing every year, and consequently the days that they need to allocate towards these festivals increase as well.

As they indicated to me on the weekend, their cost for adjudication is basically paid on a per day basis. So I will encourage them to correspond with your department and to indicate where their costs are going and just to see if there is an opportunity for you to assist them in that.

I guess further to that, and I mentioned Manitou, the opera house out there. I am not sure if you have

been out there, but if you ever get the opportunity, it is one of the oldest historical opera houses, I think, in the province, so it is being totally restored. The information that they give me, the volunteers that are working at the opera house indicate that they have, on the average, two functions a week taking place there. So it is a busy place, and so, of course, any assistance that they can receive, monetary of course is always great, but even for their ability to be able to publicize this throughout the province in the Tourism magazine is very helpful.

The other area I wanted to talk about was the Morden museum. It was interesting, but on Saturday, the *Free Press* highlighted the town of Morden, Destination Manitoba dinosaur museum is just one of the hidden treasures. We continue to see that, while people tend to think that Drumheller, Alberta, is a place that explores dinosaurs, Manitoba has its own museum, the Canadian Fossil Discovery Centre in Morden. It features the largest collection of marine reptile fossils in Canada. The centre has close to 600 specimens catalogued in its collection.

As the minister indicated, he had been out there, I believe in the fall of last year, and I am not sure if he was present when the Premier (Mr. Doer) met with the mayor, but I know that they have two major concerns out there regarding the museum. One is the whole area of signage. I know they did talk to the minister about that and they feel that, certainly, we have something out there that tourists would be very, very interested in. But, if they do not know where it is and how to get there, they do have a problem. So I know that at that time, according to the mayor, there was a commitment made that the area of signage would be looked into.

In talking to the mayor on the weekend, specific to the museum, I know that the town has committed additional funds in order to be able to assist those working in the museum. I guess what they need to do is continue to work, and I am not sure what the right word is here, but as they go into the area where you are looking for the fossils, there is ongoing work taking place there. I know that they are talking about, and I believe they had made a request of the department for \$75,000 in order to assist them in some of the work that they are doing as they are excavating for the fossils.

Now this was the information that was given to me and I am just wondering if the minister or the

department have at all looked into that. I know that it was not a huge amount of money that they were looking at in order to assist them as they continue their excavation there.

Mr. Robinson: I understand that when the Premier met with the folks in that region of the province, that he was indeed in agreement that much more effort has to be given to promoting that area as a tourism location.

I am also advised that our regional staff is working with the museum to assist in the development of a solid business plan. I am quite certain that our staff will do a good job in working with the community and with the citizens of that region of the province. I am sure that satisfaction will be realized by all parties, hopefully, in the not too distant future.

* (16:40)

Mr. Dyck: I was trying to read a little bit between the lines here as to what the minister was indicating, and I know there was a commitment made. If the comment you made was that the department is continuing to work with the community, with the curators at the museum, White Lake, is there ongoing discussion taking place? Is there something that is actually happening? I see the minister is wanting to respond to that.

Mr. Robinson: Actually, this is the first time we have been made aware about the amount of money. Now that the Member for Pembina has brought it to our attention, we will certainly, as things work in Estimates, we will work in earnest with the folks out there and try to nail down the business plan as required by any government. Hopefully, a solution, and a workable one at that, will be worked out so it will satisfy both parties.

Mr. Dyck: Thank you, I appreciate that. Certainly, I will convey that information to the council in Morden. I know they are looking at ways of attracting tourists. You know, the Corn and Apple, for instance, is a well-known festival that takes place annually, and I think people across the province are well aware this does take place. The museum is sort of still a hidden treasure, and we need to make the public aware that there is history out there. This is a good opportunity for them to go out and see it first-hand.

Mr. Robinson: I thank the member for his comments. I look forward to going to the Morden Corn and Apple Festival this year, as I have been trying to get to the others in Manitoba. There are lots, as you know. I have also been trying to get to the Frog Follies for the last couple of years, and I will get to some of them eventually.

Mr. Reimer: I should encourage the minister to go to the Morden Corn and Apple Festival. He is going to have to leave early, though, because it is hard to get a parking spot. It fills up, I will tell you.

We were talking a little bit about the Manitoba Arts Council, and I was wanting to ask the minister does the department still have the art purchase program.

Mr. Robinson: Yes, the program does exist. The total budget the program has is roughly \$25,000. Ordinarily, art is purchased from artists from Manitoba, from local galleries, juried art shows and events of that nature.

Mr. Reimer: I can only encourage the minister to possibly, as much as I hate to say this, increase the budget on that.

An Honourable Member: Oh, that hurts.

Mr. Reimer: That hurt to say that, as a Conservative to say, "Spend more money." But I think this is one of the areas that really recognizes the artists here in Manitoba and the fact that the art that is purchased, whether it is the visual art or the various components, is displayed in Manitoba buildings or ministers' offices or the areas of public viewing throughout all our various buildings here.

I think it is a very good program to highlight the tremendous amount of talent we have in the Manitoba community by showcasing this art. By having it purchased through the government on an annual basis, I think it is not only an incentive for the local artists to try to get some of their art into the building, but it also, as I mentioned, gives the exposure to the artists through the ministers' offices, some of the executive offices throughout all of the building, and in MLAs' offices, because I think all of us have some sort of art in our offices that comes though the art purchases program, so I would encourage the minister to get out there and lobby for more money on that, because \$25,000 does not go

very far when you want to buy some good art from some of the wonderful Manitoba artists that are out there.

One of the things the artists used to have as a way of showcasing their art was the Pool of the Black Star. I realize that that is under Government Services purview for answering of questions, but maybe the minister has been approached or lobbied to try to see whether that venue is available for the Manitoba artists to show off their talents.

Mr. Robinson: I do appreciate the member's comments. In fact, we did increase the budget of that program that we just talked about, from \$13,000 annually to the current \$25,000, but I will take with all seriousness the recommendation made by the Member for Southdale (Mr. Reimer) to increase, perhaps, financial resources to that particular program.

With respect to the art shows that used to occur, I know when I was first elected and I know the member was here already, we used to have the Pool of the Black Star be the attraction area for artists for exhibitions. I am not certain as to what the responsible government department that has responsibility for that has in mind, but I will certainly make inquiries as to what the plans are, and perhaps the area known as the Pool of the Black Star could again showcase the many talents of our artists here in the province of Manitoba.

Mr. Reimer: I can only reiterate what I said earlier about the Manitoba artists. Just as we have experienced a great showcase of talent through the Juno Awards and the Manitoba home-grown talent, if you want to call it, in the musical industry, the home-grown talent that we have for artists and the wonderful people that have showcased some of their work, some of their names are becoming household names right across Canada, like Jordan Van Sewell, Ivan Eyre and some of the other—I should not have just mentioned two, because there are just too many to really mention, but there is tremendous talent out there.

The ability to showcase it through the public venue of a building that belongs to the people of Manitoba, literally, I think is a testament to our belief in the tremendous talents that we have out there throughout all of Manitoba, not just Winnipeg, but all of Manitoba. As the minister is aware, in the

Aboriginal community, there are some wonderful, wonderful artists out there. Getting them showcased into the visibility can only enhance their scope throughout all of Canada, and, indeed, throughout the world as some of them have been able to demonstrate because of their wonderful talents. So I thank the minister for that response.

* (16:50)

I was going to move on to Recreation and Regional Services, which is on page 39 of the Estimates book. Just to get a flavour, in the Grant Assistance to Recreation and Regional Organization Grants, if the minister could just give me a bit of an idea of where some of that money may be going.

Mr. Robinson: Some of the significant events and also organizations that this government works with under that particular line include the United Ways of Manitoba, which I described in my opening comments. Roughly, they are funded by \$2,938,000, the Winnipeg Boys and Girls Clubs at \$440,000, and I also talked about the Manitoba Recreational Trails Association. We are funding currently that group by \$25,000.

We also have community festivals and events which we fund for \$215,000. Now this funding is providing support for the community festivals and events in rural and northern Manitoba and they include the Community Festival Support Program and the Valley Agricultural Society and also the Morris Stampede, which we support for \$40,000 annually.

Of course, the Morris Stampede is probably one of our signature events here in the province of Manitoba and, I am told, is the second or third largest rodeo in Canada, depending on who you speak with.

Mr. Reimer: I thank the member for that information on that. I was going to go, actually, to the next page, page 41, information services. I noticed there is a fairly significant increase in expenditures regarding archives. Is there some reason why that would be an increase like that, in that one particular sector?

Mr. Robinson: Madam Chair, in response to the Member for Southdale, the increase is due to, first of all, a \$79.5-thousand increase because of accommodation costs, a \$100,000 increase for risk

mitigation initiative and a \$17,000 increase for professional services and a \$5,000 increase for shredding costs.

Mr. Reimer: That was not on the record, was it? Not now, no. I thank the member for the information regarding the shredding costs for the government.

Turning over to the Information Resources section of the Estimates, which is the next page, I notice that one of the areas of responsibility is the purchasing of advertising for the government. The purchasing of advertising is that done strictly for local advertising, or does that look at advertising of all natures in the government.

Mr. Robinson: I am told that some of the cost factors include advertising locally, but also some for international promotion of trade and tourism opportunities to our province.

Ms. Kerri Irwin-Ross, Acting Chairperson, in the Chair

Mr. Reimer: I would assume that most of this purchasing of advertising is done through some sort of established tendering process.

Mr. Robinson: It is done through, yes, normal tendering, through a tendering process.

Mr. Reimer: Thank you. Continuing in this same sector, with the Communication Services of Manitoba, I notice that, I guess, in the Estimate book here there are 67 individuals in the Communication Services sector. Are any of those people seconded to other departments to supply communication services?

Mr. Robinson: I understand there is one secondment from that complement that the member has pointed out, and that is Rick Ratte, former CBC television reporter, who is now working on the east side initiative, which has been really to hear first-hand from the citizens on the east side some of the concerns they have and the recommendations they are making to the province of Manitoba on how they envision development to occur. The dissemination of information from the government side is being done by Rick Ratte, and we only have that individual to report at this time that has seconded.

* (17:00)

Madam Chairperson in the Chair

Mr. Reimer: I believe the minister was saying there is only the one staff that is in that position. Thank you.

Continuing on, and as I mentioned, I appreciate the movement through the book of various departments, but I am just looking at Translation Services on page 45. Maybe if the minister can just clarify, translation services are provided only for English to French, or French to English. The translation is not for other types of languages.

Mr. Robinson: Yes, Madam Chair, to the official languages of our country.

Mr. Reimer: I guess this question would be related to what was answered earlier by the minister in regard to the archives and where I was asking about the increase in cost. The minister mentioned some of the areas where the costs were associated with, and I guess I am asking him whether this is mainly in the area of supplies and services that comes up on page 47 of the Archives of Manitoba expenditures, where we look at an increase from 1.5 to 1.7 million.

Is this mainly where the minister was talking about before?

Mr. Robinson: Some of these are for salary adjustments, salary increments. Some also are for increased accommodation, much to my previous response to the member on a similar line item, and also as our technology evolved, a lot of this is on-line and we have to keep up with the times, so I suppose, to a degree, modernizing. So that is where the cost factors are reflected.

Mr. Reimer: With the advent of computerization and various other areas of storing information, do we still do a lot of archiving of hard copy, literally paper? Are we moving toward a more space-conscious area of trying to—I noticed we have increased the paper-shredder budget.

Are we going toward a more efficient way of handling records other than boxes of paper that we all become very familiar with?

Mr. Robinson: The fortunate thing is we are making advances. The unfortunate part of this is that we still live in a paper-based world. The storage is carefully

done, obviously. As technology evolves, we must ensure that record keeping is to the best we can. Other departments are being solicited for their advice on how best we can do this.

My department, being the lead department on this, is still working on ensuring that proper record keeping is kept. We are trying to maintain a sense of being organized, and we are doing a good job with what we have to work with, but as the member points out, we are evolving as well. It is not perhaps as quick as we would like it to be. Much of our filing is still paper at this time, but we are moving towards the next step as the evolution of our world carries on.

Mr. Reimer: I would assume the amount of money that is earmarked in Tourism on page 51 would apply mainly to setting up the new Crown corporation. That money there would be, more or less, going towards the new Travel Manitoba budget.

Mr. Robinson: I will try and justify the line items. On page 51, it indicates \$8,156,000. The agency itself will be expending \$6.9 million plus. The Secretariat, which is still a part of government, will maintain a staff complement of about three people. That is the line item that is indicated under Tourism, Planning and Development of \$1.2 million. Some of these are first-time start-up costs in getting the Crown agency to be functional. Further explanation can be found on page 55. I might add that there is also \$500,000 that is being identified to help the new tourism agency, \$500,000 has been identified from both UDI and REDI monies.

Mr. Reimer: The Tourism Planning and Development, they will still be a function of government. Travel Manitoba will be a Crown corporation, but they will be working together, is that the way I read this?

* (17:10)

Mr. Robinson: Yes, it will be a secretariat that will work for government. However, the tourism agency obviously is arm's length, and they will continue with the progress they are making in ensuring that their agency will operate at arm's length from government. The secretariat will obviously work with government, but there will be communication with government as the transition occurs. Maybe in a year or two from now, there will be a reconsideration of how that will unfold in the future.

Madam Chairperson: Resolution 14.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$43,052,900 for Culture, Heritage and Tourism, Culture, Heritage and Recreation Programs, for the fiscal year ending the 31st day of March, 2006.

Resolution agreed to.

Resolution 14.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$11,720,500 for Culture, Heritage and Tourism, Information Resources, for the fiscal year ending the 31st day of March, 2006.

Resolution agreed to.

Resolution 14.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$8,156,200 for Culture, Heritage and Tourism, Tourism, for the fiscal year ending the 31st day of March, 2006.

Resolution agreed to.

Resolution 14.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,575,000 for Culture, Heritage and Tourism, Capital Grants, for the fiscal year ending the 31st day of March, 2006.

Resolution agreed to.

Resolution 14.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$598,500 for Culture, Heritage and Tourism, Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2006.

Resolution agreed to.

Madam Chairperson: The last item to be considered for the Estimates of the Department of Culture, Heritage and Tourism is Item 1.(a) Minister's Salary, \$29,400, contained in Resolution 14.1. At this point, we request the minister's staff leave the table for the consideration of this item.

Resolution 14.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,891,500 for Culture, Heritage and Tourism, Administration and Finance, for the fiscal year ending the 31st day of March, 2006.

Resolution agreed to.

Madam Chairperson: This completes the Estimates of the Department of Culture, Heritage and Tourism.

HEALTHY CHILD MANITOBA

Madam Chairperson (Bonnie Korzeniowski): The next set of Estimates that will be considered by this section of the Committee of Supply is the Estimates of Healthy Child Manitoba.

What is the will of the committee? Is it the will of the committee to rise? [*Agreed*] Committee rise.

EXECUTIVE COUNCIL

* (14:40)

Mr. Chairperson (Conrad Santos): Will the Committee of Supply come to order, please. This section of the Committee of Supply has been dealing with Estimates for Executive Council. Would the Premier's staff please enter the Chamber now.

We are on page 21 of the Estimates book, global discussion. The floor is open for questions.

Mr. Stuart Murray (Leader of the Official Opposition): I want to continue to ask the Premier questions that we talked about, or proposed, in Question Period today, some serious issues on health care in Manitoba.

I find it interesting that the Premier made all sorts of promises, commitments to Manitobans in the last two election campaigns, particularly on wait lists. I think the issue that I would like to get a sense from this Premier is, while the wait list for pediatric, for young children that are suffering, for seniors who are looking for knee or hip replacements continues to get longer, not shorter, under this Premier's watch, in spite of the fact that there was an offer put before the NDP government from Maples Surgical Centre, that not only was it turned down, even though it was cheaper, but there was no reply.

Knowing those facts, that there are longer waiting lists, more people suffering, I wonder if the Premier could explain what the decision-making process is that he would instruct his ministers to not even respond to letters that clearly outline a less expensive model and a model that would provide better, timely access to care for Manitoba patients.

Hon. Gary Doer (Premier): There are lots of profit proposals around government that make various

claims, make various proposals. I am sure Hydra House was one of them years ago. They purport to do X and Y and Z, and then the people that actually have a lot of expertise evaluate them.

I would point out to the member opposite that we have, since we have been elected, reduced the waiting lists for cancer treatment. I would say that our first priority was life and death. When we came into office, there was such a wait list for cancer treatment, it was up to eight weeks. People were dying on that waiting list. We actually took a proposal that was sitting in the Minister of Health's office to send patients to the United States to deal with the overload in the wait list, which was rejected for political reasons. We actually agreed to it. So we actually paid for patients to go to the United States to get cancer treatment until we could get the waiting list down from eight weeks to one week.

We then dealt with the issue of cardiac care, where there were two or three different waiting lists, depending on the hospital and the surgeon. We implemented some of the recommendations of Doctor Koshal. We then input more resources for cardiac care. We reduced that waiting list by some 60 percent. We moved the children's pediatric cardiac surgery to Edmonton.

*(14:50)

We then also looked at the neurosurgery waiting list, and we were advised that we would not be able to retain and attract neurosurgeons. We then established a neurosurgery strategy where we bought a gamma knife, and were able to attract three doctors, one from Cleveland, one from Calgary and one, I believe, from Pittsburgh. So we have the best neurosurgical team and equipment here in Canada now.

The other issue for us was the waiting list for prostate cancer, and we knew that the prostate cancer centre was promised in '92, '93, '94, '95, not in the capital plan by the time we came to office. We put it in the capital plan of the new cancer institute which was, quite correctly, funded by the former government without this capital. So the \$45-million cancer institute funding that we enhanced with that issue. We incorporated linear accelerators, and we incorporated brachytherapy. We also have established the additional mammography units in cancer care for women.

We are now working on quality-of-life issues. We have gone from some life-and-death issues to quality of life, and we are short anesthetists and orthopedic surgeons. We have four orthopedic surgeons graduating this year. I would point out there are more orthopedic surgeons today than five years ago. The anesthetists, we thought we had some relief in that area in the early 2000s, but we still have much more work to do. The biggest problem of dealing with hip and knees is getting enough operating theatres, which we have, operating longer hours and having more orthopedic surgeons and anesthetists to do more operations. So we are trying to get those surgeons and anesthetists available for these operations. We have obviously increased the volume by 25 percent, but it is not enough.

I would acknowledge that we have a challenge, but the Western clinic has a contract with the government. So it is not as if this—actually, the statement made by the member opposite is inconsistent with the facts. We have a contract with the Western clinic. St. Boniface Hospital had a contract, probably not agreed to by the former Minister of Health, with Workers Compensation. The Workers Compensation chair testified at committee that they make those decisions, and they have made them.

Mr. Murray: I know that the First Minister always seems to have a challenge when it comes to the word "profit," and that somehow maybe is indoctrined in his own prophecy, but it is very interesting, I do not know if it is the scare tactic or the way to try to frighten people, that somehow for-profit has a negative connotation. I understand that he has a problem with profit. He has been very clear on that. I think the issue that we see in this, if he were to—

Mr. Deputy Chair, I hope I am not seeing things. I hope it was not something I said in caucus, but—

An Honourable Member: I just wanted to get a picture of how good you look in asking the questions.

Mr. Murray: Well. I do say this, though, that the issue simply is in the facts. I know that this First Minister is always one to bring out the bogeyman in a debate on health care, bring out the scare tactics, the frightening tactics and all that. So we will talk maybe a little bit about the facts, because I think the facts are important in a debate when there are issues

of concern in front of Manitobans. The facts are that the Maples Surgical Centre put forward a proposal that would have saved \$3.3 million of Manitoba taxpayers' money, and on the information provided over the course of four years would have saved WCB some \$40 million.

So the Premier can sort of fearmonger around for-profit, but, if there is a saving of \$3.3 million to be made and it is laid out in a spreadsheet, then I do not think his argument, not only does it not hold water, but it is quite foolish because it is not then about profit. It simply is, and I believe I heard the minister say in the hallway that his preference is that the public, meaning the government, the taxpayers of Manitoba, own the bricks and mortar and all the assets.

Again, I get that that is a very socialist NDP approach to health care, but when there are seniors, and he knows about it because they write to his office. He knows full well that there are seniors that are waiting longer and longer for hip and knee replacement. The Premier said, "Well, one of the issues we have is operating theatres, we do not have any. We are looking for operating theatres." Well, a world-class facility sits vacant because this government refuses not only to sit down and negotiate but to even acknowledge a letter that comes forward saying here is what we are prepared to do.

Now the fact is that he wants to suggest that because they, they being the Maples Surgical Centre, put forward a proposal saying they will do something at cost and that that is somehow fishing around. You know, the Premier is entitled to his opinion, but it does not answer the bell in terms of providing more timely access to care for Manitoba patients.

Some 1200 children are suffering that need access to dental care. There is an opportunity to purchase services on behalf of these young children from the Maples Surgical Centre, but the NDP government says no. They do not want to do that. They talk about moving surgeries to the Misericordia, and they talk a huge number and, of course, they cannot deliver on that number, so they want to put political spin and political rhetoric around children who are suffering. The same goes for seniors who are waiting longer and longer under his watch for hip and knee replacement.

So I find it, well, I would say, amusing except there is no humour in the fact that the Premier says

that we are dealing with quality-of-life issues. How so can you be dealing with quality-of-life issues when the wait times for hip and knee surgeries have increased, which clearly is an issue of quality of life? People that are having to give up jobs because they cannot move up and down stairs as their workplace requires them to do so, and while they are waiting for that knee surgery to take place, the other knee starts to go out on them because their gait is different. So you have an issue where now you have a senior who is waiting so long, to deal with the Premier's comments about quality of life—

An Honourable Member: In pain.

Mr. Murray: In pain. Nice to see you back by the way, and then you know the Premier has the audacity to say, "Well, we are dealing with quality-of-life issues." I do not think so. I think what we are seeing is quite the opposite. We are seeing people in pain, people suffering, and again, if they could only get over this notion that somehow that a clinic that was built, a world-class facility that sits vacant here in the province of Manitoba, in the city of Winnipeg, who is prepared, has put an offer to deal with shortening waiting lists, the NDP government will not even deal with them.

So I just find it somewhat hollow that the Premier says, "Well, we are now moving on to quality-of-life issues." If he really meant that, if he really believed that, then surely he would sit and at least have a discussion. He could reject after having a meeting. That is his right. To say, I met with them and I rejected outright, for whatever reason it might be, it would not be on financial reasons because financially they have brought forward a case to show that they can do this cheaper.

* (15:00)

So there might be another reason. I am not sure that maybe, you know, he does not like the cut of the bowtie that the doctor is wearing, or whatever it is, but to sit in this Chamber and say that they are working on quality-of-life issues when there is an opportunity to do so, and they do not even have the temerity to return a phone call. I do not think so.

I would ask this Premier how he can possibly justify that statement knowing there is an option in

front, and he will not even deal with the response or he will not even deal with the phone call in giving the decency of even a response.

Mr. Doer: If you think I would be required to sit in the office and listen to every proposal from a profit proposal in government. In the morning, it is privatized liquor and get this much money. The afternoon would be how great a deal the telephone system was.

I noticed yesterday, by the way, Saskatchewan gave an \$88-million dividend on the telephone system with lower rates. The only members that have a slavish ideological bent, the Thatcherites across the way, the extremists across the way, they want to go to the American health care system. There is no secret about this. They want to Americanize health care. *[interjection]* No, the phone rates have gone up 68 percent, and the people that represented farmers let them down. They let them down, totally down. Long-distance rates went down in Saskatchewan and Manitoba.

These members opposite, they want to have the Donald Trump health care system. They want to have the Hydra health system. They want to eventually go to the American health care system where one third of the public is not covered and one third of the public has to sell their homes to get an operation. That is where they want to go. They are absolutely committed to a private, American health care system.

I do not have any problem with profit, if it is gasoline retail. I do not have any problem with profit, obviously stuff in the market system. I was involved in selling the bus company with the former Minister of Industry and Trade. It was actually ironic because the Tories issued bonds and credit to the Flyer bus company and Motor Coach, by the way. We were involved in having both of those companies sold to the private sector down in Houston, in terms of the Flyer bus company.

We were involved in the initial stages of developing Manfor for private, profit operation. I was the Minister of Crowns there. We were involved in having the new centre at Hecla have a more sustainable long-term plan. But, when it comes to health care, and if you are suggesting to the people of Manitoba that a small clinic on McPhillips is the Trojan horse to solve all the problems in health care, we know it is not.

Now, just in terms of consistency, there are agreements with profit centres. The Western centre has an agreement with the provincial government. In fact, it is ironic that when we negotiated an agreement with Pan Am Clinic for non-profit, we were able to reduce the cost of cataracts in Pan Am and the Western clinic by 30 percent, exhibit A, exhibit B. So we have evidence.

When these proposals go to health officials, they are smart people and they run the numbers. If you want to second guess Brian Postl, be my guest, but we trust Dr. Brock Wright and Dr. Brian Postl. When these proposals come forward, we pay attention to them. We are putting our equipment now in places where we will own the equipment. We are not going to buy Cadillacs for Hydra House. We are going to own the homes. We are going to own the equipment. We are going to own the equity that is paid for by taxpayers. We are not going to have eventually a situation where somebody who has a MRI machine can just take it to B.C. or take it to Chicago or take it somewhere else.

We are going to look at private-public investments, private donors, but the public and the health authorities and the non-profit organizations are going to own the equity, not somebody that can just pull the plug and take it away, and then you will be standing up and saying, "Where did our asset go, you only got blah, blah, blah."

Well, if you want a Hydra health system, go ahead. If you want to Americanize the health care system, you go right ahead and campaign on it. We are going to reduce the waiting lists in a public, non-profit way. We are going to have more anesthetists, we are going to have more orthopedic surgeons, and we are not going to breach the Canada Health Act. We are not going to breach the recommendations of Romanow. We are not going to breach the recommendations of Noralou Roos prepared in 1998. We are going to pay attention to the recommendations of the Harvard Medical School. You go on. You carry on with your extremist views.

Mr. Murray: As pretty much predicted, it is the scaremonger tactics once again. It is incredible that not once would we ever talk about an American-style health care system, yet the First Minister wants to bring that up because that is the bogeyman. That is the old adage that, you know, when kids are not sleeping at night and you cannot control them, you

come out with this bogeyman theory that somehow there is a bogeyman.

That is the NDP's way. I mean, it is the latent Castro kind of model for socialized medicine, and that is what they are going to campaign on, Mr. Deputy Chair. That is a fact, because they are not able to look at other options because of ideology. If the First Minister thinks that he is going to run an election campaign on ideology because the taxpayer is going to be forced to own everything, even if it means longer waiting lists and more people have to suffer, then yes, I challenge him to a campaign on that as well. I think it will be a very interesting debate, but I would ask the First Minister to be honest with the people of Manitoba when that election time comes and say why it is that he is prepared to see seniors suffer, children suffer while a clinic sits empty.

No, we do not think it is the Trojan horse. I do not think we have ever said that. Again, this Premier loves to put things on the record that are totally inaccurate. But, certainly, there has to be some sense of innovation, some sense of modernization of the health care system, rather than the status quo, sit on your hands, sit on your laurels, do-nothing kind of health care system that we see with this Premier.

I know that he was hung up. I know, for example, when he came into government, the issue of the private wine stores that were set up. I know he gave his minister a directive, at least according to those people that operated them, to shut them down. That was the directive that came from this First Minister. We understand, I think those of us in the business community, exactly what the notion is of how he feels about profit. It does not matter. He likes to talk about different aspects and cherry-pick, but clearly, the issue we know around the private wine stores was a major issue. I believe there was some kind of a settlement that was made. I do not know. Perhaps the Premier will let Manitobans know what kind of a settlement was made on behalf of the taxpayers of Manitoba.

Again, I would say that what rings hollow for this First Minister, who, by the way, stood during an election campaign commercial and threatened to close down Grafton because he had a better way. Mr. Deputy Speaker, again, it is false. I have talked to numerous people who continually go down there because they are not prepared to wait under this NDP-style of health care when they know that there

is access. The reason they are getting access is simply because they do not want to suffer in pain day after day, month after month, year after year, as they do under this NDP government.

The interesting thing is I find it fascinating that this Premier gets on a soap box and wants to hammer the American health care system when that is exactly where Grafton is. That is where people go for a day or two days' notice to get an MRI. I understand why he is opposed to that, because somehow that is timely access to care versus punishing patients to wait longer and more timely when there are other options.

*(15:10)

So this First Minister can try to paint a canvas, you know, he loves to use the word "extremist." Again, this is classic. Maybe he is taking a lesson from his federal leader, I do not know, but he loves those words because, somehow, being extreme means that you want to look to help people, to make their lives a little bit better, to give them more access to care, to ensure that there are other options than the status quo we see under his watch that, instead of getting shorter care, has become longer, longer wait lists.

So to sit and have a debate with the public or have a debate in this Chamber about how there might be options that would be put in front of Manitobans or be put in front of this government that might allow for more access to care under the publicly funded system, the government, rather than owning the bricks and mortar and spending taxpayer dollars on bricks and mortar, could purchase services on behalf of patients, but rather than go that route, and when it is suggested that that is perhaps a way to look at, then what we hear from this First Minister, "Well, that is the extreme views of the members opposite."

Again, if the First Minister wants to go out into the public and say that, somehow, it is extreme views that want to look at shorter waiting lists for people in pain, shorter waiting lists for children who are suffering because they cannot get pediatric dentistry, then that is his right and he is absolutely within his limits to say that that is somehow extreme. I happen to think that the public would have a different view point.

But, of course, he will not stop there. He will then go on to characterize an American style,

somewhere about 30 percent, I do not know what his numbers are, I have not looked closely at what the American-style health care system. I have looked at a model that I thought was very interesting. I think the Premier would be well suited to at least have a study of it. He does not have to agree with it, but if you look over in some countries like Sweden, some of the other countries, those are areas where they are trying to look at innovation in health care. I would suggest that a country as socialist as Sweden, I would say that this Premier would probably fit in fairly comfortably there, but they also have another way to look at health care. They are not afraid to look at ways that ultimately drive, I think, what is the issue, more access to care for Manitoba patients.

It is not just about the Maples Surgical Centre. Clearly, there have to be other ways to do it, but it is one option that sits in front of this government, right under their nose, with the ability to deal with shortening waiting lists, and yet all we hear from this First Minister is, "Well, I do not look at all these proposals." Well, fair enough, but somebody in this government should. Somebody on that side of the House should be interested in trying to see if they can get more timely access to care for patients. Someone should take the responsibility at least to have the decency to acknowledge a proposal that came forward. To totally turn their back on a proposal is the same as totally turning their back on Manitobans who are suffering.

Again, if that is his idea of NDP health care in Manitoba and one that he feels proud of, that is his local right. I just suggest that there are other options that might be considered that would provide more timely access to care for patients, and certainly, I would think that it would not hurt somebody on the government side, perhaps, the Minister of Health (Mr. Sale) or the Premier to at least sit and acknowledge that there is an opportunity to work with another health care facility. To me, if the ideology simply says you will not do it, then stand up and say that. But to not even acknowledge a proposal of some kind, I think just is, as I say, you are turning your back on Manitoba patients that are suffering and that just does not make much sense.

The notion that the Grafton clinic, it is a couple of hours' drive, is able to provide service, I know that that really rubs the Premier raw because he was, somehow, going to put it out of business. Again, what the problem is that he has failed in terms of

providing the things that he promised Manitobans, more timely access to care. That has been a failure. I think that as long as his ideology drives that agenda, then Manitobans are relegated to suffering, waiting longer, waiting lists.

So, on this issue, I simply say that there is an option to look at, to have a discussion, and if the discussion is about more timely access to care, I suggest that is an option to look at. If it is not, if it is strictly around ideology, then, yes, continue status quo, turn your back on the Maples Surgical Centre, turn your back on any clinic that wants to come forward with a proposal that can be done cheaper, less expensively, because their belief, the reason they are coming forward simply is they think they can help and provide more timely access to care for Manitoba patients.

Mr. Doer: Well, I am shocked that any official leader of the opposition in this province would be advocating an American system and then admit that they do not know much about it. That is shocking. That is shocking. That is absolutely shocking—

An Honourable Member: Well, your Manitoba system is shocking, Gary. You know that. All you have to do is look at some options.

Mr. Doer: I did not try to yell down the member—

An Honourable Member: Oh, oh.

Mr. Chairperson: Please, one at a time. The Premier has the floor.

Mr. Doer: I will reread Hansard, but I believe that the member opposite stated that he does not really know a lot about the American system. He really has not studied it that much. You know, and here he is proposing it day in and day out with one little small clinic.

An Honourable Member: One small little clinic that could save you \$40 million.

Mr. Doer: Yes, well, that is probably the same evidence that was used by members opposite when they paid the per diem for Hydra House. Hydra health is what you are proposing, the Americanization of health care, because the same argument is there. Why should we own the bricks and mortar? Well, we ended up paying for the bricks

and mortar through a per diem. The pink Cadillacs went out the door. The pink Cadillacs went out the door, and we have had a heck of a time getting them back, I will tell you that right now.

Some Honourable Members: Oh, oh.

Mr. Chairperson: Order. One at a time. The Premier has the floor.

An Honourable Member: A new Mercedes.

Mr. Doer: Well, there you go. If that is the case, that is another reason why—do you not think these doctors at the old Maples Clinic, what do you think they own? What do you think they are driving?

Some Honourable Members: Oh, oh.

Mr. Doer: I do not have any problem with people doing that, just own a company.

Some Honourable Members: Oh, oh.

Mr. Chairperson: First thing, but we are civilized people. We listen.

Mr. Doer: Yes, I am shocked that the Leader of the Opposition put on the record that he really does not know a lot about the American system.

An Honourable Member: We do not want the American system.

An Honourable Member: We want France.

Mr. Doer: Well, the member opposite raises France, and their health guru, and the members opposite have raised France before. Let me deal with France. It is running a 15-billion-Euro deficit right now. So that is your French system. You know how long the waiting list is for an MRI machine? It is longer than Manitoba. You know, you are so desperate. You are so desperate over there. You are so desperate. You are absolutely so desperate.

An Honourable Member: No, you are desperate.

Mr. Doer: I am living a dream. I am just living the dream.

An Honourable Member: You are in a dream world.

Mr. Doer: Well, you have to dream to have a vision. And let me say how, and the members opposite do not often travel across Portage Avenue, but there is a new primary health—

Some Honourable Members: Oh, oh.

An Honourable Member: Excuse me? Do you know where my cultural group lives? Across Portage Avenue.

Mr. Doer: Yes, and we are trying to make sure you do not forget your roots. I want to thank the member opposite for helping out in the election, and we will soon find out whether the President will be here and he will be part of that process and I look forward to that.

But I am shocked that the member opposite does not understand the American system. He is a kind of extremist American health care supporter and, you know, he is going to have an American Express card that you have to plug in to your Maples clinic at the end of the day.

Certainly, the people of Manitoba understand that. They voted on it in the last election less than two years. They voted on your one-trick pony, the Maples clinic. They voted on your one-trick pony, the Maples clinic because, you know what, the people know that some of the challenges in health care require anesthetists and orthopedic surgeons and more surgical spots. You would put your public investment through procedure processes into the Maples clinic.

* (15:20)

We are putting our dollars into the Boundary Trails hospital, the Steinbach hospital, Brandon, Concordia Hospital. So you can campaign on Maples. We will put your vision, we will put your puny little vision beside Concordia Hospital, Boundary Trails hospital, Swan River Hospital, Gimli hospital—

Some Honourable Members: Oh, oh.

Mr. Chairperson: Order, please.

Mr. Doer: We will put that little pathetic view of yours beside all the public assets and investments we are making, and we will let the political chips fall where they may, and I look forward to it.

You do not want to put any money into the Neepawa Personal Care Home; you want to put it all into the Maples clinic. You do not want to put anything into the primary health care system in River East; you want to put it in the Maples clinic. You do not want to put any money into Transcona health clinic; you want to put it in Maples.

You do not want to put an MRI machine into Pan Am and Children's Hospital and Health Sciences Centre; you want to put it in the Maples clinic. You do not want to put any money into Brandon general hospital. No wonder you did not build it for seven years in a row, because you had this secret medical agenda, this secret compact with this Maples clinic.

Now, I would urge members opposite, if the question innovation was raised, a primary health clinic in northeast Winnipeg, a primary health care unit in Transcona, a primary health care unit coming to a neighbourhood near you, a medical modern clinic called Pan Am.

You know, I will not even mention their name, but a prominent Tory I bumped into the other day said to me, "You know, I was originally against taking over Pan Am sports medicine clinic," he said, "I was originally against it, but," he said, "I can't tell you the timing and the health care," surgery he got at the Pan Am Clinic. He said, "It is a great program. It is doing a great job." I agree with the Tories on some other issues, and I will not reveal his name because I do not want him to be ostracized at the next annual meeting you might have at the Manitoba Club.

So innovation, telemedicine, was there any telemedicine in place five years ago? No. We have more telemedicine than any other province in Canada. Was there any capital to revitalize Brandon General Hospital five years ago? No. There was nothing.

In fact, it was so pathetic that the former Minister of Health brought a couple of cardboard boxes out, said that they were a CAT scan, and then, thank God, the janitors came out and said, "There's not a CAT scan in there. There's just Styrofoam." And CKX had to go back and film the Tory announcement of a CAT scan machine which is a box full of Styrofoam. That is really what was going on.

But I know, I know, I know, "We would have, could have, should have. Oh, if you just gave us

another seven years, we would have broken our promise for another seven years. Oh, if we were in government, oh, we would have lowered the taxes on farmers." After raising the taxes \$7 million, how do you go to a coffee shop? After we reduced the taxes by some 50 percent, how do you do that? You have got to have a lot of swagger. You have got to have a lot of phoney swagger to do that.

An Honourable Member: No, it is not phoney swagger. You have tried to implement our programs and you have done a poor job at it.

Mr. Doer: Yes, well, we are 50 percent there. You are the brokers' party. You are not the farmers' party. You supported the brokers when they sold the telephone system. You are a brokers' party. You may not know it, but the guy you have got sitting to the left of you is part of the brokers' party, the downtown business party, and I believe the innovations we are making in health care.

I will settle the debate down a bit because I know the member opposite is pretty agitated, and he wants to get into his philosophical debate. I am happy that he is not only running on the American health care system, but he is also admitting he knows nothing about it. We actually believe that every day in Question Period with a lot of the questions members opposite ask, and we now have the proof in Hansard that will live forever as your legacy of knowledge on health care in Manitoba.

Mr. Chairperson: Before we proceed any farther, the rules are you address the issues through the Chair. You do not confront directly because that inflames the passions and then we lose order. Everybody has a chance to speak. Only we have to be patient. So, once I call a member, he has the floor, and everybody has to listen. It is polite to listen. It is one of the abilities of a good person to listen. *[interjection]* Okay, no more sermons.

Mr. Murray: Again, it is always a delight to listen to the rant of the Premier, when again he has no real solutions to the fact that there was a potential to save \$40 million, when there was an opportunity to save \$3.2 million, because, again, it is all about ideology. You think about the fact that maybe those \$40 million might have been able to flow to bring in more doctors, more nurses, but, no, the Premier (Mr. Doer) wants to spend the \$40 million of hard-earned taxpayer dollars because somehow he knows better. He knows the best health care system that Manitoba

can have, and that health care system is one that simply means that Manitoba's seniors have to suffer in pain day after day, week after week, month after month.

Again, the Premier is well aware of this, although he will have trouble to admit it, I am sure, but all the letters we get from those people who are tired of suffering under this NDP system will find ways to spend dollars to go south of the border for knee or hip replacement, because they are tired of waiting in pain under this NDP government. That is the legacy of this Premier; it is make Manitoba patients suffer, because he knows better than they do. That is all that he seems to be wanting to revolve around his argument.

He wants to talk about phoney swagger. Well, there is the mother of all phoney swaggerers sitting right across from me. All he wants to do is talk about the bogeyman, talk about some kind of health care system that wants to frighten people. Well, I guess that is what they learn, maybe in the way that he has been brought up politically; if there is a chance for a good debate and you run out of answers, oh, let us just frighten people. We will scare them. That is what we will do.

That is unfortunate because, again, I come back simply to the point of saying that if there is a debate to be had about how you provide more timely access to care for Manitoba patients, then that should be the debate. That should be what this is all about, but, instead, we hear the phoney political rhetoric from the Premier, who says, "Wow, you know, look what happened in Brandon. Look what we have done." Well, look what they have done in Brandon. If you are a mother in Brandon and you need to see a pediatric doctor, you can see one, all right. Just hop in this ambulance and we will send you all the way to Winnipeg. That is the health care system under this Premier: highway medicine.

I gather he is proud of that. Maybe he will say, "Wow, I know you had to wait and then you had to go in an ambulance to get to see a doctor, and you had to drive all the way through ambulance into Winnipeg, but at least you got to see a doctor." If that is the attitude, I say shame on him. I say shame on him for letting Manitobans down, only because it is on record, and he can talk about Hansard all he wants, but the public knows that this Premier promised Manitobans that he had all of these solutions to health care, all of these solutions to

ensure that whatever happened, as we know. I do not know which one over there is Sherman and which one is Peabody; but, when they get the Wayback machine all fired up, they can go back to the previous government and start playing the blame game, rather than what was it that was said by this Premier when he was standing before Manitobans.

He had all sorts of solutions to get more doctors, more nurses, shorter waiting lists. He knows, and he will not admit it, but he knows that he has failed on those accounts. The city of Brandon is reeling in their hospital, simply because they do not have the kind of care that they deserve. Why? This First Minister has failed to provide the kind of services that Manitobans in Westman deserve. Oh, they have got a new hospital. There is no doubt about that. It did not have any beds. They had to go and fundraise for the beds, but that is a separate issue. Maybe we will get into that at some point, and I am sure there is a real reason that this Premier says, "Well, it is good for the people of Brandon to go out and fundraise money to have beds."

* (15:30)

I am not sure what that means, but he will have a reason for it and it will be a good reason. Somehow, it will be, "Well, an American-style system of health care would have actually put beds in the hospital, but, no, we did not want that. So we will make the citizens go out and raise money to get beds in the hospital because, somehow, that is a good thing, and the other was an American." That is what we hear from this Premier (Mr. Doer).

So, Mr. Deputy Speaker, we all know that this Premier likes to rattle cages and rattle around because he wants to try to shift the debate from what the real debate is. The real debate is simply this: he has failed to deliver on what he said he could do for Manitobans in health care. Manitobans suffer day after day, month after month, year after year under this Premier because he cannot deliver, he cannot deliver what he said. So, rather than focus on those seniors that are suffering, the young children in Manitoba that are suffering under his watch, then let us try and divert the debate to something to see if we cannot shift it over to something that takes it away from what the real issue is.

That is something that this Premier is going to have to live with. He can talk all he wants about all of the other issues that he thinks are important, and

some of them are. I have no problem when this First Minister does something that is good for Manitoba. He should be congratulated because it is good for the people of Manitoba.

I think, for example, and I hope that they follow through with this, I understand, again, the Premier is always quick to say, "I'll go back to Hansard," and I am going to go back to Hansard, because I do believe that the former Health Minister, who sits to the left of this Premier in this Chamber, talked about building a private clinic up in the North. So I am not sure what date they are going to set for that private clinic. I am just delighted that they see that as an opportunity and that they are looking at putting private clinics. I mean, that one will not, however, have anything to do with American-style health care; that would be a totally different thing.

But for the First Minister and his former Minister of Health to say in the House today that they are going to build a private clinic in the North, I think, is probably a step in the right direction because, presumably, they would be doing that because they want to provide better access to care for people in the North. We would support that. It is the right thing to do.

So, you know, this Premier can sit here and sort of talk about all of the things that he thinks that he has done, and as I say, some of the things that have happened under his watch, and a lot of things, frankly, that were put in place by the previous government, they have not touched, they have left some of those things in place. That is fair enough. But to sit here, and to try to shift the debate away from the obvious failures that he has had under health care, that is his prerogative. He can do that.

I just believe that when you get letters and you see people that are having to leave their jobs because they cannot, a woman from a day care centre who used to carry young children up and down stairs cannot do it anymore because her knee hurts her so much, and she has been waiting so long for knee surgery that she has to stay at home. Now, she is out of the workplace. Now, by the time she gets her one knee done, there is a chance that the other knee will be gone. So, you know, you are living in constant pain under this NDP Premier and, sure, he will try and shift the debate any chance he gets to an American-style health care system, and again, you know, his prerogative.

I will say this for the record, and I hope that this Premier does read this in Hansard, that my prerogative would be to try to find out how we can get better access to care for patients, reduce the waiting list for those children that are suffering, the pediatric dentistry that is required, and the hips and knees of some of these seniors that are suffering. Some of them are forced, under this NDP government, to flee to the United States for service. I would be open to looking at options. And those options, and he wants to refer to it in his own way, as some kind of, you know, sort of puny system, again, I would love for him to sit in front of a bunch of seniors who have been waiting two years and longer under his watch and know that there is an option posted in front of them, and for him to say, "Well, I am not going to deal with that puny little place, even if it helped you to get better service." That is what he is saying in the House; that is what he is saying on record; that is what he is saying in Hansard, to quote the First Minister.

If that is his vision of health care, then he should come clean with Manitobans and just say to those people that are suffering, day after day, week after week, month after month, that "No, I am not going to deal with some sort of puny little place because, I do not care if it helps you get better service, somehow it is puny." That word "puny" means that it is not a great idea in his mind.

I would suggest to the First Minister that, if there were seniors who could get a hip replaced or a knee replaced in less than the longer waiting list they see under his watch in that puny little place, I think they would find that somewhat relieving. I think they would take that option, but he will not give that option to them. I think that is unfortunate.

I would say to this First Minister that this debate, if he truly wants to have a debate on health care and I know that there are issues, I think he was talking about trying to slam some kind of business. I am not sure what area of business it was, but as typical, he will slam business for whatever reason because that happens to be my background. I am proud of it. I think we ran a good company. I think we still do. We employ a lot of people in the province of Manitoba. We pay taxes in the province of Manitoba, taxes that this First Minister will spend at will.

An Honourable Member: The Minister of Industry is ridiculing the private sector.

Mr. Murray: Well, why would he not? I mean the apple does not fall far from the tree. We know the First Minister feels that. The Minister of Industry and Trade feels that, but I would just say I know the First Minister is troubled that somehow I was involved in business and maybe the way that from time to time you look at different issues is from a cost perspective. Sure I understand why that would trouble the First Minister. He has never done it, but for me I think it is a prudent way to do it.

Again, I come back to what the simple issue is and the simple issue, I believe, should be, let us have a debate on how we can ensure that all Manitobans, all Manitobans, and please Premier read Hansard because I am saying all Manitobans will have better access, timely access to care to get out of the pain, to ensure there is a publicly funded system but that there are some options to look at. You can call it puny. You can call it whatever you want, but I prefer to call it a system that provides timely access to care for patients in the province of Manitoba. That is what I am interested in. I am sorry the Premier is so far against that.

Mr. Doer: I think the member opposite takes a great deal of licence to recharacterize what I said. I said I believe the health care system should be non-profit and entities such as distribution of gas, and I went on to talk about bus companies and other companies, should be profitable. I am saying that should continue.

The member opposite totally misrepresents what I am saying and I will say it for the record. We will read Hansard because I just said that we took some Tory, publicly owned companies like the Flyer bus company and sold them. The member opposite should not recharacterize my comments in a way that was not stated. I am not even going to deal with his intent because the words speak for themselves, and that is not the first time.

I have a great deal of respect for the Everett family. To say I do not is very unfortunate. Again, it shows the member opposite is desperate to create something when nothing exists.

I want to say that when the member opposite uses the term come clean, he should come clean because the problem on hip and knees is really not an issue of facilities. We have expanded facilities at Concordia. We have expanded facilities being

prepared at Boundary Trails. We have expanded facilities in other places. The problem with hip and knees is a shortage of orthopedic surgeons, and we have more today than we did before. We are graduating more today than we did before and anesthetists. That is the challenge. To suggest to the people of Manitoba that having some clinic will increase the number of anesthetists tomorrow or increase the number of orthopedic surgeons is not coming clean with Manitobans. You are not coming clean.

An Honourable Member: You will not even meet with them.

Mr. Doer: Well, you know, I do not meet with everybody proposing stuff. We have Health. There are smarter people than you and I who listen to people, know more about patient care and prepare material for us, and we do listen to them.

* (15:40)

I am sure the Workers Compensation Board listens to them. I am sure the Winnipeg Regional Health Authority listens to them and the Pan Am Clinic listens. I would point out that the shortage of anesthetists is the challenge. That is the issue. So, if you are going to say something else is going to solve something, when at least we are being honest about what is short in the health care system for hips and knees, you have to start.

I would suggest to the member opposite, if you are going to start with a solution, you have got to start with what you have got to solve. It is not the capital facility. It is the shortage of orthopedic surgeons. It is the shortage of anesthetists. They are not facility based. For example, there are anesthetists travelling from the Health Sciences Centre now to Concordia Hospital. I have met with Concordia Hospital as late as this Saturday, and there are anesthetists travelling there to have the operations there. There is a little bit of a short-term family issue there with the orthopedic surgeons, but they are doubling up and conducting two operations at the same time. That is making a difference.

We have pledged a thousand, and we would pledge more if we had the anesthetists and the orthopedic surgeons because we do want to lower that waiting list, just like we tried to do, and did do, with cancer care waiting lists. Radiation therapy

went from seven weeks to one week, and we had the same political government will to do the same thing for hip and knees. What we need and what we are trying to do and we are competing with other provinces, our competition is with other provinces, is for anesthetists and orthopedic surgeons. If you go out and tell people that it is something else, you are not coming clean with the public. You use the term "coming clean" a lot, and I do not use it a lot with you, but I am telling you that if you give somebody a solution that is not honest and accurate, you should be held to account.

We need more anesthetists and we need more orthopedic surgeons because we do want to lower the waiting lists. We have capital investment all across this province for operating studios. They are available. The problem is the surgeons and the problem is the anesthetists. Any other suggestion on hip and knees is really to give a Trojan-horse solution to a very serious health care issue. So, if you are sincere about health care, and I believe you should start being sincere about it, it is anesthetists and orthopedic surgeons that deal with the pain and suffering of your loved ones and family members. To basically characterize it any other way is to not be clean with the public. I am being clean with the public. We have a shortage of anesthetists and we have a shortage of orthopedic surgeons. We have more orthopedic surgeons today than we had yesterday.

On the issue of highway medicine. Yes, we are using our highways here in Manitoba to deliver more health care systems. We are using the highways to deliver another MRI machine out to the renovated new hospital capital in Brandon. We are using the highways to take a CAT scan that never existed out to The Pas. We are using the highways to take a new CAT scan up Highway 6 to Thompson. We are using the highways to take a CAT scan to the Selkirk hospital. We are using the highway to take a CAT scan to Portage hospital.

We are going to have a new MRI machine soon in Boundary Trails, and, yes, we are using the highways to transport it to that community. We are using the highways to take a new CAT scan that did not exist in Steinbach out to that community. The old days of having all the capital diagnostic equipment inside the Perimeter Highway have ended. We are using the highways to deliver more diagnostic equipment and therefore shorten the waiting lists in communities. We will shorten the waiting lists in

The Pas. There will be 2000 less people a year that come to Winnipeg on the highways for a CAT scan. There will be 3000 less patients less a year in Thompson going down Highway 6 to get a CAT scan. There will be thousands of people less a year using an MRI machine in Brandon coming on the highways.

We are going to put a linear accelerator in Brandon as well. We are putting equipment into the Boundary Trails hospital, using the highways to get it out there. In the old days the highways only went into the moat in Winnipeg. Our health care vision includes sending equipment out of the moat. The facts are undeniable. You can rant and rave all you want, but Steinbach, Selkirk, Morden, The Pas, Thompson, Portage, and the facility in Brandon with the MRI machine, and another MRI machine in Pan Am, Children's Hospital, Health Sciences Centre, the absolute facts are that the highway goes out, as opposed to the old days where the highway came in.

Mr. Murray: Well, again, always fascinating to have this Premier get on the soap box and give some sort of a lecture about coming clean and then telling us to come clean. I did not hear him once say, if he wants to come clean, that the highways are used to transport patients from Brandon to Winnipeg because they cannot get access to care in Brandon. I mean, that is coming clean, but, no, he would not want to do that because that is the kind of health care that we have under this Premier. Moms that are in desperate need of seeing a pediatric doctor, sure they can go to a brand new hospital; they just do not have any doctors. So they have got to jump in an ambulance and use the highways to get access to care in the city of Winnipeg.

So, again, I am always interested to see when this Premier feigns indignation and tries to put words on the record, wants to be assured that nobody would put words on the record that would somehow indicate an interpretation of what he said, but, boy, I am telling you, when it comes to having a debate on health care, wow, I mean, this is quite phenomenal, the amount of political rhetoric that gets dragged into the debate that is so inaccurate and so misleading. It is part and parcel of what he is prepared to do, yet when it comes to having this discussion, then all of a sudden it is somehow, because we are asking questions about how we can make Manitobans get better access to care, somehow we are supposed to come clean.

Well, you know, Mr. Deputy Speaker, again, that is pretty typical of what we have seen under this Premier. He talks about desperate measures. Again, that is the way that he loves to characterize these kinds of debates, but what is always fascinating is that, rather than talk about the facts, talk about what is real, talk about some options, no, it is always somehow there are desperate measures.

Well, I would suggest, and this First Minister said that there are people in the system that are a lot smarter than he and I. Perhaps, I absolutely agree with him and it is a good thing. I do not debate that for a minute, but it does not answer the question that, if you get back to the premise of the debate of trying to provide more timely access to care for patients, you would ignore, completely, a proposal that came forward. Now the First Minister wants to say, "Well, you know, the issue is around anesthetists."

That may be the issue, but if an organization, in this case the Pan Am Clinic, has come forward with an offer to try to provide service, again, how the First Minister can go on and on and on and on about all the things they have done. He has not even met with these people. He has not even responded to the correspondence. So, sure, there may be people smarter, but I do not see how you can characterize intelligence to say, "Well, we are not even going to respond." I mean, at least meet with them. If you do not like what they have to say, that is fair enough. Nobody will deny that, if you meet, you sit and you have a discussion, you do not like the fact that perhaps they put a proposal that can do something cheaper, you make that decision. It is folly, it is pure folly to suggest that you are not even going to meet with them because somehow the issue is defined by this First Minister as a shortage of anesthetists.

* (15:50)

Well, maybe, and I say just maybe, and, again, there are experts that know this stuff better, but maybe they have a solution. I do not know that. This First Minister sure would not know it because nobody has met with him. So I am always delighted to have this debate with the First Minister, because he is a master at trying to create desperation in a situation that he knows he has failed Manitobans in. Again, it is always great to be able to try to cloud the debate around characterization of things that are not accurate. He has no trouble characterizing comments that, perhaps, I have alluded to. Again, that is what

we see out of this First Minister, but the moment that he believes there is something that is said that is not somehow accurate from his perspective, then it is "woe is me" and "Boy, we better sit down and come clean."

This First Minister has a lot more experience in this Chamber than I do. I would suggest to have that kind of a discussion, he knows better than that. He has probably been one of the people that, over the course of years, has had a pretty good record of trying to convince the public of what somebody said that may not be 100 percent accurate, so I do not need any notion from this First Minister on any of those kinds of initiatives or issues. I think it is purely blowing smoke and has no meaning whatsoever.

I would like to ask this First Minister, on the basis of talking about coming clean with Manitobans around the issue of Bill 10, which was brought into this House, and I think the First Minister is quite aware that it was members from this side that brought in a private member's bill to allow the seniors to have access to locked-in pensions, to have access to their pensions, and if the First Minister is sending out for this transcript, I can send it over. I have it here, but the issue simply is that we believe on this side of the House that seniors, people that have worked hard all their lives should have access to their pensions, to do as they see fit. I know members opposite are opposed on the basis that somehow they may go out and buy a cottage. We do not think that is a bad thing. In fact, if the grandparents can spend time with grandchildren, it probably enriches their lives. We think it is a good idea. Members opposite are opposed to that. They are on record as saying that, but that is their right.

We believe that there is an option for seniors that have worked hard to have locked in pensions, to have it freed up. So, on this side of the House, we brought in a private members' bill that the members opposite were against, opposed to, felt that somehow women cannot manage finances, that somehow they would be left in abeyance which, again, are views that the members opposite have, certainly not shared by our side of the House, quite the opposite. We believe they are responsible, hardworking men and women and they can handle their finances just right.

I thought it was very interesting that the NDP were against our private member's bill. Through pressure, and it has been debated in this Chamber, it

has been put on record that there are a number of hardworking heroes that would not stand and allow this NDP government to deny them the opportunity to have access to their pensions. This NDP government brought in a bill that we certainly supported. It was a half measure in our opinion; nonetheless, it was a start, and it was a step in the right direction. Whether it was the Manitoba Society of Seniors or individuals, people from the credit unions who came out at committee, they spoke on the basis that they appreciated the fact that it was the start of unlocking locked-in pensions that give them 50% access, I think that was very interesting.

Mr. Deputy Chair, I thought it was somewhat interesting that, and I am sure that the Premier sent out for a transcript, because he keeps saying, "read the whole transcript," but I thought it was very interesting that on his open line town hall, when a senior called in and asked about what was happening with Bill 10, that he said, and I quote, the Premier said, "I have got Jean on the line." Jean said, "I am calling on behalf of seniors." The Premier said, in asking about the private pension plans, what is happening with the private pension plans, the Premier said, and I quote, if this transcript that was provided from the radio station is accurate, "Yes, we did bring it along in December in the Legislature. It has not been passed by the opposition parties. We determine the date in terms of which legislation comes in. The opposition parties determine the date they will pass or vote in public committee. I hope that it can go to public hearing soon."

Jean then says, "This is not going to come into effect soon, then?" The Premier says, "Well, as soon as it passes, it will come into effect. We put it in, in December, so I am hoping it will go to public hearings as soon as the two opposition parties agree to pass it. But there is no reason why this legislation would not be passed in the next six weeks. There is no reason at all."

"I hope you are right." The Premier says, "Well, I can only draft it."

This has been an issue in this Chamber because, again, I will just draw it to the Premier's comments, who said about coming clean with Manitobans. I find it somewhat astonishing that the First Minister in a public forum—I mean it is one thing to get into a debate in this Chamber. That language is carefully monitored by the Speaker, but the debate in this

Chamber sometimes has a level of emotion attached to it. But for the Premier to go on public airwaves and somehow indicate that there is a notion that the opposition parties are somehow responsible for any delay in this bill, I think is completely unconscionable. I do not understand. To quote the Premier, talk about puny. That really I think sticks in the craw of a lot of people because he left this individual caller on the basis that there is more angst about what is happening, that somehow the opposition parties were playing politics with Bill 10. Mr. Deputy Chair, if anybody was playing cheap politics with it, it was the First Minister on public radio.

I find it unfortunate that he would continue along this notion of making seniors suffer and wondering, well, what can happen to this bill. It is the right thing to do. Why is there any reason that this bill would not be passed in a timely fashion? To be given an answer that it is somehow up to the opposition parties, that he can only draft it, but the opposition parties have something to do with it, I think does not speak well of any First Minister, regardless of what their political stripe is. That is misleading the public in the worst possible way.

I believe that we on this side of the House, it is on the record and Manitobans know that we supported it. We could not believe the fact that this government, the NDP government, were dragging their heels on it. I do not know whether they were not prepared, whether they could not get their ducks in a row on it, but the notion that this took as long as it did. By the way, Mr. Deputy Chair, again the First Minister, and I am sure he will correct this, but he said even in his own comments that, hopefully, it would be passed some time in the next six weeks. That was on April 12. The next six weeks would bring it some time very shortly in the mid to end of May, but I believe our critic. I am sure the First Minister will be very, very, quick to correct this record, but we have been told this might not pass until the end of June because the regulations are not ready.

Well, Mr. Deputy Chair, again this First Minister can lecture all he wants about coming clean but to hear this First Minister take the approach on public radio to mislead all Manitobans, in particular seniors, in respect of what was happening around the passage of Bill 10, and then to find out, when we get to committee that we want this thing to be passed or

this bill to be passed immediately, that somehow the NDP government do not have their ducks in a row. Again, as I say, I hope the Premier—I am surprised he has not called a point of order to correct the record and say, "Well, no, it will not be June 30. It will be well in advance of that, as I said on public radio, within six weeks,"—will stick to the date that he promised Manitobans.

I would like his response to what date Bill 10 is going to come into effect on behalf of those seniors that he initially misled on his radio program. Maybe he can at least give us a sense in this Chamber of the date so that we can also pass on to the Manitoba Society of Seniors and others who were in committee when this will come into effect.

* (16:00)

Mr. Doer: A couple of things the member opposite raised about women and pensions and the assumptions that underlie them are pretty false. The member opposite should realize there are two actuarial challenges for women and pensions, and there are lots of data and studies on this. Again, for the Leader of the Opposition not to understand that is quite worrisome.

Women lose, because of child-rearing and the birthing role, periods of time in their employment which generate pension entitlements in their pension plan. There is a factual discrepancy at the beginning. Secondly, women live longer. I think the actuarial tables are seven years, so just to sort of dismiss women and pensions when all the evidence is clear that there is a difference, a discrepancy, is totally devoid of any information on the demographics of women, pensions entitlements and poverty.

That is why Women and the Law, and I am not sure whether the member read this submission from Women and the Law, took the position and view that no change should be made in pension law. No change should be made because they recognize the most vulnerable people. It is not because women are not hardworking. I have no difficulty with that statement, but the two demographic facts that you have to also consider are the unique role of women because of birth and the disruption that sometimes creates in the work seniority, and secondly, the fact they live longer. Those are two factors that are important. I would not dismiss women as the Leader of the Opposition did.

Secondly, we have a situation where the question was asked on the radio, and I use the statement that my predecessor used a hundred times. I actually thought it was very accurate statement. I started off the statement which the member opposite did not quote. I do not have the text but I am just going by memory that it is a common statement around the House that the government brings in the legislation, and the opposition decides when it will pass. I did not say they were filibustering it or they were opposed to it, and nowhere in the radio do I say that you are opposed to it, you are holding it up and filibustering it.

I just pointed out a very benign fact. I said I thought it would pass in this Chamber in six weeks. I actually did not say you were going to hold it up forever, you are opposed to it. Nowhere in there did I say you are opposed to it or you are blocking or everything else. I did not say that, and you know that. You guys had a little fun. You want to use it as a political piñata. Go ahead, in fact, after this big issue of people standing up the meeting, I read the transcript. It is pretty benign comments.

I recall on a number of occasions where the former Premier would say, "The opposition is holding it up. You want to get them, phone them, and blah, blah." I use very quiet language. I did not think you were holding it up, and I did not say you were holding it up. I just said the fact that we bring it in and the opposition decides when to pass it. We actually proved that by passing it ten days ago. You actually made my point.

I do not know whether the Leader of the Opposition realizes it, but he made my point, and you are making my point on water. Every day you decide. That is the reality of it. I remember when we brought the Liquor Act in, some of the people were running around here in December saying, "Let us pass it one, two, three." Exhibit B. You make my point again. You actually made my point when you passed it quickly.

I have actually said the odd thing on the radio that has actually been critical of the opposition. I did not intend to have any—I did not say, "Oh, they are filibustering it." So I guess perception is in the eye of the listener, and I was a bit surprised.

I know members opposite wanted to make, you know, they had firefighters in the audience, and they

were trying to talk about how great they were with firefighters. But I am pleased that day that after the opposition made a big deal of it, that the Leader of the Opposition said to the firefighters, "We support this workers compensation legislation." I am pleased he said that in front of 40 or 50 firefighters. *[interjection]*

Well, a lot of firefighters heard you, and I am glad you are doing that. I am glad you are supporting our workers compensation legislation. It is a very good position to take.

So back to the comments. I believe in committee we want to move this legislation through. The Manitoba seniors and the credit unions, as I understand it, asked to be consulted on the regulations. We are working as quickly as we can, but they asked that we do not pass regulations without talking to them ahead of time. That is something that we promised to do at committee to those people, and I think they have a right to be consulted. We are trying to work as expeditiously as possible on the consultation process with I think it was the two groups, the credit unions and the seniors. Manitoba Society of Seniors wanted to see the regulations before we brought them to Cabinet, the draft regulations. I think that is a fair request.

I certainly only wanted to state the obvious in legislation that we bring it in, you decide when it is passed. I can recall bills that have been passed in one day, but I did not say you were filibustering the law or holding it up unnecessarily. I said that the assumption and the call was we could snap our finger and pass it, I was trying to explain in the Legislature, and maybe I did not do a good job of it, that the opposition has a fair degree to say about the timing of bills. There are sometimes when we have had disagreements in the public and on radio, but this was not intended to be one of them. It was intended to just sort of say to people something we already know. I think, to some degree, I am pleased that the committee meetings went well; I am pleased that the bill was voted on. I believe it was unanimous consent. So it shows me it is good legislation.

Mr. Murray: Again, I know that the Premier has a pretty good history of trying to put words on the record that are not necessarily accurate. I have no idea how he would try to interpret anything that I said that somehow dismisses women.

Again, as a father of two fabulous daughters, my wife, I would say that those kinds of things are—again, I understand the sort of cheap, sneaky politics that the Premier likes to play. I guess it gives him a good sort of feeling to put that kind of a comment on the record. It is unfortunate, but I do not think there is anybody that would suggest that somehow I dismiss women.

It reminds me of another comment that happened in committee when one of the former member's colleague's father made some bizarre attack on me that, because I supported this legislation, somehow I was attacking women. So, from this Premier, it is dismissed, from that former member's colleague's father was dismissed or attacking, whatever.

These, again, I think, I am sure they serve to really sort of rally the troops at the socialist meetings, the union hall meetings, that kind of rhetoric. I gather they will say, "This is what the Leader of the Opposition said." I prefer to go to sleep at night with both eyes closed, rather than trying to mislead just for political purposes, but that is something that the First Minister, as you say, has made a bit of a career at it. So he wants to go down that path; that is up to him.

* (16:10)

I do find it very interesting that this bill that came forward, knowing that both opposition parties were pushing for it and wanting it to happen as soon as possible. I know that it would be somehow improper for any way to have sent a signal to either the Manitoba Society of Seniors or the people from the credit union that they wanted to, as soon as possible, knowing full well that at committee there was going to be nothing but support for this.

Although I must say that members of the MFL—and I think that the president of the UFCW, although I think he said he was appearing there just as an independent, and other members.

There was a member I recall, I cannot think of his name but he was a die-hard NDP supporter from St. James. The record would show his name. I am sure he is well known to the member opposite, but he absolutely was aghast that this bill would see the light of day along with members of the MFL and the UFCW, totally opposed to it.

Again on this notion, it boggles my mind somehow that when you reach a certain age I gather that you are incapable of acting in the best interest of your loved one, your spouse. It is certainly a theory that I do not subscribe to. I know members opposite do. They are on record as saying so. It is unfortunate, but it is one of the reasons that when we looked at Bill 10 we wanted to move it as fast as we possibly could, simply because we knew that it was not going far enough. But the idea was to try to give a signal out to the Manitoba Society of Seniors and people from the credit unions who were locked in and frustrated, some of them citing serious medical issues that they cannot afford to deal with because they cannot get access to their pensions.

We felt that those were solid ideas, reasons to try to unlock it completely, but the NDP, they do not trust seniors at a certain age. They do not want them to have that access to that money. I know that the member opposite, I believe, has a cottage. I do. I enjoy it, and I think the member opposite does. It is unfortunate that there are members on that side of the House that somehow believe that is not a good thing for seniors to have, but that is on record and that is what Hansard shows.

So we would like to get a sense, and I ask the First Minister because I know that he is very interested in this legislation, ensuring it gets passed. We have brought it to the Chamber. Now it is a matter of regulations. I think I would just ask the First Minister what date will the regulations be completed by.

Mr. Doer: I expect they will be completed shortly. We have agreed to consult. So if there are issues that the seniors and the credit union want to have resolved, I would like to make sure that they get them resolved.

Secondly, on the issue of spousal issues, you are on record in the *Free Press*, November 23, 2004, not to put any restrictions on access to locked-in funds for spousal rights. That is a position you have taken, and we had considerable legal advice that the—and there is a whole body of law that has been developed on The Dower Act, The Family Maintenance Act and other provisions dealing with pensions and spousal rights.

For example, if there is a divorce and individuals are going to make an agreement on pensions, it has

to be agreed to by the spouse in writing. This is not a new concept, spousal rights. Your private member's bill and I respect the fact that the member loves his kids and his two daughters as I do. I love my two daughters. I respect the fact that he loves his wonderful wife, but his critic moved a bill in here without spousal rights. Then, when we brought in spousal rights to ensure a consistency of law dealing with possessions, dower rights, the other issues of spousal rights, and the member from Minto will know these laws better than I will—

An Honourable Member: It is a good thing you kick-started it, though.

Mr. Doer: Well, I would point out to the member opposite that this law sat dormant for 11 years. It was gathering cobwebs. The member from the would-have, could-have, should-have party, you know they had 11 years. This is a first—

An Honourable Member: He never, ever requested it.

Mr. Doer: You know what? I do want to say to the member opposite that we strongly disagree with his comments on the rights of spouses to have rights in this area. I do not believe, and the member opposite may understand that 99 percent of the relationships, I am sure with seniors, are pure and golden and wonderful.

Well, Mr. Speaker, this issue of spousal rights, the members opposite with their private members' bill, and the member's statement on November 23, 2004, both denied the legal rights of spousal protection.

An Honourable Member: No.

Mr. Doer: Yes. You read the private member's bill that the honourable member from Springfield—I pause out of deference to the House. We are all honourable members here. I believe that actually.

So the statement—[*interjection*] Well, you mentioned that, I am glad we put Christmas back on the Christmas tree. You know, I am glad we put Christmas back. The politically correct members opposite, these big tough talkers over there, they changed the name of the tree, they changed the name of the Christmas tree to a multicultural tree. It was not a Christmas tree. It was a multicultural tree. So

when you talk about Christmas cards, we have put the Christmas back in Christmas.

An Honourable Member: Have you put Christ back in Christmas? Have you?

Mr. Doer: I can never have enough Christ in Christmas. As a Jesuitically-trained lad, I want to maintain my beliefs.

Mr. Chairperson: Who has the floor?

Mr. Doer: I will continue here. I am glad we talked about Christmas. So we put Christmas back in the Christmas tree.

But spousal rights, do you retract your statement of November 23, 2004? Are you opposed to having spousal rights in the pension bill? That is the real question here because you have made a statement, now twice, and you have a critic. I assume your critics get permission. Any leader would look at a bill before they come to the Chamber.

An Honourable Member: A private member's bill.

Mr. Doer: It affects the public policy. While the member opposite was talking about his critic's great bill, well his critic's great bill excluded spousal rights. So I would like to ask the Leader of the Opposition this: Is he for or against spousal rights when it deals with pension unlocking?

Mr. Chairperson: Okay, the honourable Leader of the Opposition now has the floor.

Mr. Murray: Thank you very much, Mr. Deputy Chair. This is quite a change of events that the Premier is now role-acting as if he were in opposition, asking questions. I am sure it is a level of comfort that he has had and some that he has had lots of experience at, so it is interesting that he would forgive his place to give up the ability to answer questions and start asking questions.

* (16:20)

I think that is always interesting, when the First Minister probably feels—I do not know, I think it was 11 years, perhaps. The First Minister would know.

An Honourable Member: It was a long way back.

Mr. Murray: It was a long number of years in opposition. So the ability to ask questions is something he feels comfortable about. I think it is always interesting when the First Minister starts to go back down that path again, Mr. Deputy Speaker. I do not know. With the "Rocky and Bullwinkle Show" where they have got Peabody and Sherman, and it is always, "Turn the Wayback machine, Sherm. You know, we are going to go way back." I know that is what the First Minister loves, to sort of go down that road, because it is so great always to go back and look back in history and always, apparently, be the wiser for it. This Premier does that. He does it very, very well.

I know that from our perspective, Mr. Deputy Speaker, we think that the bill that we brought in, the private member's bill that was brought in by the member from Springfield was a reflection of what the Manitoba Society of Seniors brought forward to us, the credit union, a number of organizations' petitions that came forward.

I know that, again, if you were at committee—and I do not want to say who was at committee and who was not at committee because that would be inappropriate, and I understand that. What I found fascinating at committee was why members that are so supportive of this Premier, that are part of this Premier's party, the labour groups that came out and were so vociferously opposed to this. As a matter of fact, I almost thought, at one point that I might have to go and sit beside the Minister of Labour (Ms. Allan) to protect her from her brothers and sisters. I thought it was quite an incredible evening that they were attacking this legislation.

An Honourable Member: That was all in the family.

Mr. Murray: Yes, it was sort of a family dispute, interesting to watch. Again, I do not know if perhaps the MFL and the UFCW are concerned that if monies get drawn out, perhaps, they do not have the ability to control it. I do not know; they would not say that. All they would say is how opposed they were to the fact that, somehow, the seniors and those people that had locked-in pensions that had worked so hard for it would somehow have the ability to decide what they wanted to do with that money. So, I know that—

An Honourable Member: The brothers.

Mr. Murray: It was a family dispute.

We know on this side of the House that we believe that seniors' spouses have every ability to decide what the right thing to do is. I know that the First Minister does not.

By the way, I just wanted to say that I supported the First Minister when he put the Christmas tree back in Christmas. He should know that I said it was a good thing to do. I supported him because I agree; it is the right thing to do. The Christmas tree should be known as the Christmas tree. He knows I support him. Who supported him? That goes on the record. I mean it was one of those opportunities to support what it is that this First Minister did. It was the right decision.

So, again, I would ask the First Minister, because I know he is very interested in Bill 10, when will Bill 10 be proclaimed so that we can let all of those Manitoba seniors, those heroes that supported so many others out there that could not be part of committee that are interested in finding out when this Bill 10 will be proclaimed.

I know that the NDP want to give expediency to this. There is no question on it. I would just ask the Premier when will Bill 10 be proclaimed.

Mr. Doer: Well, we are meeting as we speak, I believe, with the seniors and the credit unions. We have asked them to get the consultations over with as quickly as possible. We could have proclaimed it earlier, but we promised in the committee that we would consult. I will give the member a date as soon as I am—I know they met this week. I have not got a debrief from that, but it should be passed in an expeditious way because of the people who are asking and did ask me. We are responsible for concluding those discussions and bringing in the Orders-in-Council. If there is difficulty with the Orders-in-Council, with the groups, with the regulations, obviously, we want to resolve that. We know that both the credit unions and the Manitoba Society of Seniors are meeting with the Department of Labour. I will get a specific date, but it should be quick.

Secondly, the issue of spousal consent. The member did not answer what his position is, so I will just assume that his position is the private member's bill proposed by the member to his *[interjection]*

Well, if you go all around the room, it would be to your right, and, if you are just beside, it is to the immediate left. *[interjection]*

I already said the honourable Member for Springfield. I know he is not in favour of spousal rights, but I was wondering whether the Leader of the Opposition is in favour of spousal rights, or whether he still stands by his November 23, '04 statement not to have spousal rights in the locked in provisions.

Mr. Murray: Mr. Deputy Chair, again, the backpedalling that we are hearing from the Premier on Bill 10 is interesting. It is unfortunate for Manitobans with locked in pensions because they have dragged their feet so much on it. Again, knowing the facts, and I know the Premier always has difficulty with this, but knowing the facts that we brought in a private member's bill; knowing the facts that this NDP government did not trust spouses so they did not want to approve our bill; knowing the facts that there were a lot of Manitoba Society of Seniors, the credit unions and other organizations out there, the co-ops that were dealing with previous ministers on the NDP side and, basically, getting nothing but a brick wall; but knowing that we on this side of the House wanted to move this through without any hesitation because we felt, at least, it was a half step in the right direction that would make some sense.

I find it interesting, although, you know, I am sure there will be—

An Honourable Member: We went against the cottage argument.

Mr. Murray: No, the cottage argument, we know that. I have said to the First Minister that he has a cottage, I have a cottage, and we enjoy them. Not all members on that side support the cottage industry, or cottage owners. *[interjection]* That was the member from Elmwood. He is on record. He is opposed to it. I am sure there are other members that the First Minister shut down because they also, perhaps, perhaps we will never know because they did not get the light of day. Perhaps they also oppose cottages, but that is for another day.

At any rate, knowing that there are seniors out there that want this to happen, knowing that we want this to happen on this side of the house, Mr. Deputy

Chair, that we want to have it happen as soon as possible, I find it surprising. Although there is going to be a real good reason why they drop the ball and never start working on the regulations on this, waiting and dragging their heels. Again, I do not know why the First Minister—because I think that this is an important bill from all of us in the Legislature. The First Minister acknowledged that we unanimously supported it at the committee. There are no surprises leading up to the committee, everybody knew it, but it seems on the government side, the NDP government side, they are unable to try to move on the regulation side.

* (16:30)

So, now, they wanted to wait. Now, they are going to wait longer to deal with the regulations. I think it is most unfortunate that a bill of this magnitude, that is so important, that we have given so much support to, that the First Minister's best answer is, "Well, we will work as quickly as we can. We have got meetings with these other groups." I would have thought, frankly, that if they really believed strongly that some of this would have been done in advance of these meetings, knowing full well that there was going to be no opposition to this, that it was going to be going and passed sooner than later.

Again, what we see is that the politics of it was try to spin it out one direction that was inaccurate, and then we get it into a committee hearing. We know that members of labour lectured the government on this bill, those that really wanted to support it that felt that it should have gone further, but, as this is the first measure, were prepared to support it, as were we. We gave that indication. Everybody knew, yet the government was unable to start moving down the process of having some regulations drawn up.

So, again, what is evident is the mismanagement of the government, the inability to deal with, I think, a very straightforward bill, particularly one that has unanimous support, that the Premier (Mr. Doer) himself on public radio talked about getting done as soon as possible.

So we find ourselves in a position when asked a very straightforward question on when is this bill going to be proclaimed, the First Minister is unable to answer it other than to say that we are meeting as we speak, negotiations going on, regulations dealing

with the stakeholder groups, all reasonable answers, for sure, but unfortunate under the circumstances for those seniors who are going to have to wait yet.

It could be days, it could be weeks, we do not know. I just think it is unfortunate that we did not see this bill proclaimed a lot sooner than what we are apparently going to see. I would hope that, in tomorrow's Estimates with the Premier, he would be able to provide a specific date, sort of like, basically, a date that would be at the very latest and perhaps before that date.

As it stands today, what we have been told is that it might be well into June, and I just would like the Premier's commitment that this bill will get passed on a date that he will bring to this House tomorrow, a no-later-than date. I respect that he is going to have to consult with people, so he should be able to deliver that date tomorrow, but I think it is important that we are able on this side of the House to send the signal out, to send letters out to those seniors that are wondering exactly when this is going to be proclaimed.

We have heard all of the issues around this, it means that we should get it done ASAP. We on this side of the House want to get it done ASAP. I believe if you listen to the Premier that he wants to get it done ASAP. So would the Premier agree to bring a date, a no-later-than date when this is going to be proclaimed, would he bring that to the House tomorrow?

Mr. Doer: Well, I do not expect that it will be later than this current season we are in, but I—

An Honourable Member: Season?

Mr. Doer: Well, I just—

An Honourable Member: Session.

Mr. Doer: No, I did not say session, because sessions are not prorogued and we do not know when this one will end.

An Honourable Member: Do we not?

Mr. Doer: Well, I do not know. Everything changes.

So the bottom line is the request was made at committee. The request was made at committee by

the credit unions and by the seniors to be consulted on the regulations. If we would have gone out and consulted on the regulations before the law had passed or before you had an opportunity to present amendments or other provisions that would have been specific, you would have been standing up on a point of order saying I am in contempt of the Legislature, or the minister was.

So there was certainly work that went on on what would be in regulations before we brought the bill in. There are also issues that come out of the public hearings that sometimes necessitate greater clarity, but we promised at committee to consult with people.

Now, the word consult means you listen to discuss alternatives and then you proceed, but I would not want to give you a date that short-changes the seniors and the credit unions. Having said that, I do believe that there are individuals in Manitoba that want to access the 50 percent as soon as possible and so I feel this is urgent to get the consultations done and the regulations drafted.

I may be able to give a more precise date, but I do not want to go to the department and say, "I have got to give a date in an instant." I do not want to stop the consultation, but it is not going to go on forever. We are going to go and, hopefully, we can get consensus on the clarity of the regulations.

Mr. Murray: Will the Premier guarantee that he will not publicly state that, because the regulations have not been passed, or that this bill has not been proclaimed, will he publicly assure, will he assure this House today on record that he will in no way, shape or form lay any delay on the opposition parties, but that he will acknowledge that there are problems with his government's ability to get this proclaimed?

Mr. Doer: Certainly, again, I thought my comments about the generic capacity of governments to bring in a legislation and the opposition to pass it was accurate, and I quote, "did not lay it on anybody" when I made my comments and, thirdly, we were asked to consult the seniors and the credit unions. That was a reasonable request, and yes, now the completion of this bill in terms of the regulations is between the government, not the opposition, and the seniors and credit unions, and we were going to get this done as fast as possible.

I recall some criticism about the timeliness of this bill. It was a fairly large bill. We worked fairly extensively on some of it. *[interjection]* Well, the member opposite worked on a bill that did not include spousal rights, so I mean, we disagree.

An Honourable Member: That is not true.

Mr. Doer: We disagree. That is what democracy is all about. We support spousal rights, you do not. That is just the way it is.

Having said that, the point is well taken, and I think you will find that my comments are consistent with the fact that our responsibility now lies with (a) the consultations with the groups that ask for it, and (b) passing this as quickly as possible for the individuals who want to access the money.

Mr. Ron Schuler (Springfield): Actually, we are all honourable members here, and I certainly disagree with the Premier on issues, but I do not think you will ever hear this member say that this Premier is less of a husband or less of a father. I just will not go there. I will not do that about anybody in this House. To somehow try to indicate that I or anybody in the opposition do not support protection of women, and one of his ministers went even further and he should have had the forewithall to have put an end to that. I just think that is unbecoming of someone of his position.

The minister knows we were amending legislation. It was not a bill. Spousal protection is in legislation. The dowry act covers that clearly. It is all protected. At committee, if the Premier would have had the forewithall to show up for committee, if the Premier would have shown up for committee, John Klassen explained how he clearly had to get spousal permission. He had to get spousal permission to move any of his pension.

I just do not think those kinds of things are important to the debate. What we have here is we disagree on whether it should be 50 percent or 100 percent. That is legitimate debate. We disagree should there be a 6% minimum or an 8% minimum. I think that is a fair debate. We happen to think it could have been a little bit more. The Premier thinks 6 percent, and you know what? On this particular issue we were willing to compromise on it and say, "You know what, if it meant getting the legislation through, and even if it was only 50 percent, fine." That is where we were going to go with it.

There were a few other issues that we would have liked to have seen some changes on. But you know what? We did not force amendments. We did not stonewall this bill. The first opportunity we had to speak to it we did, and we moved the bill on. I think the point is, to the Premier, through the Chair, that we would have thought that the regulations would have been done. I know they cannot go out and necessarily show the regulations to everybody, but they should have consulted ahead of time what should have been in the regulations. They should have been ready to go. This bill should have been proclaimed and the issue would have been resolved. That was the whole point behind it.

* (16:40)

Again, the Premier is fast and loose. Not that it is quite untruthful, it just not quite truthful, and, no, the amendment did not speak about spousal protection because it is in legislation. You are protected there and the Premier knows that. There are all kinds of protection in legislation and it is not that the Premier is mistruthing. It just that it is not truthing and that is the difference. You know what, he knows full well that nobody on this side of the House would ever want to see something that would harm spouses, whether it be a husband or a wife for that matter, on either side, nobody would want to do that.

I would never go so far as to ever attack someone's credibility when it comes to being a husband and a father. I have made some mistakes in this Chamber and I have apologized to the Minister of Labour (Ms. Allan) about making a joke about her Luddite comment. I apologized for that. I mean, I am big enough. I will do that kind of thing, but I have never actually taken anybody on in regard to questioning what kind of husband or father they are.

Anyway, the point I think that we are trying to make on this side of the House is regulations. The consultation on what should be in regulations should have been done. Regulations should have been written and this could have been expedited. Instead, the Premier went on radio and we have the transcript here. He basically said if the opposition would not stonewall this, the legislation could move forward and, well, anyway, that is another "he said, she said." It is time to move Bill 10 on, get the regulations

done, proclaim it and let the seniors move on with their lives.

Mr. Doer: If we would have been consulting on regulations before a bill would have been passed, we would probably be called to order again on a point of order and in contempt of the Legislature. If the members opposite had amended the bill and everybody agreed to it, it might affect the regulations. We are going to move quickly.

I would point out The Dower Act does not cover this act. The Family Maintenance Act does not cover this act on terms of spousal rights. If we had not put the spousal rights consent position in there. The Dower Act covers the ability with property and death or property and other provisions. You can make agreed-upon decisions on pensions. When there is a divorce, you can deal with that, as well, but it does not deal with the issue. This is not dealing with the issue of a pension and who is entitled to it after death, this is dealing with the issue of taking half of the pension away and investing it. Maybe you invest in oil and gas in Alberta five years ago, or maybe you invest in Nortel. That is the issue here, and you have to do it with spousal consent because it will underline the security of your pension.

There is evidence of this. *[interjection]* Well, I am just saying an individual can invest it in much more—well, I am not going to get into it. Anyway, the member is wrong. They needed spousal rights in the bill. We have legal advice on this, just so you know, and this discussion happened. Well, we had legal advice. We did have legal advice on this issue. *[interjection]* He knew, too. He knows more about pensions than I do.

An Honourable Member: Well, that is not very much.

An Honourable Member: Oops.

Mr. Doer: Well, I am not going to go any further. None of us know anything about pensions if we are an MLA. I digress.

We are brilliant. I am kidding. Well, nobody is doing it for the—

An Honourable Member: I will go home and explain to my spouse the rollback is retroactive.

An Honourable Member: He is still in a tent outside.

Mr. Doer: Yes, well, none of us—

An Honourable Member: Still sleeping in the bed downstairs.

An Honourable Member: You took a rollback retroactive.

Mr. Doer: That was a similar conversation I probably had at home too. Well, there is a path there to run away with. Even my daughter said, "You have the lowest pay in Canada and you took a rollback?" It was not exactly an exercise of life skills for my family.

An Honourable Member: Are you not the big hunter?

An Honourable Member: You are supposed to bring home a deer, not a squirrel, or a snake.

Mr. Doer: You know, we rely on squirrels.

The Leader of the Opposition (Mr. Murray) has made statements about this that are different than the critic, and that I would refer him to November 23, '04 in the *Free Press*. But we are trying to move as fast as possible on the regulations and the consultations. Hopefully, because the points made by members opposite are true about timing. We never said you were stonewalling the bill, I just want you to know, in the transcripts. And I did not think you were stonewalling the bill. I was pointing out a parliamentary generality. I did not think you were opposed to the bill. I did not know exactly, but I did not think you were stonewalling the bill, and I did not say you were filibustering it.

Mr. Leonard Derkach (Russell): I want to switch topics, because I think we have hashed out Bill 10, and the bottom line is that we did introduce that legislation in earnest. We are glad the government followed our lead and did come in with the legislation, as they should have, and at the end of the day, we passed unanimously a bill that I think we all support in this House.

The only thing we are disappointed in is, of course, the proclamation of the bill, and its delay in being proclaimed, especially in light of the

comments that were made by the First Minister on CJOB as to who was responsible for holding up the legislation. But that is out of the way now, and I think that we can move on from that point.

My focus today is on agriculture, because that is certainly something that is near and dear to my heart. I am still an active farmer, but more importantly, I represent a part of the province that was devastated by a horrific frost last year on August 19, and I can tell the Premier that as we sit here today, there are farmers who are really struggling with financial institutions and with supply companies—not only to pay off last year's bills, but to get enough credit to be able to put in a crop this spring.

It is true that we have cash advances on things like grains, but when your cash advance from last year is not paid off because you did not have any crop, you are really left in a lurch, so to speak, with regard to how you are going to proceed with this year's planting. I have a fairly large area surrounding me, where I think the greatest devastation and crop damage occurred in Manitoba. I think to the west, in Saskatchewan, it was as severe. But, in Manitoba, I think the hardest hit area, and that is in accordance with the statistics that were provided by Manitoba Crop Insurance, that area was probably hit hardest.

To date, we have a situation where we sort of blanket our programs to agriculture producers to the entire province, but they are not targeted to areas where there is the greatest hurt. Unfortunately, we have not had a lot of response from this government regarding any positive programs that would help producers in the grains industry.

* (16:50)

We have talked a lot about BSE, and we can get into that and talk about what should have, what could have and what might have happened for over the course of the last two years. But I want to zero in on the farming community and the rural community, by and large, that needs to put in a crop this year if they are going to have any chance of survival in their enterprises.

This is the time when the assistance is needed. I noted that the federal government, through their billion-dollar announcement, has paid out some money. Although it does not fill the fuel tank in terms of the amount of money that has come in, it is

at least a gesture in the right direction. Again, the unfortunate part is that we get into this fight between the Province and the federal government as to, you know, this being a trade problem, this being a problem that is out of the hands of the Province.

I ask the Premier, and we have had this discussion before in this Chamber where I have pleaded to the government to really look hard at what is happening in the rural community. I know we focus a lot of time on the city, and I am not opposed to that. I think we need a strong city in this province. I think we need to support the programs in the city, but at the same time, we have a sector of our economy that, not as a result of anything they have done wrong, has been suffering immensely. I look at families who have small children and whose children are in school, and the parents have to tell their children, "No, we cannot afford to have you participate in programs because we do not have the cash." I have had mothers crying on my doorstep because they cannot afford next month's groceries or next month's hydro-electric bill, and they do not know where the money is going to come from. It is that devastating.

We have farmers out there who have pens full of feeder cattle that just do not have a home. Those feeder cattle are sitting there waiting for somebody to take them off their hands, and you know what the buyers are doing right now? They are low-balling them to the point where farmers are getting less than their cost of production for that animal. How long can you exist? How long can any business exist in that kind of environment?

So I ask the Premier whether he and his Cabinet have really looked at where the herd is and whether or not there is anything—I do not care if it is a cash advance provincially that is offered to people who have livestock in their pens right now, because those cattle will be worth something down the road. We just have to find a home for them. Right now it is an inventory that is stuck there that cannot move. It is an inventory you cannot find a home for. Right now that producer needs that cash for that inventory to be able to buy that fertilizer, to buy that chemical, and to buy, more importantly, that diesel fuel that will go into the tractor. We are not even talking about repair bills.

The suppliers, by and large, have closed their books in terms of allowing credit, to the point where

you either have to have an AGRI Card or some form of financing that is beyond the supplier's door. It is a dilemma. I know that government should not react in a knee-jerk fashion, but I do not care if the money flows in the next month, but if we cannot assure some of these producers that we are going to stand with them through this tough time, and that we cannot provide them with some assurance that they will be there to reap their harvest in the fall, I am afraid we are going to have a disaster out there. It is looming right now.

I want to ask the Premier whether or not he and his Cabinet have really taken a serious look at some of the hurt that is out there in the province and whether they have considered any form of assistance, even if it means reaching into the rainy day fund and pulling out that 40 percent that is required to top up the CAIS program. Maybe that is a way to help, I do not know. I do not have the answers, but I am asking the Premier whether he has looked at any opportunities or any avenues.

Mr. Doer: Well, first of all, I want to acknowledge that we agree that it has been a combination of prices in the grain sector, tariffs in the hog sector, and border closure in the beef sector, combined with going from a monsoon last year, preceded by a drought the year before. We are very aware of those factors, and we certainly know people that live in communities and farms that are going through this, and it is extremely tough.

On the issue of the crop production last year, with the weather I think we had the highest payout of crop insurance that we have had ever, at least since we have been in office. There was more coverage with the excessive moisture for those who could not get the crop in before June, I think it was the 7th date or around there.

The first time we met with the federal Minister of Agriculture, the new one, the third one we have dealt with in less than 12 months, who, by the way, we have been told down in Washington that he is fairly well respected. Hopefully, that is going to be helpful. We still have a lag between, of course we may have, I do not know what is going to happen in Ottawa. We have had three Ministers of Agriculture, I think, in the last 15 months. I do not know how many more that Assistant Secretary of Agriculture J.D. Penn can deal with. Of course, the member opposite would know that the new Secretary of

Agriculture is a former governor of Nebraska, a fine person and a very knowledgeable individual on the Midwestern area.

We certainly know that we said to him that we need more slaughter capacity right off the beginning. We do not want a lot of short-term subsidy if we can get long-term slaughter capacity. That was in July because I remember getting a call, he was going to be in town the next day, kind of thing, and getting in here to meet him. That was a week I was going to take a holiday with my kids. I think I came from the three separate meetings. You know how it goes.

The issue of the crop insurance payouts is very significant. We thought, and some of the things we are hearing from farmers are, that they wanted to get some of the motor fuel tax off the federal application for farmers, and they wanted us moving beyond what we had promised on the education tax. We had brought in a couple of short-term programs in the past, I think in the '99-00 year we brought in \$50 million. I think in the '02 year, we brought another \$50 million, and that was cash on the dash. We think the movement on 50% reduction on farmland education tax is a longer-term, predictable reduction in input costs for farmers.

We also would note that we did not get any federal-provincial agreement on the agricultural payment. It came out of the clear blue. Not one province agreed to it, but all provinces agreed to look at their own means of trying to reduce costs. Next week, a week this Friday, the western premiers are meeting, I am sure it is in Alberta. It is in Alberta-Saskatchewan, Lloydminster, and I am sure this will be, again, the top topic of discussion.

We are pleased at the hog tariff, and we hired our own independent counsel in Washington. It cost, I am sure you have heard from the Agriculture Estimates, it can cost a lot of money, but we thought it was really important because there are different interests on hogs between Manitoba and other regions, and Manitoba sometimes and some of the major players in the hog industry.

If that border had stayed with the tariffs and we thought that it was really important to have our own voice in Washington on our legal advice, not to be inconsistent with Canadians' advice, but there are some people that wanted to have less weanlings go south, which we thought would be a problem on

price and, therefore, have more processing here, which we do not mind, but if they meet in the interim, it would have really clobbered the producers, who last year, I think, had a 13% increase in hog income after the year before. With the dollar and everything else, the prices went down.

On cattle, we had lots of questions yesterday on Rancher's Choice. We are very committed to that project. We know we have to not only invest in the equity of the plant, but also in the infrastructure with the lagoon. We are hoping that that could be dealt with. We have the equity plan, we have an infrastructure proposal before the federal government, which we think is the most important rural infrastructure proposal before the federal government right now. I cannot tell you when that is going to be resolved, but it is certainly important.

*(17:00)

We certainly believe that we have taken some measures, but we know, with the international commodity prices, with the weather, and with the shutdown on the border, the only ray of sunshine lately has been in the hog industry, with the tariffs that have been removed, appropriately, by the Department of Commerce after a one-year fight, which we feel we had a little bit to do with. Obviously, the merit of the case always was better.

I am confident. I do believe this time around that the Americans in the cattle industry, I actually believe that, and I do not have a close personal relationship with the president, but I mentioned yesterday that when we went to Washington he wanted to talk energy; we wanted to talk cows. He is very knowledgeable of the cattle industry. When you talk to his friends in Texas, or you talk to other governors, they are very aware that, quite frankly, Canada, if the border does not open, ultimately, we are going to start competing with the Americans into their markets of Korea and Japan, although there will be tremendous pain for us and our producers before we get there.

I would like to see a more deliberate plan A and B from the federal government on either going with the border opening or going the other way. The R-CALF court case, we probably have more interveners on the American side. I have met with the American Meat Institute. I have met with other producers in the United States. The UFCW in the

United States wants the border open, so the union—
[interjection] Beg pardon?

An Honourable Member: The whole Midwest?

Mr. Doer: Yes, I think people are starting to realize in more positive ways. So, hopefully, we can get this case resolved quickly. I do not believe that any government has put forward enough income to offset the border closing, and I acknowledge that. I mean, it has just been brutal, and I feel a lot more recognition of it this year than I did last year.

Lastly—not lastly, but one of the areas that I thought we were really slow off the mark on, and Manitoba had urged the federal government to proceed with, was the SRMs. We had a situation where Europe had a certain standard of SRMs. Japan and Korea had a certain standard of SRMs. So Canada was standing there without getting the border open, on the one hand with the Americans, but the Americans would not agree to the higher standards of SRM restrictions that needed to be.

It was one of the recommendations of the international expert committee, and I am pleased that we finally did that in June, but it should not have taken from May 20, '03, to June, '04, to get that agreed to. I feel if we can get the border open there will be a lot more optimism, but right now I am not going to try to create any false hope. There have been so many false starts, even after the Secretary of Agriculture opened the border, and we were knowledgeable of the one case, not necessarily the other case, which concerns us because of the feed issue and the feed ban, as you know.

That case worried me a little bit more than the other couple of cases. I am sure people at the coffee shop said the same thing to you, but we do believe that the food supply is safe and science should prevail. I am hoping that we can get this thing moving along.

It kind of bothers me that the Secretary of Agriculture and, I believe, the President of the United States want the border open, and one judge now, we had one cow for a year and now we have got one judge who can override the economic interests of our producers in such a dramatic way. It is quite startling in terms of its impact.

Mr. Murray: Mr. Deputy Chair, I wonder if I could get the Premier's commitment on something that I believe he is very interested in. It has to do with slaughter capacity in the province of Manitoba. I spent some time at B J Packers in Beausejour. I am sure the honourable member is quite aware of it. We met with Mr. Haywood. We had a tour of his facility, and he indicated that he would be very interested in looking at expanding and maybe moving toward federally inspected, but he has more capacity.

Again, I am pretty sure that the First Minister is aware of all this, so all I would ask, and I do not want to get into a debate on it, but we met with him a couple of weeks ago, and his frustration was that he was not getting phone calls returned, or he could not get a meeting with the minister.

Again, the decisions are up to the government, if they agree or not, but I would just ask would the Premier give his assurance that the Minister of Agriculture (Ms. Wowchuk) will meet with Mr. Haywood of B J Packers to hear his proposal. Again, whether they agree or disagree, that is a decision that they will make, but his frustration is he does not seem to be able to get to that first base. So would the First Minister agree to help facilitate a meeting between Mr. Haywood and the Minister of Agriculture?

Mr. Doer: I received a letter I think co-signed by you and the critic of Agriculture. I have met with Mr. Haywood. We had a meeting with the people to get us advice on slaughter. There was a recommendation from him on federal inspectors. We followed that up. I saw your letter. Any place we can get more capacity is helpful.

I will commit that either the Minister of Agriculture or the Minister of Industry will meet with them in due time, you know, but any capacity we can get to improve, either one, because both would be involved, but as I say I met him and I was very impressed with what he was doing in Beausejour. I have not been in the plant but I understand that he is certainly important and he became at one point the only place—[interjection]

No, no, I got your letter and I raised it internally when I got it. So I read it, my weekend reading.

An Honourable Member: I will send you another one.

Mr. Doer: No, you do not have to. I love your letters, but you do not have to send too many of them.

Mr. Murray: I just thought, in closing, I thank the Premier for making that commitment to meet with Mr. Haywood. I think he would really appreciate it. Thank you.

Mr. Schuler: My question to the Premier is, and I do not think I have the exact dates, but July 19, 2004, there was an O/C to hire Terry Duguid as chairperson of the Clean Environment Commission, and I understand he was there until December 3, 2003. Is that correct?

Mr. Doer: I would have to check, but he is no longer the chair of the Clean Environment Commission.

Mr. Schuler: Yes, we know that. That is where his O/C was revoked. I believe he quit December 3, 2003, and I was wondering did Mr. Duguid quit his position.

Mr. Doer: Well, when an individual, chair of a quasi-judicial body, is planning or contemplating or being approached to run, I would have to check the sequence of this, but, certainly, and I do not know all the rumours inside the Liberal Party or the Conservative Party—

An Honourable Member: Or the New Democratic Party.

Mr. Doer: Or even the New Democratic Party, I do not know all the rumours in that, but I do know that there was—I heard in my neighbourhood, as opposed to in the government building, that he may run there. I heard that Glen Murray may run there, even though he said he was not running. I heard all these things. Bottom line is I do not know the sequence of it, but there is no question that you cannot serve, you cannot be the chair under those circumstances.

Mr. Schuler: In the Public Accounts Supplementary Information for 2001-2002, Terry Duguid is listed as a Senior Officer, \$122,403. In the Public Accounts Supplementary Information 2002-2003, he is listed as a Senior Officer, \$116,061, and then Public Accounts Supplementary Information 2003-2004, he was listed again at \$117,356. Clearly, he had MLAs negotiating his pay, because he went from 122 down to 117.

* (17:10)

My question is to the Premier. Considering that Terry Duguid worked for the government from approximately July 19, 2000, to December 3, 2003, would he have been entitled to a severance package if he resigned from his position?

Mr. Doer: I am not sure. I will take it as notice.

Mr. Daryl Reid, Acting Chairperson, in the Chair

Mr. Schuler: The Premier is an individual who goes to soccer games and goes to events in and around. I know he has individuals come up to him and speak to him and say, "What have you done?" or "What do you think you are doing?" or "I have heard" or those kind of things. There is a considerable amount of discussion.

I am sure the Premier knows that, when you make yourself a high profile person, in some respects you make yourself a high profile target. The discussion is that there was a potential severance package of anywhere from one to two years' pay. I, unfortunately, have not been able to find any of that information. I believe we did a FOI and were denied. I will have to look back and see if that is the case.

But I think that, when we take on public positions, we accept the fact that they are very transparent, very open, whether it is here at the Legislature, our conflict-of-interest documents are open, people can come see them, our pay, be it as it may, is very public, as is our constituency allowance. The public can come in. They are not allowed to see personal information like charge card numbers, but it is open.

I think one of the better things government did was the Public Accounts, the supplementary information. I think this is a good thing. However, I cannot seem to get a handle to be able to say to people when they approach me, "Well, no, there was not a severance package," or "Yes, there was." I think that is important to have, especially when it comes to high-profile positions. I think that is important to be very transparent on.

I served on a school board, and I always felt that even at the school board there could be far more transparency on what happens with senior administration. I think the public has a right to know

when you take on major positions. The public has a right to know pay scale and how that is being administered. I always think, you always go right when you make the issue very transparent.

So that is why I raise it. I do not know, in the meantime, if the Premier's has had that information come to him. Could he confirm, if there was a severance package, what that severance package would have been?

Mr. Doer: Well, I will take the question as notice. It is not in the Premier's Estimates. The position is classified as a deputy minister's position, but I will take the question as notice. I know the Minister of Conservation (Mr. Struthers), I do not know if he has done his Estimates or not, but I do not believe he has. Anyways, I will take the question as notice.

Mr. Chairperson in the Chair

In terms of the Premier's Estimates, there is no money in the Premier's Estimates for this. I am talking to my financial person here, and Maria says, Ms. Garcea says, Señora Garcea says, there is no money in the account, and she knows.

Mr. Schuler: As the Premier knows—he is out and about, as all of us are—the concern is on a lot of people's part that if you quit, why would you be entitled to a severance package. I always say to people, "Well, we have no idea if there was a severance package." If there was a severance package, does that mean that the individual was let go because usually there is a settlement of some kind when a person leaves or sometimes when they retire it is part of the package?

Is there a provision in the contract that, if a person quits, severance is paid?

Mr. Doer: I mean, I know that when we were dealing with the former Clerk, or not Clerk, but the former Chief of Staff, for example, when the government changed, there were certain provisions. But I do not know. You ask me the question whether he quit or not. I do not know. You ask me whether he had severance. It is in the Conservation Estimates, I would assume, and I will take those questions as notice.

Mr. Schuler: Yes, and, again, I understand that these questions will be taken as notice, and I think

what people are looking for, I should say, is did Mr. Duguid quit. Was he entitled to a severance package, and if he did receive a severance package, did he quit and how much was it? I think people have a right to know. I think it should be clear what happened. Certainly, individuals have the right to leave their positions. That is the freedom we have in society. You have a right to move and go on to other challenges and move on to other positions. That does not necessarily mean you have a right to take a severance package with you. That usually indicates other things.

I would appreciate if the Premier would get back to this member with those particulars. I believe we are in Estimates tomorrow, and perhaps I will have an opportunity to just touch base with the Premier then tomorrow and see if that information is available.

Mr. Doer: Thank you. I will take the question on behalf of the Minister of Conservation; there is no money that is budgeted. That I know.

Mr. Kevin Lamoureux (Inkster): Mr. Chair, earlier the Premier was talking about knee and hip replacements. The other day, while sitting in McDonald's, I had a visit. This individual came up to me and indicated that she was suffering knee problems for probably about a year, year and a half, and she was seeing a doctor. The doctor had given her all sorts of painkillers, and I believe, at one point, even drained fluid from her knee.

Then, most recently, in February, she had an X-ray that was done, and it was determined by this doctor that she would have to go to a specialist and get a knee replacement. She was quite upset, understandably, very visibly upset, but the fact that she was told that she would have to wait three years before she could get her knee replaced. My question to the Premier is this: Can he give any sort of indication in terms of what sort of waiting list there is actually for just a knee replacement? If someone required one today, or were to find out today, how long are you looking at before you can actually get it done, typically?

Mr. Doer: The waiting list time, I believe, is 35 weeks on average. There are people that have more severe cases that are prioritized. There is a difficulty of getting a common waiting list. We are trying to get a common waiting list strategy similar to what

we have in cardiac care. Sometimes there is a disagreement between doctors about whether a person should get a replacement or should do rehabilitation to strengthen the knee, as opposed to an operation. So there are some medical analyses that are required.

You will have some doctors argue that other doctors refer people for a replacement way too early, when they should be referring people to rehabilitation and their own fitness, which has a double benefit of help strengthening the knee and also strengthening the cardiac capacity of a person. But I am not here in the House to second-guess your individual at McDonald's in terms of your casework there.

*(17:20)

I just think that the waiting list is too long. We are trying to increase the capacity. I mentioned earlier that we are short orthopedic surgeons. We have more today than we did five years ago. There are four more graduating this year. Hopefully, we can retain all of them. We are short anesthetists. We could get more operations done in Concordia and other locations if we had more anesthetists and orthopedic surgeons. We have pledged another thousand procedures to lower the list. The list is too long. I expect the list will start going down. Certainly, the volume is going up by 25 percent in the last few years; we have more people that need it or more people that are prescribed operations.

Mr. Lamoureux: I can appreciate that there is prioritized list in terms of some people. There might be a higher priority for whatever reasons. I am not a medical professional by any stretch of the imagination. Having said that, can the Premier indicate the time frame for someone that would be a very high priority? How quickly can someone get a knee replaced versus a very low priority? What is the longest that someone can anticipate waiting in order to get a knee replacement if it is deemed necessary that they have to get their knee replaced? So can you give me the shortest time possible with the highest priority and the longest term with the low priority?

Mr. Doer: I am sure the member could ask the question in the Department of Health with the minister, but I believe the minister is still in Estimates and can give you a more precise answer. I gave you the average; you have asked for the range. The minister would have that.

Mr. Lamoureux: Mr. Chairperson, the Minister of Health (Mr. Sale) is back in committee, and we have to sign out times and we are to put the questions forward. I know that the Premier was talking about knee replacements earlier, and that is the reason why I thought it was appropriate to ask the question at this point. You never know.

But I guess I would just look at him to just reaffirm what he had indicated. I understand he said that, as of right now, we are looking at a 35-week waiting process for someone that requires a knee replacement.

Mr. Doer: I will get the information to the member. Sometimes we get a disagreement about when. I just noticed the other day that the Canadian Medical Association recommended a three-month assessment period and six-month operating time for the wait list, which is nine months. Obviously, we have CIHI information, which is across-Canada standards.

I just want to say that the list is too long, and we would actually invest more money tomorrow if we had more anesthetists and orthopedic surgeons. It is too long, and we have to try and get it down. I do not know the answer to the question on the longest that people have waited.

Some of the problem, and there was a case that we certainly became aware of where a doctor would leave and somebody would start all over on a list, so it was terrible.

Mr. Derkach: I just want to pursue the ag issue. I had only asked one question, and I was wondering whether the Premier would allow me to ask a question or two more on this issue.

Mr. Chair, I know the Premier talked about what kinds of consultations have gone on with regard to the ag issues, but what I am talking about is real programs that put resources into the hands of producers to be able to get through this spring's crop.

Actually, whatever money can be forwarded to the ag sector right now, it is just going to find its way back into the economy anyway. It is not as though this money is going to be put into bank accounts somewhere else. The reality is this money will find its way to the suppliers and to pay the bills that are piling up.

I am wondering whether the Premier, as I asked before, and his Cabinet have considered any kind of assistance to ag producers this spring to allow them to get their crops in, whether it is a cash advance on their livestock inventory, or whether it is a breaker payment that can be made from the provincial treasury to the producers who are most adversely affected by way of a loan, perhaps, or a grant, or some sort of assistance that would assist in getting the crops in in the spring, especially in the areas that were most adversely affected by the frost of August 19.

Mr. Doer: We believe, I think it was \$190 million in crop insurance payments that were made last fall, and I have not got the final total. Maybe the Minister of Finance (Mr. Selinger) would, but \$190 million in crop insurance payments partly dealt with the cash challenge of the frost last August. The reduction in taxes, both rebated last year and enhanced this budget year, would be another \$34 million of cash because it has reduced taxes. The federal program, obviously, is a one-time only program. We are trying to go in more sustainable programs.

I would point out that all provinces are trying to work on sustainable reductions of input costs, whether it is, a lot of us believe, the motive fuel tax that the federal government puts on but that the Province does not have on, that it is a good way to go in a longer term to reduce the inputs the member opposite talked about for horrific fuel costs that are going on right now.

We are working with other provinces. We actually believe that any trade dispute and any commodity price issues arising from the U.S. farm bill, or European subsidies, we have a similar view to the member opposite when he was in government that this should be a matter for the national treasuries because it is national negotiations. There is not a province and not a political party in any province, including provinces that have a considerable amount of money, like Alberta, that want to proceed with trying to be the replacement for the federal government's role on trade disputes and trade subsidies.

I am hoping that part of the U.S. farm bill, part of the same saner discussion will take place over time, because I think it really is undermining the commodity prices of the world, including Canada, although on the issue of European subsidies we are

with the United States in terms of reducing those subsidies.

That is what we have been pursuing. We have been pursuing the longer-term issue of education taxes because a lot of producers say that is adding insult to injury and they want us to get rid of insult, so we got rid of 50 percent of the insult in their view.

Mr. Derkach: Mr. Chair, I am not going to tell the Premier that his effort to reduce the education tax was unworthy. I will acknowledge that it is something that we campaigned on in 1999, and I support what he has done and his Cabinet have done to this point in time. I may disagree with how far it has gone, but my view is that it needs to be taken off all property. But that certainly is a longer-term approach that we would all agree has to be done.

I am talking about the immediate. When I look at what Alberta is doing, what Ontario is doing, what Québec is doing, and I look at what Manitoba and Saskatchewan are doing, even Saskatchewan is doing more than what we are doing here—I know the Premier may disagree with that—at the end of the day this is an immediate kind of an injection of capital that is required to allow for us to get through this spring's dilemma.

I am not suggesting that it is prevalent everywhere across the province, but it is in certain pockets of the province. It is almost a regional thing. I know that, if the Premier came out to my area, he would certainly hear that in that area. I am just wondering whether there is any consideration on the part of this government to try to be of some assistance in the short term. Yes, I agree that we have longer-term goals. I have been in this business for 20 years and longer, and all the time that I have been associated with politics and with governments and opposition we have talked about the unfairness of the trade wars that are going on across the globe. But we have never come to any kind of realization or a settlement or an understanding that all subsidies have to be eliminated because it just does not happen. I am not so certain that we can see that happen in the short term.

Leaving that aside, because that is a national problem, we have a provincial problem here that I think needs to be addressed in the short term. Yes, it may take some cash, but if there has ever been a time since the thirties that this kind of a situation needs

attention, this is the time. I am just simply asking the Premier to pay some attention to that.

Mr. Chairperson: The hour being 5:30 p.m., the Committee of Supply will rise. Call in the Speaker.

IN SESSION

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, April 26, 2005

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