



Fifth Session- Thirty-Sixth Legislature

of the

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

**Official Report  
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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Sixth Legislature**

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## LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, April 29, 1999

The House met at 1:30 p.m.

### ROUTINE PROCEEDINGS

### MINISTERIAL STATEMENTS

#### Taber, Alberta, Tragedy

**Hon. James McCrae (Minister of Education and Training):** Madam Speaker, I have a ministerial statement. I do not have the copies; I am just awaiting them. If I might ask for leave to bring it up in a moment or two.

**Madam Speaker:** The honourable Minister of Education and Training, with a ministerial statement.

**Mr. McCrae:** Madam Speaker, I am deeply saddened and shocked by the events that have transpired over the last 24 hours in Taber, Alberta. That such a senseless and horrific event could take place in that small farming community or anywhere else in our great country is truly a tragedy.

To the family and friends of Jason Lang, a young 17-year-old who was really just beginning his life, I offer our condolences on their loss. To the family and friends of 17-year-old Shane Christmas, now in hospital, I offer our thoughts and our prayers for a quick recovery. To the entire community, I offer all residents our condolences. You are all in our prayers. The road to recovery is a long one, and the strength and support of the community will help you down that path. To the gym teacher of W.R. Myers High School, Cheyno Finney, for his quick action in stopping the shooting before it went any further, I thank him for his incredible courage.

With the recent shooting in Littleton, Colorado, fresh in our minds and heavy in our hearts, we must all look to one another for support, strength and guidance. Be it parents, students, teachers, neighbours, friends or colleagues, I would encourage you to talk to one

another about these recent events. Yesterday's shooting was the first fatal shooting in a Canadian high school in 20 years. Although this type of incident is by far not a regular occurrence, the fact that it did happen demonstrates that the possibility of it happening again is an awful reality that we must all face.

There is a need for discussion in our schools, in our homes, in our communities. What have we done that has worked? What can we do to make it better? Where do we go from here to ensure our communities are safe and that our children have the supports they need? There are going to be students who are scared to step into a school, teachers who will be scared. Yesterday's shooting is far too close to home, and we must all work together to ensure we are doing our best to provide our children with the support, the love and the guidance they need to grow to be healthy, productive members of society.

We in Manitoba know that one can never guarantee such tragedies will never happen in Manitoba in the future, but we can work to do our best to prevent them. Today I am sending a letter to school authorities asking that they review their safety and security measures in their schools.

Again, I offer my condolences to the families and friends, the students, teachers and staff at W.R. Myers High School and to the entire community.

**Ms. Jean Friesen (Wolseley):** I want to respond to the minister's comments and to say that on this side of the House we share the terrible sadness, I think, that fills the small town of Taber, Alberta. We want to offer our condolences to the family and to the friends of Jason Lang. I heard his father speak on the radio this morning, and I think the Reverend Lang and his family are taking great comfort in their religion and in the community of Taber and the supports that they are able to bring to the families of all those people who have been

affected, not just those who suffered directly but the teachers, the parents, people who work at that school and all of those, I think, not just in Alberta but across Canada who feel so very deeply about the loss of any young person and in such terrible circumstances.

Madam Speaker, what we have seen, not just in the United States but certainly across the United States with what is becoming almost a sickening frequency, events of this type where young children are involved with guns and young children turn upon each other, and it is an almost incomprehensible thing, I think, for most of us in this House and most families in Manitoba to understand. There are times such as the murder of the young women in Montreal at the Ecole polytechnique; there is the murder of the 16 children in Dunblane, 16 children and one teacher, such very young children who were killed there. It makes us all think of how much we owe to those members of our community who keep our children safe day after day in our schools, the people who drive our children to school, the public transport, the people who look after them in school, who care for them throughout the day and who send them home to us again safe year after year.

\* (1335)

I know that teachers and principals, superintendents and the Minister of Education will be looking at the issue of safety in Manitoba schools; they will be looking at the issue of fire inspections; they will be looking at the issues of the rules and guidelines that teachers and parents have drawn up for each of their schools. I think, also, they will be looking at the nature of civil behaviour itself, of how we as a community bring up our children to relate to each other, the children who feel they are so isolated, so separate from the rest of their community. This is the only response that they can turn to. I know that many schools do address this, and they address it very well through peer teachers, through peer evaluators, through conflict resolution in the schoolyard and in the classroom. I know many schools in my constituency and across Manitoba have undertaken that, beginning at the very beginning with how we treat each other civilly and how we find a place in all our communities for all our children.

Madam Speaker, on behalf of this side of the House, I want to extend our condolences to the people of Alberta, to the town of Taber and especially to the families of those young children who will face a future that I think is not what they would have thought of just a few days earlier. Thank you.

## ORAL QUESTION PERIOD

### Health Care Facilities Food Services–Business Plan

**Mr. Gary Doer (Leader of the Opposition):** Madam Speaker, it was reported yesterday that there was a \$2.5-million overrun on the Filmon frozen food program here in the Winnipeg hospitals. On April 14, we asked the government to provide us a copy of the business plan and the contract, and of course we must now have three business plans. We have the one that allegedly said we were going to save \$5 million a year. We have one that was alleged last year where we would save close to \$2 million, and obviously now we have another reality with the overrun and I would expect another business plan. Will the Premier (Mr. Filmon) instruct his Minister of Health to release the business plan of this program so that all Manitobans will know how their tax dollars are being spent on this frozen food in our hospitals?

**Hon. Eric Stefanson (Minister of Health):** Madam Speaker, I have had discussions and communicated with the Urban Shared Services Corporation, which, as the Leader of the Opposition knows, is the corporation set up by the nine hospitals here in Winnipeg. The CEOs, the Chief Executive Officers of the nine hospitals are representatives on that corporation.

I have outlined a request relative to the contracts that are in place asking the corporation to apply the same guidelines that we apply as a provincial government, to review those contracts with that view in mind, and I am awaiting a response to that. So I certainly am following up on that request. I would expect it would be appropriate that similar guidelines that we would apply as a provincial government to releasing contracts should apply to an organization like that, and that has certainly been the request that I

have made at this point in time. I have not received a response yet.

As I indicated to this House, the Urban Shared Services Corporation was completing their year end. They are also in the process of preparing a revised business plan, and I am awaiting that revised business plan.

Also, as the member knows, the Provincial Auditor recently indicated that for new initiatives it is not uncommon for him to go in and review programs. He has indicated that he will be doing a thorough review of the Urban Shared Services Corporation, and we certainly welcome that as well.

\* (1340)

**Mr. Doer:** Madam Speaker, on April 15, 1998, the previous Minister of Health said in this Chamber that this is the expenditure of public monies authorized by this Legislature. Now we had him saying a year ago he would provide the business plan and the contract. We have had the minister on April 14 doing back and forth about why or why not we should not get a contract.

Given the fact that it is this Legislature and this minister and this government that is accountable for public expenditure of money in the Department of Health that is going to this frozen food experiment, would the Premier (Mr. Filmon), in light of this accountability, please provide the business plan and the contracts to this Legislature?

**Mr. Stefanson:** Well, Madam Speaker, I do not think the Leader of the Opposition listened to the answer to the first part of his question. I have had discussions. I have communicated with the Urban Shared Services Corporation, first of all on the issue of the contracts—and there are three or four contracts—and I have asked that those be reviewed with guidelines similar to what we apply as a provincial government, provincial governments apply relative to the releasing of contracts.

I have not received a response to that yet, but I will certainly follow up with Urban Shared Services Corporation as to when I can expect to receive that response. I have also indicated we

are expecting a revised business plan from the Urban Shared Services Corporation shortly.

As well, the Provincial Auditor will be going in, I believe in June, and I am sure that that review is welcomed by everybody in terms of the overall operations of the Urban Shared Services Corporation.

I think the objective throughout all of this is to provide quality and nutritional food and to do it as efficiently and effectively as can be done. This was year one of our multiyear change in how the food is going to be provided, and I still believe that those very important objectives can be achieved.

**Mr. Doer:** Madam Speaker, the buck stops in this Legislature with this Premier (Mr. Filmon) and this government. If we could have had those business plans a year ago, maybe we would have saved—with the allegations of members opposite that we were going to save \$5 million—maybe we could have had a reality check of this ideological experiment of the Conservatives opposite. That was a \$5-million saving, and then we had a \$2-million saving allegation from the former minister, and now we have the cost overruns.

I would like to ask the Premier: what patient services will be sacrificed in this budget to be tabled this afternoon for the \$2.5-million overrun because of your ideological decisions to go with this frozen food?

**Mr. Stefanson:** Madam Speaker, no programs will be sacrificed as a result of this issue, and Urban Shared Services Corporation will continue to work to become more efficient in terms of providing those operations. There is no reason that that operation cannot be efficient and effective in terms of providing services. They certainly are committed to continue to improve that whole aspect of efficiency, and that is why they are coming forward with a revised business plan and their long-term objectives.

We certainly do not need any lessons from the Leader of the Opposition about ideology when we have seen so many examples of their blind socialistic ideology when it comes to a number of issues in this House. If he wants an

example of blind ideology, he just needs to look in the mirror.

### **Venture Capital Fund Losses**

**Mr. Tim Sale (Crescentwood):** Between June and October of last year the government lost through its Venture Capital Fund, Manitoba Capital and Vision Capital approximately \$7-million worth of public sector money, whether it was pension funds or whether it was the direct investment of this government. Can the Minister of Industry, Trade and Tourism tell this House why we lost \$7 million of our Venture Capital Fund, in one case, Madam Speaker, 40 percent of the venture capital allocated to Manitoba Capital Fund over a four-month period?

**Hon. Mervin Tweed (Minister of Industry, Trade and Tourism):** Madam Speaker, I will take that question as notice and get back to the member.

### **Due Diligence Procedures**

**Mr. Tim Sale (Crescentwood):** Madam Speaker, one of the losses of over \$4 million was in the Shamray Corporation bankruptcy. Can the minister tell this House what steps he has taken to instruct both Manitoba Capital Fund and Vision Capital to change their due diligence procedure so that public funds are not at risk through this government's careless action?

**Hon. Mervin Tweed (Minister of Industry, Trade and Tourism):** Well, not accepting the member's preamble, I too will take that as notice and get back to the member.

\* (1345)

### **Advertising**

**Mr. Tim Sale (Crescentwood):** Madam Speaker, can the minister tell this House how it is possible that a bankrupt company on which the government lost over \$2 million would appear as a feature in a government ad that has been distributed to thousands of potential Manitoba investors in their cute, little red box? How is it possible to have a bankrupt company featured in our ads? What kind of minister is this?

**Hon. Mervin Tweed (Minister of Industry, Trade and Tourism):** Again, Madam Speaker, I will get back to the member.

### **Leonard Doust Retainer Letter Tabling Request**

**Mr. Gord Mackintosh (St. Johns):** To the Minister of Justice—

**Madam Speaker:** Order, please. I am experiencing difficulty hearing the honourable member for St. Johns.

**Mr. Mackintosh:** Madam Speaker, earlier this week I asked the minister if he would table in this Legislature the terms of reference for Mr. Leonard Doust's outside review of allegations of potential criminal wrongdoing that were exposed during the vote-rigging inquiry. I ask now if the minister would change his position and agree to table either today or tomorrow in this House the retainer letter that was issued by his department to Mr. Doust.

**Hon. Vic Toews (Minister of Justice and Attorney General):** As the member is aware, it is extremely important that it not appear that members of the executive, the government be interfering in any way with this particular inquiry. I know that the deputy minister has had various conversations with Mr. Doust and that Mr. Doust has been asked to undertake this particular inquiry, and to the extent that information can be released, that information will be released.

### **Contract—Terms of Reference**

**Mr. Gord Mackintosh (St. Johns):** Would the minister, who is not being asked to interfere, table in this House what should be a public document, given that the Order-in-Council establishing the commission was public, the hearings were public, the report was public? At this critical juncture, would the minister please table now or tomorrow the retainer letter that was issued by his department?

**Hon. Vic Toews (Minister of Justice and Attorney General):** As indicated, Madam Speaker, I will discuss that issue with the deputy, and the deputy will make that decision.

[interjection] Now the member for Transcona (Mr. Reid) says: who is government? Again, that is the difficulty that this kind of a situation arises. I do not interfere in the prosecution of any particular case.

Madam Speaker, if the deputy considers it appropriate to release that letter, then that letter will be released. This government has been very forthright in terms of all documents that have been released in respect of this particular issue. I do not intend to deviate from that, but one can appreciate that a prosecution or a potential prosecution is a very different thing than simply releasing a government document.

**Mr. Mackintosh:** The minister was asked to provide this information on Monday, not undertake now, to make that retainer letter public so that Manitobans will know what Mr. Doust was asked to look at. Was he asked to look at the transcript as well as the report? What were the time limits involved? Were there certain persons that he was directed to look at? These are important public matters. Would he table the letter now?

**Mr. Toews:** Well, Madam Speaker, I know that some of this information has in fact been released, and the information that has been released indicates that the review will examine the conduct of those who were criticized in the report of the commission of inquiry into allegations of infractions of The Elections Act and The Elections Finances Act during the 1995 Manitoba general election prepared by the former Chief Justice.

The information that has already been made public is that this report to the Deputy Attorney General is expected by the end of June 1999, and as well, the special counsel has been asked to provide advice on potential release of this report to the public. That remains within the discretion of the special counsel, and properly so.

\* (1350)

### **Provincial Parks Entrance Fees**

**Mr. Stan Struthers (Dauphin):** My question is for the Minister of Tourism. In 1996, we warned

that increased park fees would have a negative impact on local tourism. During this government's botched attempt to privatize reservations, we again warned about effects of increased fees.

I would like to table a letter from the Inter-Parks Tourism based in Roblin which states: "One of the problems . . . is the policy of imposing user fees on everyone who wishes to use Assessippi . . . and Duck Mountain Provincial Park. This has the immediate effect of discouraging local traffic, making it harder for business people to survive."

Can the minister explain to the business people of the Parklands what he will do to ensure that they do not lose business as a direct result of his government's parks policy?

**Hon. Glen Cummings (Minister of Natural Resources):** Madam Speaker, the member certainly wants to put a negative spin on interests around parks, especially given his unalterable opposition to the fact that we now have a properly organized and highly popular system of reservation within our parks, one in which the use and the growth have been beyond most people and certainly beyond his wildest expectations.

Madam Speaker, in terms of the people attempting to conduct business in the parks and attract people into the opportunities that they are offering, we have always looked individually at each of these to make sure that we provide opportunities so that they can be assisted in attracting people off the highway to the service that they are interested in providing. I will review this letter.

**Mr. Struthers:** The minister did not answer the question.

**Madam Speaker:** Order, please. I would remind the honourable member that no postamble or preamble is required to a supplementary question. Would the honourable member please pose his question now.

**Mr. Struthers:** To the Minister of Industry, Trade and Tourism (Mr. Tweed): given that Inter-Parks Tourism goes on to describe the fee

policy as counterproductive to business in their area, can the minister inform the House whether he will undertake a review of park fees in conjunction with the Minister of Natural Resources?

**Mr. Cummings:** Madam Speaker, this member of all people in this House has always been concerned about whether or not the money from parks fees was in fact being reinvested in the opportunities for tourism and opportunities to enjoy our parks. He refuses to acknowledge that we spend in excess of two to one in terms of that revenue in reinvesting in our parks so that people can come here, enjoy them and spend their tourist dollars in Manitoba.

**Mr. Struthers:** To the Minister of Tourism: given that park fees for families and seniors have increased between 100 and 153 percent, what action will this minister take to ensure that not only businesses regain what they have lost through tourism but that families in the Parklands can once again have reasonable access to our parks?

**Mr. Cummings:** Madam Speaker, the member for Dauphin loves to throw around the numbers in a negative connotation. I wish he would be at least as magnanimous to reflect upon the fact that our reservations have gone up 150 percent as well.

\* (1355)

### **Emerson Health Care Facility Capital Project**

**Mr. Kevin Lamoureux (Inkster):** My question is for the Minister of Health. It was December of '91 when the Fire Commissioner went into the Emerson health care facility and said: you either have to shut the place down or make some major renovations to it. To date, from what we understand, nothing has happened.

Madam Speaker, the government on June 17, '94, first made a news release that they were going to replace the facility. In March '95, again in a capital project, they said that they were going to replace the facility. In October of '98, the then Minister of Health indicated they were going to replace the facility. In March '99, the

member for Emerson (Mr. Penner) at the hospital facility itself said that they were going to have a new facility. My question to the current Minister of Health is: does the Minister of Health have a feasibility study on it? Has the Minister of Health even seen an architectural design on this particular facility?

**Hon. Eric Stefanson (Minister of Health):** Madam Speaker, I am not sure what else I can tell the member for Inkster. The Emerson Hospital project is in this year's capital budget. It is a \$5-million capital budget. It has been worked on with the regional health authority. It has been worked on with the community itself in terms of being absolutely certain we are putting in place the most appropriate facility to meet the needs of Emerson and the surrounding community. It is certainly committed to by us; I understand it is totally committed to by the community, the RHA. It is a high priority, and that project is definitely proceeding.

**Mr. Lamoureux:** Madam Speaker, can the Minister of Health indicate whether or not he himself has seen an architectural design of what this health care facility looks like?

**Mr. Stefanson:** Madam Speaker, I can certainly tell the member that the plan in Emerson is to build a new integrated health centre, including in-patient beds, emergency services, primary community health services, and a 30-bed personal care home. That is what is going to be built for \$5 million, and that will certainly meet the needs of Emerson and the surrounding community—a very important health care capital project for that part of our province.

**Mr. Lamoureux:** Oh, Madam Speaker, how well this minister speaks, I must say.

My question—

**Madam Speaker:** Order, please. Would the honourable member please pose his supplementary question.

**Mr. Lamoureux:** Madam Speaker, we would ask the Minister of Health: is the Minister of Health prepared to give—we, being the Liberal Party, for those who do not understand the "we"



concept. You know, it is like a team, Filmon team. There is going to be a Liberal team, too.

We would like this government to come clean and indicate some sort of a time frame when we are going to actually see this building of which the minister has not even seen an architectural design. When are we going to actually see this building under construction? Will the Minister of Health tell that to the constituents of Emerson today?

**Mr. Stefanson:** Madam Speaker, because of the very strong interest from the member for Inkster in this project, I am sure when we do turn the sod that we will try to be sure to invite him to that very important event.

We are 100 percent committed to this project, and we are prepared to move as quickly as possible on all aspects of seeing this project go ahead in Emerson, in that community. It is a very important project, and we are totally committed to it.

\*(1400)

### **Metis Child and Family Service Agency Implementation**

**Ms. Rosann Wowchuk (Swan River):** Madam Speaker, when we look at the number of children in foster care, we see that Metis and First Nations make up the highest number. In fact, if you look at the government's own statistics, you will see that in the Parklands 53.4 percent of the children in foster care are of Metis descent.

Madam Speaker, the AJI report recommends that the Province of Manitoba in conjunction with the Manitoba Metis Federation develop a mandated Metis child and family service agency with jurisdiction over Metis and non-Status children throughout the province. Given that recommendation, I would like to ask the Minister of Family Services if she supports this recommendation and what steps she is taking to address this very serious matter.

**Hon. Bonnie Mitchelson (Minister of Family Services):** Madam Speaker, I thank my honourable friend for that question. I do want to indicate that we have several different mandated

agencies throughout the province of Manitoba. We have mandated agencies on reserve and other agencies, Winnipeg, Central and Westman. We have had ongoing discussions with the Manitoba Metis Federation around this issue, but more importantly we have had an opportunity to bring many members of our aboriginal community in the city of Winnipeg together, including representatives from the Manitoba Metis Federation, the Assembly of Manitoba Chiefs and urban aboriginal leadership, along with our agency in Winnipeg to try to determine how we appropriately serve all of those children. So discussions are ongoing. Our ultimate goal is to try to ensure that children are protected and nurtured in the best possible fashion right throughout the province of Manitoba.

### **Urban Aboriginal Strategy Recommendations**

**Ms. Rosann Wowchuk (Swan River):** I would like to ask the minister: since she established the urban aboriginal strategy team and that team made recommendations that included foster care, mandated agencies and agency boards that would be implemented by April 1, 1999, what steps has the minister taken to implement the recommendations put forward by her own committee?

**Hon. Bonnie Mitchelson (Minister of Family Services):** Madam Speaker, again I thank my honourable friend for that question. It is not an issue that is simple and straightforward. I know that there are many different points of view around what needs to happen. We are working aggressively to try to ensure that the recommendations that came forward are addressed in the most appropriate fashion and that we involve significantly more people from both the Metis community and the aboriginal community in trying to find the answers to the solutions that we all know are reality here in Manitoba.

**Ms. Wowchuk:** Madam Speaker, I would like to ask the minister then: is she rejecting the recommendations of her own committee that suggested that the board reflect the demographics of the children in care, that there be a pilot project put in place called Getting Started, a program designed to help a hundred families who have children in care? Are you

rejecting the recommendations of your committee who suggested that these recommendations be implemented by May 1, 1999?

**Mrs. Mitchelson:** Madam Speaker, absolutely not. We are not rejecting anything. The recommendations that came forward were recommendations that were worked on and agreed to by members of our community, whether they be First Nations, aboriginal, urban aboriginal or Metis, along with our mandated agencies. I agree with the recommendations, and we are going to be moving forward to address the issues in a significant way.

### **Brandon University Funding**

**Mr. Leonard Evans (Brandon East):** Madam Speaker, this government has underfunded Brandon University for the past several years, thereby reducing the capacity of that institution to provide top-quality higher education in western Manitoba. Brandon University has a lot of potential, but it has not been given the level of funding required to meet its needs. Now in this year's budget it has been given a totally inadequate funding increase so that there will be tuition hikes and staff cuts. How can this minister, who incidentally represents the constituency in which the university is located, deprive Brandon University of sufficient funds again this year, causing it to reduce its programs further? Why is he neglecting the needs of Brandon University?

**Hon. James McCrae (Minister of Education and Training):** Madam Speaker, for five elections the honourable member for Brandon East was promising the people of Brandon University that his government, if elected, would build the library building. Well, it took this government to do it. They talk about it; we do it. Clark Hall, an \$11-million project, moaned about by the member for Brandon East for years—they talk about it; we do it. That is what has been happening.

**Mr. L. Evans:** Madam Speaker, the honourable minister needs a lesson in history—

**Madam Speaker:** Order, please. Would the honourable member please pose his question now.

**Mr. L. Evans:** I have a question for the minister, and I want to tell him in the process that I delivered the \$1-million cheque—

**Madam Speaker:** Order, please. I assume the honourable member for Brandon East is about to pose his question.

**Mr. L. Evans:** Will this Minister of Education take another hard look at the request of Brandon University for a 6 percent to 7 percent increase so that the government will finally meet the needs of that institution and prevent further deterioration that is occurring because of under-funding?

**Mr. McCrae:** I am not sure what expenditure on the part of the honourable member's government he was talking about, but our grandchildren will still be paying before the debt of the previous administration is paid off. I do not even have any grandchildren yet, Madam Speaker, and those children will be paying off debt that is the legacy of the honourable member and his party.

There is 4.3 percent more funding this year for post-secondary education than there was last year, 2 percent for the base and another \$4 million for the college growth fund, another \$1.3 million for the strategic measures that need to be taken to ensure that colleges and universities continue to work well together. We have seen good evidence in the last while that the universities and colleges and the workplace are working more closely together than ever before, because there is a recognition on the part of all three of those sectors that the world of tomorrow is going to be a different place than the world of yesterday.

Brandon University has a difficult job to do. There is no doubt about that. We work very closely with them. I continue to work with Dr. Anderson and Mr. Cochrane from the board of governors, and that effort will continue.

**Mr. L. Evans:** As I ask my final question, I trust this minister will look at the budget document that is going to be brought down in this House in a few minutes, and he will see that the per capita debt today is higher than when he took office in 1998. It is bigger now per person

on a per capita basis. That is so, and his deskmate knows it. It is in the December 31 quarterly financial statement.

Does this minister—

**Madam Speaker:** Order, please. Would the honourable member for Brandon East please pose his final supplementary question.

\* (1410)

**Mr. L. Evans:** Does the minister realize—and I rather doubt that he realizes it—that a reduction in staff and tuition increases are going to occur because of the inadequate funding of this year and making it a less attractive institution for many young people? It is going to lead to a major drop in enrollment. Does he realize that?

**Mr. McCrae:** If what the honourable member says about per capita debt is true, which I have good reasons to suspect is not, I ask the honourable member to look in the mirror and ask himself why that would be the case. In six and a half miserable years in the history of this province, our debt went from \$1 billion to \$5 billion, a five-fold increase in six and a half years under the previous administration. Shame on the honourable member.

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

**Madam Speaker:** Order, please. The honourable Minister of Education and Training, to complete his response.

**Mr. McCrae:** I do not need any guidance from the honourable member about the commitment of this government to the post-secondary education sector, and least of all the Brandon University, which indeed is something I am very proud is part of the constituency of Brandon West. Brandon University has to wrestle and is wrestling with the issues of reduced credit hours in their institution, enrollment issues. They have to look at the fact that there have been some increases in staff. There have been increases in tuition too.

All the universities and colleges have been working very well with this government as we have addressed this year's budget, and I think

there is a recognition that at 4.3 percent overall, we are making a good investment in the future of the people of Manitoba so that we can take advantage of the opportunities that are being presented almost daily as a result of the economic policies of this government.

### **Burntwood Regional Health Authority Personal Care Homes**

**Mr. Steve Ashton (Thompson):** In any community in Manitoba, if you were to ask the people today, their major concern provincially tends to be—the first three are health care, health care and health care. That is particularly the case in northern Manitoba where we have chronic doctor shortages, where our three hospitals, our main hospitals, were the hardest hit by cuts in 1995, where we have virtually no aboriginal health care strategy, and now the latest capital announcement, the only region in the province, the Burntwood Regional Health Authority, instead of getting approval for its 35-bed application for a personal care home—this is the only region without one in the province—instead it has a needs study.

I would like to ask the Minister of Health: when will he and his government recognize the need is there? It has been documented by the regional health authority. When are they going to agree to the construction of that personal care facility?

**Hon. Eric Stefanson (Minister of Health):** Well, Madam Speaker, I am not sure the member for Thompson is aware that the capital projects that we implemented are based on recommendations that come out of the regional health authorities, discussions that are held with the regional health authorities. I guess only the NDP would want to go ahead with projects without doing proper needs assessments.

**Mr. Ashton:** Well, Madam Speaker, I want to ask the minister again: why have they not listened to the Burntwood Regional Health Authority—by the way, the health authority that they set up which has done the work and the needs assessment, has put in the application—why are they now not approving a personal care facility for the only region in the province that does not have one?

**Mr. Stefanson:** Madam Speaker, I repeat for the benefit of the member opposite that in the Burntwood Regional Health Authority, I believe there were five capital projects announced. Those capital projects are all based on, first of all, the RHA submitting to us their capital program, their priorities, us obviously having discussions—us being the Department of Health—with the RHA about those projects, and certainly the feedback I have had is that we have met the highest priorities and that the regional health authority is very pleased.

I encourage the member to look at the summary of the capital projects, the project in Wabowden nursing station, the Leaf Rapids Health Centre, the Gillam Hospital and two projects in Thompson. The Thompson long-term care with the long-term needs will be assessed. Recommendations will address the appropriate scope, cost and timing of a new long-term care facility, including program and design needs, capital and operating costs.

Again, I would think those are the responsible things to do. It has the support of the health authority. We certainly support doing the proper assessment and then proceeding with a project, not proceeding with a project without having a proper assessment done.

**Mr. Ashton:** Madam Speaker, I am wondering when the minister will recognize that because of the lack of a personal care facility and the freeze on personal care home construction and the cuts in Thompson in terms of a number of hospitals in 1995, people right now are in our hospital who should be in personal care homes and other people, including a constituent of mine, had to wait nine days to get placed in the hospital because there were no hospital beds.

When are they going to stop this crisis in health care and focus in on our hospitals in Manitoba?

**Mr. Stefanson:** Madam Speaker, we certainly recognize the importance of personal care home beds and the fact that we are continuing to shift people to care either in the community through our expanded and very comprehensive Home Care program or through our personal care home beds where today in Manitoba we have a

commitment to in excess of 800 personal care home beds.

In the case of Thompson, I have already outlined very clearly for the member for Thompson that a full needs assessment with costing, timing, program—all of those are being done.

**An Honourable Member:** The need is there.

**Mr. Stefanson:** The member says it is there. Obviously if this has the support of the regional health authority—and I believe the people involved in the project recognize the need to do this first before you proceed with a project. It appears to be only the member for Thompson who does not recognize that.

At the same time in Thompson, the Thompson health resource centre will also be getting additional support for the planning required for the construction of a new community health resource centre, so two very important initiatives that are proceeding on that basis in the community of Thompson, Madam Speaker.

#### **Co-operative Housing Management—National Agency**

**Madam Speaker:** The honourable member for Radisson, with one very short question.

**Ms. Marianne Cerilli (Radisson):** Madam Speaker, I want to ask the Minister of Housing about the government's discussion with the Manitoba housing co-ops council regarding having co-ops managed by a separate national agency. He knows that Ontario has kept co-ops out of their devolution agreement with the federal government on social housing, and I want to ask him if he can confirm that his government is going to reconsider their position on this matter.

**Hon. Jack Reimer (Minister of Housing):** Madam Speaker, the member is right. The federal government has allowed the Ontario government to opt out of the inclusion of the co-ops in the federal devolution of their responsibilities of housing onto the provinces. We in Manitoba have been made aware of this

just in the very near little while, and we are evaluating our position as to the feasibility and how it can be handled, but no decision has been made whether they will be transferred back to the federal government.

**Madam Speaker:** Time for Oral Questions has expired.

## MEMBERS' STATEMENTS

### Rural Forum 1999

**Mr. Jack Penner (Emerson):** Madam Speaker, I am pleased to rise today in the House and invite everybody to Rural Forum '99 which begins today and runs through Saturday at the Keystone Centre in Brandon. This event serves as a showcase for rural Manitoba which gives residents and entrepreneurs the opportunity to highlight their businesses, innovation and way of life.

At this year's Rural Forum, the Minister of Rural Development (Mr. Derkach) along with rural businesses and rural leaders will finalize a renewed rural economic strategy. The original strategy developed in 1994 has led to a phenomenal success of rural economies, paving the way for such developments as diversification and value-added agriculture. The renewed strategy will continue this trend and help rural Manitoba meet with success in the 21st Century.

An exhibit, Manitoba's Community of the Future, will showcase how rural communities will harness and use technology and information in the future and will be a major highlight of Rural Forum '99. The exhibit will show rural Manitobans how technology will play an enormous role in their lives and in the new millennium and how rural Manitobans can use this technology to access information and opportunities that will build strong and vibrant communities. The Community of the Future exhibit involves more than 30 partners and focuses on community services such as health, education, government, business, entertainment and leisure.

Other Rural Forum '99 activities include seminars, more than 350 exhibits, a food court, a marketing marathon, music and entertainment.

This government is committed to work with rural Manitobans to help meet the future challenges and to preserve their way of life. We value and appreciate the contributions that all Manitobans make in this province.

Madam Speaker, we invite all of you to take time out and come to Brandon and visit Rural Forum.

\*(1420)

### Tribal Councils Investments Group

**Mr. Oscar Lathlin (The Pas):** Madam Speaker, I rise today to pay tribute to the Tribal Councils Investments Group owned by seven aboriginal tribal councils in this province. Since 1991, the Tribal Councils Investments Group has moved forward on a number of fronts creating jobs for First Nations people and providing goods and services in Manitoba and elsewhere.

One company, the Arctic Beverages owned by the Tribal Councils Investments Group services northern Manitoba, Saskatchewan, and parts of northwestern Ontario and most of Nunavut. Arctic Beverages was named the Pepsi-Cola Canada franchise bottler of the year last year. Arctic Beverages also distributes juices and bottled water. The TCIG administers extended health care benefits to aboriginal people and is a key player in plans to redevelop Main Street by building a state-of-the-art broadcasting centre for Aboriginal Peoples Television Network to be based in Winnipeg.

The TV network is a huge positive step forward for aboriginal Canadians. Upwards of 60 jobs will be created by the TV network. More importantly, all Canadians will get the opportunity to see things from a different view than is currently available on most stations across the country. On behalf of our caucus, I congratulate TCIG for their many accomplishments and look forward to working with them in the future. Thank you.

### Employment Standards Code

**Mr. Gerry McAlpine (Sturgeon Creek):** Madam Speaker, on May 1 the new Employment Standards Code will come into effect. This new standards code consolidates and modernizes

three existing acts related to minimum working conditions. The Employment Standards Act, The Vacations With Pay Act and The Payment of Wages Act. It streamlines and clarifies standards in areas such as minimum wages, hours of work, statutory holidays and vacations with pay, termination of employment and maternity leave. The new Employment Standards Code will replace outdated, redundant and inconsistent definitions, methods of enforcement and procedures. It provides opportunities for more effective and efficient enforcement of the laws while maintaining the existing policy dimensions of the legislation and the basic balance of rights and obligations of employers and employees. It also requires consultation with employer and employee representatives prior to the enactment of new regulations.

Madam Speaker, this new standards code will make it easier for employers and employees to understand their obligations and rights in the workplace. The new Employment Standards Code is in addition to other significant regulatory development in labour over the course of the last year. These include an increase in the minimum wage, new regulations to improve first-aid requirements for workplaces and changes to pension regulations to provide for locked-in retirement income funds as an individual retirement benefit option.

Madam Speaker, this is yet another brief message and example of how we are working to protect the safety of all Manitobans. Thank you.

#### **Swan Valley School Division Drama Club Production**

**Ms. Rosann Wowchuk (Swan River):** Madam Speaker, on Tuesday, April 26, I had the opportunity to attend the musical production "Fame" put on by the drama club of the Swan Valley School Division. Set in New York, "Fame" takes place in the early-'80s at a high school for the performing arts—

**Madam Speaker:** Order, please. The honourable member for Swan River.

**Ms. Wowchuk:** Madam Speaker, do I have the opportunity to start again, or should I just go on?

**Madam Speaker:** Sure.

**Ms. Wowchuk:** Thank you, Madam Speaker, and I apologize. I thought my mike was off.

Madam Speaker, on Tuesday, April 26, I had the opportunity to attend the musical production Fame put on by the drama club of the Swan Valley School Division. The play is set in New York City, taking place in the early-'80s in a high school for the performing arts.

Madam Speaker, we had the opportunity to see an excellent production of action, music, song and dance, and I was absolutely amazed by the talent of the cast who participated. I only wish that many more of you would have had the opportunity to see this presentation. The cast consisted of Amanda Woodson, David Quon, Kristin Mateika, Jeremy Schneider, Brian Kindrat, Melissa Lausman, Robert Ter Horst, Marsha Scouten, Laurel Gust, Kristin McCrea, Denise Duncalfe, Jason Delaurier, and Brett Madill.

The students were played by Tenniel Brischuk, Staci Goodman, Kathleen Klemetski, Collin Dyck, Brenna Frith, and Lindsay Gust.

A large group of children took part in the back-up singing, Madam Speaker, and those consisted of Erin Johnstone, Erin Schneider, Dawn Binding, Diane McCrea, Joey Dyck, Leigh Woodward, Shasta Griffith, Tamara Filuk, and Kim Kopecky.

Madam Speaker, the director of the play was Michelle Mullin who did an excellent job in her first attempt at directing a play. I want to commend her very highly for the job that she did. Musical director, Martyn Snell; chorus director, Sandy Ghazouly. Stage setup was Jacquie Mydyski-Arp. Stage manager was Lise Fraser and costumes was Ann Barbour.

Madam Speaker, again I want to extend my congratulations to the people who put on this performance, all the backup, all the other people who worked in the production and wish them the very best in their production next year.

#### **ORDERS OF THE DAY**

**Hon. Darren Praznik (Government House Leader):** Madam Speaker, if we perhaps could

recess the House until 2:35 at which time Madam Speaker could have the bell ring for one minute, it would give members a chance to ensure their guests are in the gallery at which time the Minister of Finance (Mr. Gilleshammer) will be delivering this year's provincial budget.

**Madam Speaker:** There will be a short recess. At 2:35 the bells will ring briefly, followed by the budget speech by the Minister of Finance. Is there leave? [agreed]

*The House recessed at 2:27 p.m.*

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### After Recess

*The House resumed at 2:38 p.m.*

**Hon. Harold Gilleshammer (Minister of Finance):** Madam Speaker, I move, seconded by the Minister of Health (Mr. Stefanson),

THAT this House approve in general the budgetary policy of the government.

**Motion presented.**

### BUDGET ADDRESS

**Hon. Harold Gilleshammer (Minister of Finance):** I am pleased to present the 1999 budget to the Legislature and the people of Manitoba. This budget affirms our government's commitment to meet new challenges as we build the future of our province, a future in which our children will enjoy even greater opportunities than we do today. Madam Speaker, this afternoon, I will outline a number of key budget highlights. The printed budget speech which I have tabled presents a more detailed version of our plans.

We are at a pivotal point in history, marking the end of one century and the beginning of the next. We also have reached a critical junction in our province. With a vision, solid plans and the support of Manitobans, we have come a long way, and we look forward to an even brighter future. But there is no room for complacency.

Even though we have successfully met many challenges of the past, new challenges have arisen which, if not addressed decisively, threaten to undermine all that we have achieved.

For our government, the status quo is not an option. The 1999 budget tackles head-on the challenges of maintaining a competitive tax environment, of improving health care for Manitobans and of increasing opportunities for our children and youth. It also puts forward our plans to meet these challenges by building on the momentum generated through our diverse and growing economy.

Madam Speaker, the timing of the last budget of this century gives us an opportunity to pause and reflect on the careful stewardship that has brought us to where we are today.

\* (1440)

The favourable financial position in which we find ourselves is due in no small measure to the leadership, vision, and energy of my predecessor, the Honourable Eric Stefanson. I want to point out that the results of his work as Minister of Finance over the past five years will favourably affect the quality of life of Manitobans well into the future. I thank him publicly here today not only on my own behalf, but also on behalf of all Manitobans. I wish him well as he tackles new challenges in health care.

Madam Speaker, the basis for a better tomorrow is a strong economy today. At the foundation of our government's commitment to building a stronger future for our great province is our record of fiscal management.

Prudent stewardship has strengthened business and investor confidence in our province. The Investment Dealers of Canada recently described Manitoba as having the "best-managed public finances during the 1990s." Nesbitt Burns gave our government "full marks for fiscal integrity."

Madam Speaker, our record speaks for itself. It proves conclusively that balanced budgets and competitive taxes are essential for a strong and diversified economy.

Just listen to these impressive results:

Manitoba's economy outpaced the national economy in 1996, in 1997 and again in 1998.

Manitoba has the lowest unemployment rate in Canada and the lowest in our province in almost 20 years.

Manitoba continues to experience record levels of manufacturing shipments, exports and consumer spending.

But things have not always been this good. Since our government took office, our province has faced some significant challenges, not the least of which was overcoming the legacy of deficits, high taxes and growing debt left by our predecessors. Manitobans also have had to cope with significant federal cutbacks to transfers for key social programs such as health care.

Madam Speaker, our government worked hard to meet and overcome these challenges.

In 1995, we tabled the first balanced budget the people of our province had seen in 22 years. We followed up that budget with balanced budgets in 1996, in 1997 and again in 1998.

Balanced budgets, lower debt costs and a strong and dynamic economy continue to give Manitobans real choices in setting budget priorities. During our annual budget consultations, we received input from over 1,200 Manitobans. This budget acts on their thoughtful advice.

Manitobans told us they value our government's careful financial management. Madam Speaker, I am extremely pleased to present our government's fifth straight balanced budget. This is the first time in a quarter century that a government in Manitoba has tabled five consecutive balanced budgets. I am proud to be a part of this accomplishment.

Manitobans told us their highest priority for action was increased resources for health care. Madam Speaker, this budget devotes significant additional resources to further improve health care services.

Manitobans told us to continue cutting taxes to fuel our growing economy by keeping more money in people's hands. Madam Speaker, the 1999 budget makes further cuts to personal and small business taxes.

Manitobans told us to continue to pay down the debt. Madam Speaker, I am pleased to announce that this budget allocates \$75 million for debt repayment. We have put this payment, along with the other funds that were set aside in the Debt Retirement Fund to good use. Earlier this month, our government made a \$305-million payment on Manitoba's debt.

As I stated before, Manitoba is at a critical junction. The problems and challenges our province faces today will not disappear overnight. But in building on our sound financial and economic foundations, we can set priorities and be prepared to meet new challenges.

This budget looks ahead to the next century and charts a path that reflects the priorities of Manitobans. This is the path of fiscal fitness, a strong and growing economy, competitive taxes and less debt.

By taking this path, we will secure the resources we need to make further investments in health care and to continue building an education system that offers our children and youth the knowledge and skills they need to be successful, now and in the future.

We believe that the path we have chosen will make Manitoba an even more dynamic province, where our children will enjoy opportunities even greater than those we enjoy today.

### **Personal Income Tax Cuts**

Madam Speaker, the present era offers unprecedented freedom for our citizens to move, and we know we must take decisive steps to ensure Manitoba remains a desirable place to live and do business. With neighbouring provinces like Ontario, Alberta and Saskatchewan taking steps to cut taxes, we know we must act immediately, and be prepared with a longer-term plan for maintaining a competitive tax environment.



Competitive taxes today mean a stronger economy tomorrow. In our budget consultations, we heard clearly that Manitobans want sustainable tax reductions.

In particular, they indicated a strong preference for personal income tax cuts.

Madam Speaker, we are acting on this advice. I am pleased to announce further across-the-board income tax cuts for all Manitobans. Manitoba's personal income taxes will be reduced in line with changes to the basic personal credit that were announced in the recent federal budget. On top of this, we are dropping the personal income tax rate by an additional three percentage points. For 1999, we are cutting the rate to 48.5 percent. This will increase Manitobans' take-home pay starting July 1st. On January 1, 2000, we will cut the rate again, to 47 percent.

In total, Madam Speaker, our government is cutting the income taxes of Manitobans by \$70 million this year, and \$112 million next year.

These income tax cuts leave Manitobans with more money to provide for their children, more money to save for retirement, more money to pay down mortgages, more money to spend in local businesses and more money to invest in our province.

Madam Speaker, as fiscal circumstances allow, we will look at opportunities to further reduce taxes in budgets to come.

### **Supporting Manitoba's Small Businesses**

Madam Speaker, our government has always promoted a positive and competitive environment for small businesses. To maintain this competitiveness today, I am pleased to announce that our government is slashing the small business income tax rate from 9 percent to 5 percent. On July 1, we are cutting the rate from 9 percent to 8 percent.

We will then reduce the small business income tax rate an additional 1 percent on January 1 in each of the next three years. When

fully implemented, this measure will save Manitoba small businesses \$24 million annually.

### **Lower Tax Commission**

Madam Speaker, Manitoba has an impressive record of fiscal responsibility which has allowed our economy to flourish. However, we have to ensure that we continue to offer a competitive environment for further economic growth.

As was recently announced, a Lower Tax Commission will consult with Manitobans, and then identify options for a tax system for Manitoba that not only reduces the tax burden, but is fairer, simpler and competitive.

### **Meeting New Challenges—Changing Health Care for the Better**

Madam Speaker, all across Canada, provinces are dealing with growing pressures and changing needs in health care. We must meet the challenges in health care by focussing available resources where they will do the most good.

During budget consultations, Manitobans told us that health care should continue to be our government's top priority. Madam Speaker, I am pleased to announce that this budget responds by increasing health care funding by \$194 million, a 10 percent increase over last year. We are making the largest single investment in health care services by any government in Manitoba's history.

In the coming year, we will spend \$5.8 million every day in support of health care.

I would like to take a few moments to explain how the additional resources will be used to implement the next steps in our overall plan to meet the changing health care needs of Manitobans.

Madam Speaker, the first objective of our health care plan is to reduce waiting lists so that Manitobans have faster access to tests and to treatments. To meet this objective:

We will allocate a further \$5 million to purchase additional equipment to meet clinical and patient care needs.

We will provide an additional \$62 million to expand surgery capacity and acute care services. As a result, our health care system will provide 11,000 more mammograms, 15,000 more dialysis treatments and up to 600 more hip or knee replacement surgeries, and, Madam Speaker, we will provide an additional \$1.3 million to increase by 30 percent the number of radiotherapy treatments for cancer patients.

These initiatives will significantly reduce waiting times and ensure that Manitobans have access to the treatments they need on a timely basis.

As the second objective of our health care plan, Madam Speaker, our government will continue to work diligently to address the shortage of health care professionals in our province.

For example, we are taking proactive steps to address the shortage of nurses. Through the Nursing Fund, we have set aside \$7 million to encourage former nurses to re-enter the profession, to recruit new nurses and to assist nurses who wish to upgrade their skills.

\* (1450)

In addition, this budget provides over \$32 million to fill 650 nursing positions, including existing vacancies and new positions.

We are also providing a further \$55 million to expand medical services such as cardiac care, obstetrics, intensive care, and additional physician resources.

Our plans will help to ensure that Manitobans continue to receive the quality care they need and deserve.

Madam Speaker, the third objective of our health care plan is to provide more options for community-based care. To meet this objective:

We are providing almost \$3 million for the development of primary health care centres.

We are increasing funding for home care services to \$147 million, allowing us to extend

care to 32,000 Manitobans, and we are allocating \$15 million more for personal care home services.

Expanding community-based care options free up hospital beds and make it possible for more Manitobans to remain in comfortable, familiar surroundings.

Madam Speaker, as my colleague the Minister of Health recently announced, our health capital commitment for 1999-2000 will total \$123 million. Projects to be undertaken include a major expansion of the Gimli Hospital, significant renovations to the Flin Flon Hospital and the construction of over 200 more personal care home beds.

Since 1997, our government has increased the number of personal care home beds in Manitoba by over 850.

Madam Speaker, we are changing health care for the better. Manitoba's health care system will deliver more high-quality health services this year than ever before. It will offer more options for appropriate, flexible and responsive care, and our government will continue to implement high standards of service across our province. Madam Speaker, Manitobans are already seeing the difference.

### **Our Children, Manitoba's Future**

Investing in our children is simply the best way to invest in Manitoba's future. Our government's commitment to children is set out in our ChildrenFirst policy.

Consistent with our policy, this budget allocates an additional \$25 million for programs designed to identify problems early, and to help families meet the needs of their children. In part, this funding will be used: to improve the diagnosis and treatment of children with fetal alcohol syndrome; to expand BabyFirst and EarlyStart; to increase funding for early literacy programs; to provide more accessible, quality child care; and to provide more services for children with special needs.

Our government recognizes it is expensive to provide for all the needs of growing children.

Madam Speaker, today, I am pleased to announce that the provincial retail sales tax exemption limit on clothing and footwear for children is being raised from \$100 to \$150 per item. This change, which takes effect at midnight tonight, will save parents an estimated \$1 million per year.

### **Securing the Future Success of our Children and Youth**

Madam Speaker, as a parent, and a former teacher and school principal, I fully understand that the education of our children is one of the best investments we can make in Manitoba's future. During the budget consultations, Manitobans emphasized that a quality education system that focuses on results was key to a successful future.

To give Manitoba students the tools they need to excel in the new economy, we are increasing Information Technology Grants from \$10 to \$40 per pupil. In fact, the total funding available for a variety of technology-related purposes is up by almost \$8 million this year.

We are also increasing support for curriculum and standards development by a further \$3million. Since 1994-95, our government has committed over \$17 million more for education renewal.

Madam Speaker, this budget also increases funding to school divisions so they will have more resources to meet the needs of our children. We are increasing public school funding by almost \$18 million, a 2.3 percent increase. We also have made a commitment to increase overall education funding again next year by at least 2 percent.

We want our students to receive quality instruction in a quality learning environment. Toward this end, we have committed almost \$48 million toward the Schools Capital Construction Program in 1999-2000.

Our young people and indeed all Manitobans must be prepared to take advantage of future opportunities. Low tuition fees, along with our Learning Tax Credit, our Scholarship and Bursary Initiative, and our student financial

assistance programs continue to keep post-secondary education in Manitoba among the most accessible and affordable in Canada. Madam Speaker, in 1999-2000, our government will provide \$339 million in support of post-secondary education, an increase of almost 5 percent over last year.

During the past several years, our colleges have developed an impressive track record. Our new \$4 million Colleges Growth Plan dedicates \$4 million to help our colleges develop and expand programs that respond to current labour market needs.

### **Creating Opportunities for all Manitobans**

Madam Speaker, looking forward to the 21st Century, a challenge for our province now lies not just in job creation but also in assuring sufficient numbers of skilled workers, workers that our businesses need to keep growing.

To help Manitobans take advantage of this growth, we are expanding our Apprenticeship Program by an additional \$2.4 million, and we are targeting \$6.5 million to our Making Welfare Work Programs.

Our government also will deliver \$50 million in targeted training programs to assist unemployed Manitobans in finding jobs. In addition, our youth employment programs will help 16,000 young Manitobans take advantage of the growing job opportunities in our province.

Madam Speaker, we recognize that living with a disability poses an additional challenge for many Manitobans. We offer support to these Manitobans through a variety of services, including our Income Assistance for the Disabled Program. I am pleased to announce that this budget provides an additional \$1.4 million to increase the support provided by this program by \$10 per month. Almost 12,000 Manitobans with a disability will benefit from this increase.

This budget also increases funding for Adult Services programming by almost \$9 million. These funds will extend services to more Manitobans with a mental disability and provide

additional resources to community organizations.

Madam Speaker, our government continues to support partnerships among governments, aboriginal organizations, the community and the private sector as the best way to address the education, training and employment, and other needs of aboriginal peoples.

One successful initiative that has emerged from a co-ordinated partnership is Partners for Careers. Madam Speaker, this budget directs an additional \$100,000 toward this program which has helped place 520 aboriginal graduates in jobs with private sector employers.

We also are developing an Aboriginal Education Strategy to improve graduation rates from both high school and post-secondary institutions. In the coming weeks, my colleague, the Minister of Education and Training (Mr. McCrae), will provide further details on this strategy.

Our government is helping to foster a greater level of autonomy within northern communities through our Self-Reliance Initiative. I am pleased to report that a recent success of this \$1.6-million initiative was the incorporation of South Indian Lake. Through incorporation, this community gained the powers and responsibilities of a municipality.

### **Safer Communities**

Madam Speaker, preventing crime is the first and best way to protect our citizens and our communities. Our challenge is to make our urban centres, particularly Winnipeg, safer and more attractive places for our families. As was recently announced, we are developing a Take Back The Streets Initiative. The initiative will create Neighbourhood Renewal Committees to find innovative solutions to the problems of Winnipeg's inner city.

Winnipeg's community policing program keeps police visible in neighbourhoods, helping to prevent crime and to provide positive role models for children and youth. Our government will continue to provide \$2 million to offset the cost of an additional 40 police officers in the city

of Winnipeg. In total, our government is contributing almost \$56 million to provincial police services.

Madam Speaker, Manitoba is widely acknowledged as a leader in dealing with domestic violence. We moved swiftly to implement the recommendations of the Lavoie Inquiry Report. This year, we have allocated a further \$1 million toward the implementation of the Lavoie Inquiry Action Plan. This brings our total commitment to this initiative in the last two years to almost \$3 million.

To ensure that staff are working in safe and secure environments, this budget commits over \$20 million for improvements, expansions and upgrading of our adult and youth correctional institutions. This budget also allocates an additional \$4 million to increase staff at correctional institutions.

\* (1500)

### **Working with Local Governments to Meet New Challenges**

Madam Speaker, our government continues to work closely with local governments to make Manitoba the best place in Canada to live. Manitoba is the only province to allocate a portion of provincial personal and corporate income tax revenue directly to local governments. This year, Provincial Municipal Tax Sharing payments will total almost \$71 million, up 10 percent over last year's budget.

We also continue to support the Rural Economic Development Initiative, which was established by our government in 1992 to stimulate economic development and diversification. I am pleased to report that this budget allocates \$21 million for this initiative.

As part of our six-year, \$96-million capital funding commitment to the City of Winnipeg, we are directing almost \$19 million toward urban capital projects. In addition, Madam Speaker, I am pleased to announce that for the second year in a row, we are providing the City of Winnipeg with \$5 million to be used for residential street repairs.

Madam Speaker, in 1994, our government introduced a retail sales tax rebate program for first-time buyers of new homes. To date, this program has helped more than 1,500 Manitoba families to purchase their first house, and they have saved over \$3 million in taxes. Today I am pleased to announce that this program will be extended for another year.

### **Meeting New Challenges—Strengthening our Economy**

#### **Investing in Manitoba**

Madam Speaker, to create jobs, businesses need access to capital. For the Manitoba economy to reach its full potential, there must be a well-developed capital market. That is why our government has introduced a number of initiatives to facilitate investment by Manitobans in Manitoba businesses.

Since 1992, when our government introduced the 10 percent Manufacturing Investment Tax Credit, manufacturing investment in Manitoba has tripled. More than 10,000 new manufacturing jobs have been created. Today I am pleased to announce that this tax credit will be extended for a further three years.

The successful Manitoba Film and Video Production Tax Credit has been instrumental in promoting Manitoba as a prime location for the making of films and videos. Between 1997-98 and 1998-99, production budgets almost tripled. In light of these strong results, we are also extending the Manitoba Film and Video Production Tax Credit.

And today, Madam Speaker, I am pleased to announce an important new initiative. The Manitoba Equity Tax Credit will encourage local investors to purchase new shares of small- and medium-sized Manitoba companies on the Winnipeg Stock Exchange. The credit will be 5 percent per year for up to three years, and the maximum credit for an individual in any year will be \$1,500.

#### **Highways and Transportation**

Madam Speaker, Manitoba enjoys unsurpassed transportation links. We are served by three continental railways. We are home to a

number of Canada's major trucking firms. We have a seaport at Churchill, and Winnipeg International Airport is an important centre for cargo.

To help Manitoba's transportation system support our growing economy, our government will spend almost \$180 million on infrastructure programs related to highways and transportation.

Our government has participated in a number of initiatives in recent years to help secure the future of the Port of Churchill, including our \$6 million contribution toward the harbour dredging program. Effective at midnight tonight, motive fuel purchased by international vessels in Manitoba will be exempt from the motive fuel tax. This measure will boost the Churchill economy by making refuelling at Canada's northern port more attractive to shippers.

#### **Promoting Agriculture Diversification**

Despite low commodity prices, Madam Speaker, the Manitoba agriculture and agri-food sector continues to achieve significant success in diversifying and adding value to primary production.

To provide farmers with access to the capital necessary to diversify into more profitable commodities, we are extending the Diversification Loan Guarantee program. We are also contributing \$2.6 million to the Agri-Food Research and Development Initiative to help Manitoba's expanding agri-food industry develop new products.

In recent years, Manitoba's livestock industry has experienced very strong growth. Madam Speaker, to support this growth, I am pleased to announce that manure slurry tanks and lagoon liners for use in farm livestock operations will be exempt from retail sales tax from midnight tonight until December 31, 2000.

Our government is committed to providing safety-net programming that helps farmers overcome the risks inherent in agriculture.

In 1999-2000, we will provide over \$53 million in crop insurance related support to farmers. In addition, as part of our contribution

to the Agricultural Income Disaster Assistance program, we have committed up to \$62 million over two years to help Manitoba producers cope with depressed commodity prices. In total, Madam Speaker, Manitoba producers will have access to as much as \$155 million in assistance.

### **Mining, Oil and Gas**

Madam Speaker, the mining sector is a major employer, especially in the North. To ensure Manitoba's mineral extraction sector remains attractive, I am pleased to announce that the mining tax rate will be reduced from 20 percent to 18 percent of mining profits. Our government also will provide over \$9 million to encourage mining investment and exploration in Manitoba.

### **Let the Games Begin—A Celebration of the Spirit of Manitoba**

Madam Speaker, this year, we celebrate the spirit of Manitoba as we host numerous sporting events and activities. Because of our enormous success with the 1997 Canada Summer Games in Brandon, and the 1999 World Junior Hockey Championship, Manitoba has proven to be a prime location for national and international sporting events.

Manitobans are proud to host the Pan American Games this summer. With 5,000 athletes and thousands of visitors from 42 participating countries, the 1999 Games will be the largest celebration of sport and culture ever staged in Canada. The international exposure the Games provide is an opportunity for Manitoba to promote new economic and cultural relationships.

### **Manitoba's Savings Account—The Fiscal Stabilization Fund**

Madam Speaker, our government established the Fiscal Stabilization Fund in 1989 to act as a savings account for Manitoba's future. During this year's budget consultations, Manitobans told us that the fund must remain to provide protection against unforeseen developments. However, they also told us that they placed a higher priority on increased spending on health care and education than on increasing the balance of the province's savings account.

In 1999-2000, a \$185-million transfer will be made from the Fiscal Stabilization Fund to finance a number of priorities, including capital initiatives. This transfer will bring the balance of the fund to approximately \$226 million on March 31, 2000. Manitoba's savings account continues to be one of the key features of our fiscal strength.

### **1999-2000 Budget Plan**

Madam Speaker, the 1999 budget meets the priorities of Manitobans. This budget provides sustainable tax reductions. It directs significantly more resources to health care, education and services to children and families, and it makes a deposit to the Debt Retirement Fund.

Total regular expenditure in this budget is \$5.9 billion. This is a 5.7 percent increase over last year. Almost two-thirds of this increase is allocated for health, Madam Speaker.

Manitoba's total revenue is expected to be up \$309 million or 5.4 percent higher than in last year's budget.

In total, Madam Speaker, this budget invests significantly in Manitoba's future and projects a surplus of \$21 million.

### **The Medium-Term Plan**

Looking ahead, our Medium-Term Plan charts our fiscal course over the next four years. In doing so, Madam Speaker: it extends our string of consecutive balanced budgets to eight; it provides resources to pay down Manitoba's debt; and it continues support for priority social programs.

### **Building Our Vision for the New Century**

There are occasions where people naturally pause to reflect on their achievements and their goals. The last budget of a century, Manitoba's first full century, surely is such an occasion.

In a young province like ours, many of us have met the pioneers whose dreams led them to our beautiful province and whose hard work built the foundation of the Manitoba we enjoy today.

I am sure those early pioneers did not foresee all the advances in knowledge and technology we have at our disposal today.

They would not be surprised, however, that Manitobans now enjoy all the amenities of the most advanced societies in the world. This was their goal and they were confident it would be achieved.

\* (1510)

In the 20th Century, Manitoba took its place with the best in the world, and with our vision, hard work and the support of Manitobans, in the 21st Century, we will take the lead.

Our government's vision for Manitoba has been instrumental in building the confidence and the social and economic momentum that will make our children's future better and brighter than we can imagine today.

We brought the finances of our province under control, and we are lifting the burden of debt from the next generation.

But there is no room for complacency. To simply try to maintain the status quo would cause our province to slip into decline, bringing with it all that a decline entails. As new challenges arise, we must act decisively to meet them. Madam Speaker, this budget takes another important step to meet new challenges.

We are building a stronger future for our province by cutting taxes. This leaves more money in the hands of Manitobans, makes Manitoba's businesses more competitive, and creates more jobs. Balanced budgets mean our government can cut taxes even more in the future.

We are building a stronger future for our province by investing \$5.8 million each day to change health care for the better. Balanced budgets mean we can devote more funds to health care to ensure Manitobans have timely access to quality health care services.

We are building a stronger future for our province by renewing the education system and increasing education funding. We want our

children and young people to have the knowledge and skills they need to take full advantage of the opportunities the future holds. Balanced budgets mean we can devote more resources to equipping Manitoba's children and youth for the new economy.

The investments we make in our children, in our youth and in our province in the 1999 budget will guarantee a brighter future for all Manitobans. As the next century approaches, Manitoba stands ready to meet new challenges.

Thank you, Madam Speaker.

**Mr. Gary Doer (Leader of the Opposition):** I move, seconded by the member for Wolseley (Ms. Friesen), that debate be now adjourned.

**Motion agreed to.**

**Mr. Gilleshammer:** Madam Speaker, I move, seconded by the Minister of Natural Resources (Mr. Cummings), that this House, at its next sitting, will resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

**Motion agreed to.**

**Mr. Gilleshammer:** Madam Speaker, I move, seconded by the Minister of Justice (Mr. Toews), that this House, at its next sitting, will resolve itself into a committee to consider of Ways and Means for raising of the Supply to be granted to Her Majesty.

**Motion agreed to.**

### Messages

**Mr. Gilleshammer:** Madam Speaker, I have two messages from His Honour the Lieutenant Governor.

**Madam Speaker:** The Lieutenant Governor transmits to the Legislative Assembly of Manitoba Estimates of sums required for the services of the province for the fiscal year ending the 31st day of March, 2000, and recommends these Estimates to the Legislative Assembly.

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

**Mr. Gilleshammer:** Madam Speaker, I move, seconded by the Minister of Justice (Mr. Toews), that the messages together with the Estimates accompanying the same be referred to the Committee of Supply.

**Motion agreed to.**

\* \* \*

**Hon. Darren Praznik (Government House Leader):** Madam Speaker, I move, seconded by the honourable Minister of Rural Development (Mr. Derkach), that this House do now adjourn.

**Motion agreed to.**

**Madam Speaker:** This House is accordingly adjourned and stands adjourned until 10 a.m. tomorrow (Friday).



# LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, April 29, 1999

## CONTENTS

<b>ROUTINE PROCEEDINGS</b>			
<b>Ministerial Statements</b>		Brandon University L. Evans; McCrae	774
Taber, Alberta, Tragedy		Burntwood Regional Health Authority	
McCrae	767	Ashton; Stefanson	775
Friesen	767		
<b>Oral Questions</b>		Co-operative Housing	
		Cerilli; Reimer	776
<b>Health Care Facilities</b>		<b>Members' Statements</b>	
Doer; Stefanson	768		
<b>Venture Capital Funds</b>		Rural Forum 1999	
Sale; Tweed	770	Penner	777
<b>Leonard Doust</b>		Tribal Councils Investment Group	
Mackintosh; Toews	770	Lathlin	777
<b>Provincial Parks</b>		Employment Standards Code	
Struthers; Cummings	771	McAlpine	777
<b>Emerson Health Care Facility</b>		Swan Valley School Division	
Lamoureux; Stefanson	772	Drama Club Production	
<b>Metis Child and Family Service Agency</b>		Wowchuk	778
Wowchuk; Mitchelson	773		
<b>Urban Aboriginal Strategy</b>		<b>ORDERS OF THE DAY</b>	
Wowchuk; Mitchelson	773		
		<b>Budget Address</b>	
		Gilleshammer	779